

RESOLUTION 2021-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE ALASKA GASLINE DEVELOPMENT CORPORATION REGARDING STRATEGIC PLAN UPDATE

WHEREAS, on April 9, 2020, the Alaska Gasline Development Corporation (“AGDC”) Board of Directors authorized, approved, and confirmed the form and content of, and the performance of the plans and strategies contained in the Strategic Plan that addressed the Alaska LNG Project (“Alaska LNG”) and the Alaska Stand Alone Pipeline Project (“ASAP”) Project (the “Projects”);

WHEREAS, AGDC is currently the lead party of Alaska LNG;

WHEREAS, AGDC worked with numerous parties, pursuant to the Strategic Plan, to timely and successfully improve the economic viability and feasibility of Alaska LNG by reducing the estimated cost of the project by billions of dollars;

WHEREAS, AGDC now has in hand the final Environmental Impact Statement, the Federal Energy Regulatory Commission order authorizing construction, the U.S. Army Corps Clean Water 404 Permit, and federal rights of way;

WHEREAS, the Strategic Plan objectives included, by December 31, 2020, identifying a potential private sector lead party (“Strategic Party”) willing and able to replace AGDC as project sponsor in developing, financing and constructing all or part of Alaska LNG;

WHEREAS, AGDC has identified a Strategic Party fit, willing, and able to initiate and lead Phase I of Alaska LNG, inclusive of natural gas pipeline development, ownership and operation from Pt. Thomson to Prudhoe Bay to Fairbanks, Alaska;

WHEREAS, under terms of confidentiality and in Executive Session on February 4, 2021, the Board of Directors of AGDC (“Board”) reviewed the requirements of the Strategic Plan and heard AGDC officers and staff present information and data related to progress made in fulfilling the objectives and success path of the Strategic Plan;

WHEREAS, AGDC officer and staff presentations to the Board included an overview of AGDC’s work to date with the Strategic Party; a review of the Strategic Party’s financial strength and proposed financial commitment; the Strategic Party’s pipeline project development experience, capacity and competencies; and, AGDC’s assessment of the path forward with the Strategic Party as the potential private sector lead party for Phase I of the Alaska LNG Project, and potentially for all phases;

WHEREAS, the information presented to the Board demonstrates AGDC’s strong progress towards fulfilling the Strategic Plan since 2Q 2020, and further demonstrates that AGDC is on the success path of the Strategic Plan, having identified and recommended a Strategic Party to the Board for formal action;

WHEREAS, AGDC staff recommended that the Board of Directors of AGDC initiate working groups of the Board through the month of February to review and update the Strategic

Plan in light of Alaska LNG's current status by re-considering the Strategic Plan's baseline assumptions, updating the strategic roadmap through June 30, 2021, and potentially updating strategic objectives (it being intended that the work groups could result in further Board review and action); and

WHEREAS, AGDC staff recommended that the Board of Directors of AGDC authorize AGDC's continued engagement with the Strategic Party to gain sufficient alignment to transition to a new project sponsor;

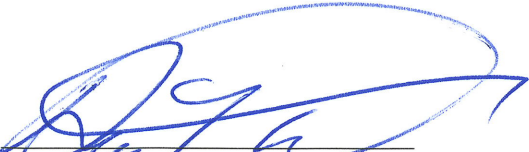
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Alaska Gasline Development Corporation as follows:

1. The Board finds that AGDC is on the success path of the Strategic Plan, and that a Strategic Party has been identified to be the lead private sector party for Phase I of Alaska LNG and that an open solicitation is not warranted at this time;
2. The Board will initiate a working group under the coordinated direction of the President with the purpose of evaluating whether updates should be made to the Strategic Plan. The working group will provide recommended Strategic Plan amendments, if any, to the Board by March 5, 2021.
3. AGDC, under the direction and supervision of the President, is authorized and directed to continue working with the Strategic Party to gain alignment towards transitioning to a new project sponsor. Generally, this activity is anticipated to include, without limitation:
 - a. Maintaining the viability of major permits and authorizations;
 - b. Fully defining terms, and agreeing to a substantial portion of such terms with the Strategic Party, to achieve a positive FEED Stage Gate transition;
 - c. Working with state agencies to address permitting and authorization issues for a successful FEED Stage Gate transition;
 - d. Interfacing with the Alaska Legislature, Governor's Office, the Alaska Congressional delegation, and, more broadly, the United States Congress, as required, to accomplish the goals of the Strategic Plan; and,
 - e. Conducting all in accordance with the mission of AGDC under AS 31.25.005 (e.g., delivering natural gas in-state for the maximum benefit of Alaskans, providing economic benefits in-state, etc.)
4. This Resolution shall take effect immediately.

PASSED AND ADOPTED THIS 4th DAY OF FEBRUARY, 2021.

**BOARD OF DIRECTORS OF THE ALASKA
GASLINE DEVELOPMENT CORPORATION**

By:



Chair, Douglas Smith