Senate Finance Committee Meeting

February 10, 2025

ALASKA GASLINE DEVELOPMENT CORP.

The Alaska Gasline Development Corporation (AGDC)

- Independent, public corporation owned by the State of Alaska (SOA)
- Created by the Alaska State Legislature

Mission

- Maximize the benefit of Alaska's vast North Slope natural gas resources through the development of infrastructure necessary to move the gas to local and international markets

Current Owner and Developer of the Alaska LNG Project

- Transitioning project to private ownership under qualified developers

Alaska LNG Overview

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North Slope Gas Supply

- 40 Tcf of gas reserves in PBU and PTU
- 122 Tcf of total “Proved Producing Reserves” in Alaska*
- Early Supply from Great Bear Pantheon

Arctic Carbon Capture (ACC)

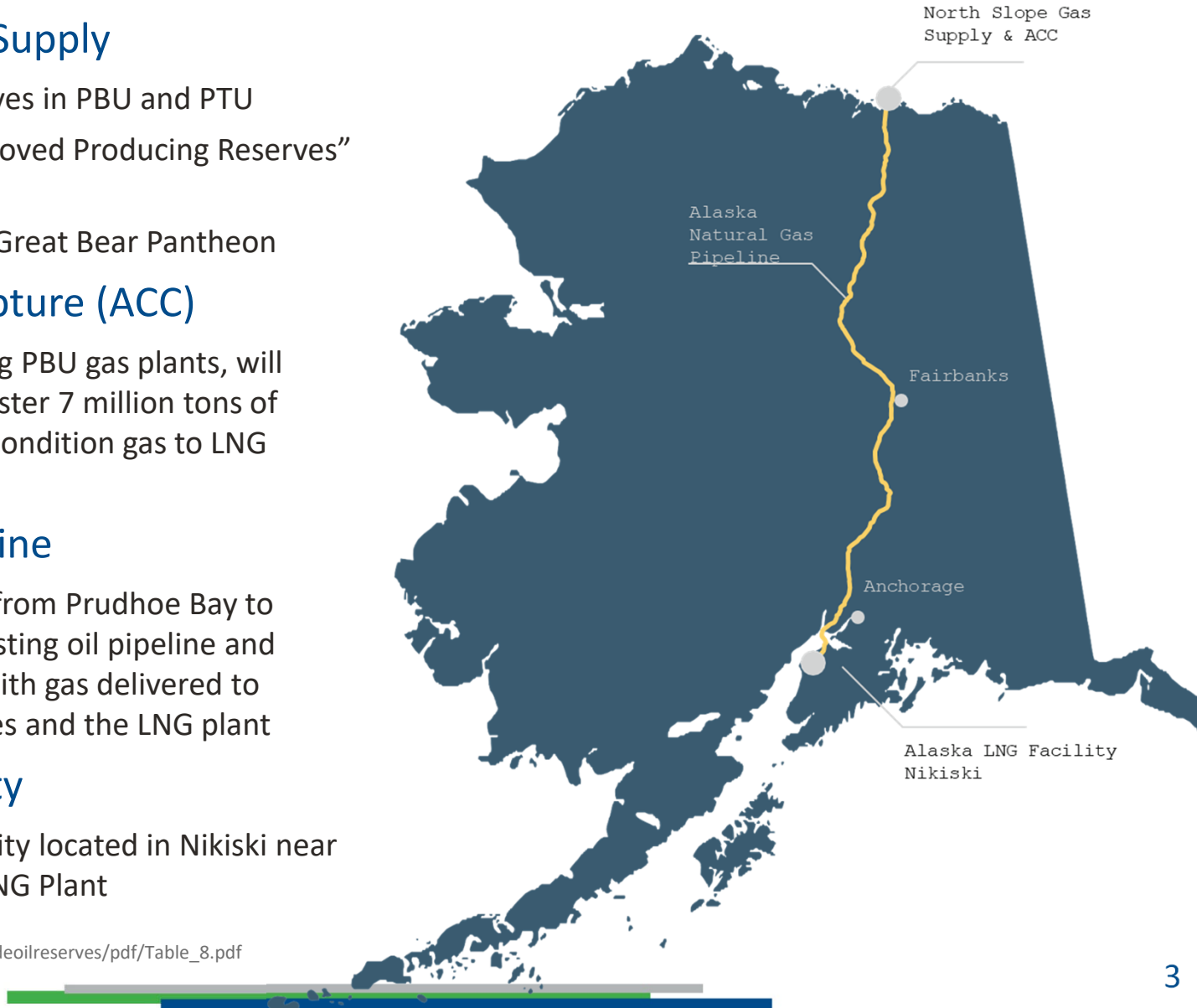
- Adjacent to existing PBU gas plants, will remove and sequester 7 million tons of CO_2 annually and condition gas to LNG specifications

Natural Gas Pipeline

- 807-mile pipeline from Prudhoe Bay to Nikiski, follows existing oil pipeline and highway system, with gas delivered to Alaska communities and the LNG plant

Alaska LNG Facility

- 20-MTPA LNG facility located in Nikiski near the legacy Kenai LNG Plant



*https://www.eia.gov/naturalgas/crudeoilreserves/pdf/Table_8.pdf

Phase 1 of Alaska LNG

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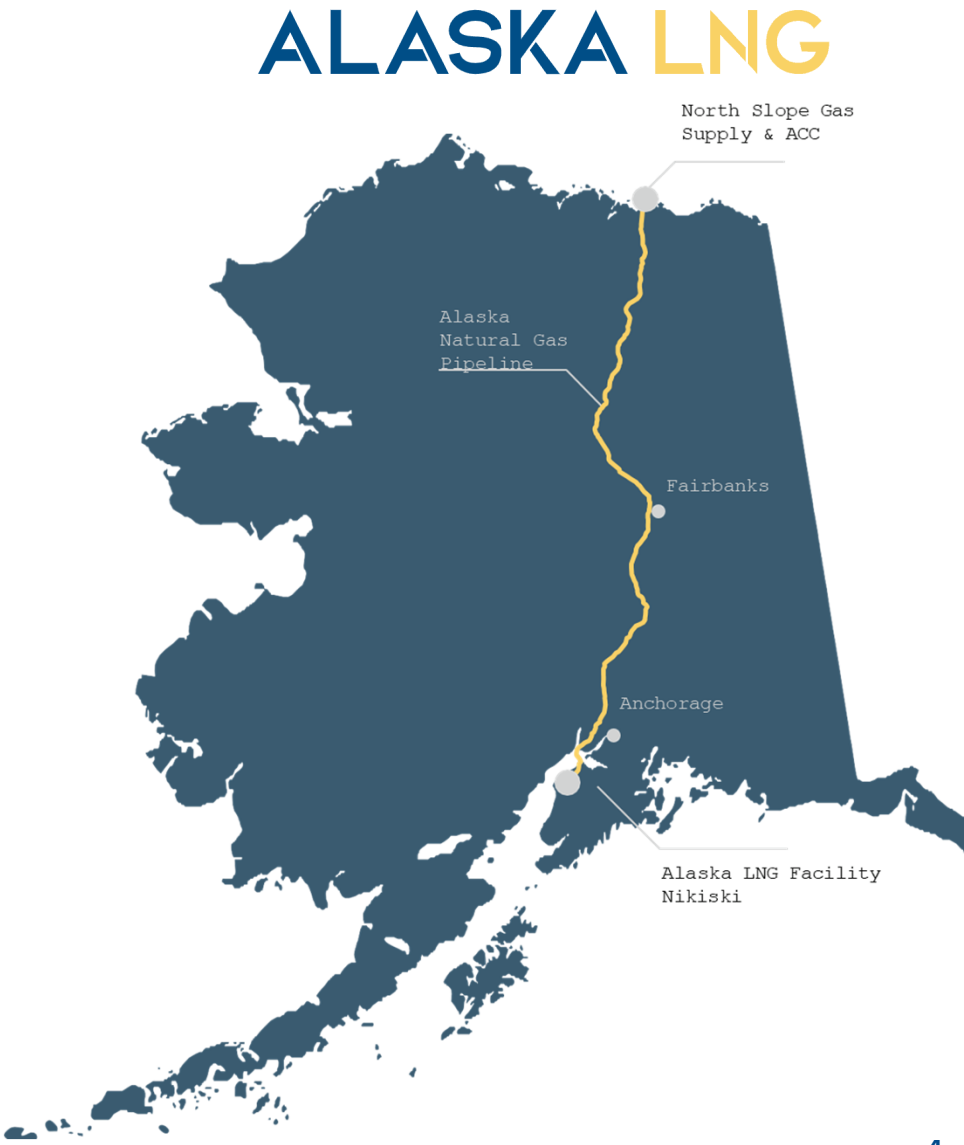
Alaska LNG is a **fully permitted** integrated $43.8 LNG export, pipeline, and gas treatment project

Phase 1 is the pre-build of the pipeline from the North Slope of Alaska to Southcentral Alaska – $10.8 bn

Phase 2 is the construction of North Slope gas treatment and LNG export facilities – $33 bn

By phasing Alaska LNG, Alaska can utilize existing permits to quickly provide gas for Alaskans and provide infrastructure for future LNG exports and industrial use



2024 Legislative Intent Language

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"It is the intent of the legislature that the Alaska Gasline Development Corporation continue to work towards meeting the critical energy needs of Alaskans by advancing a pipeline project proposal which would deliver North Slope natural gas to Alaska's utilities, businesses, and homeowners. Further, it is the intent of the legislature that the Alaska Gasline Development Corporation complete an independent third-party review of a project proposal that would commercialize North Slope gas and present that analysis to the legislature by December 20, 2024. **It is the further intent of the legislature that if analysis shows a positive economic value to the state, all parties would work toward Front End Engineering and Design for Phase 1 of a pipeline project**."

At the direction of the Alaska Legislature, Wood Mackenzie was contracted to complete an independent third-party economic assessment of the Alaska LNG Phase 1 Pipeline.

The analysis shows a positive economic value to the state.

Economic Value to the State of Alaska

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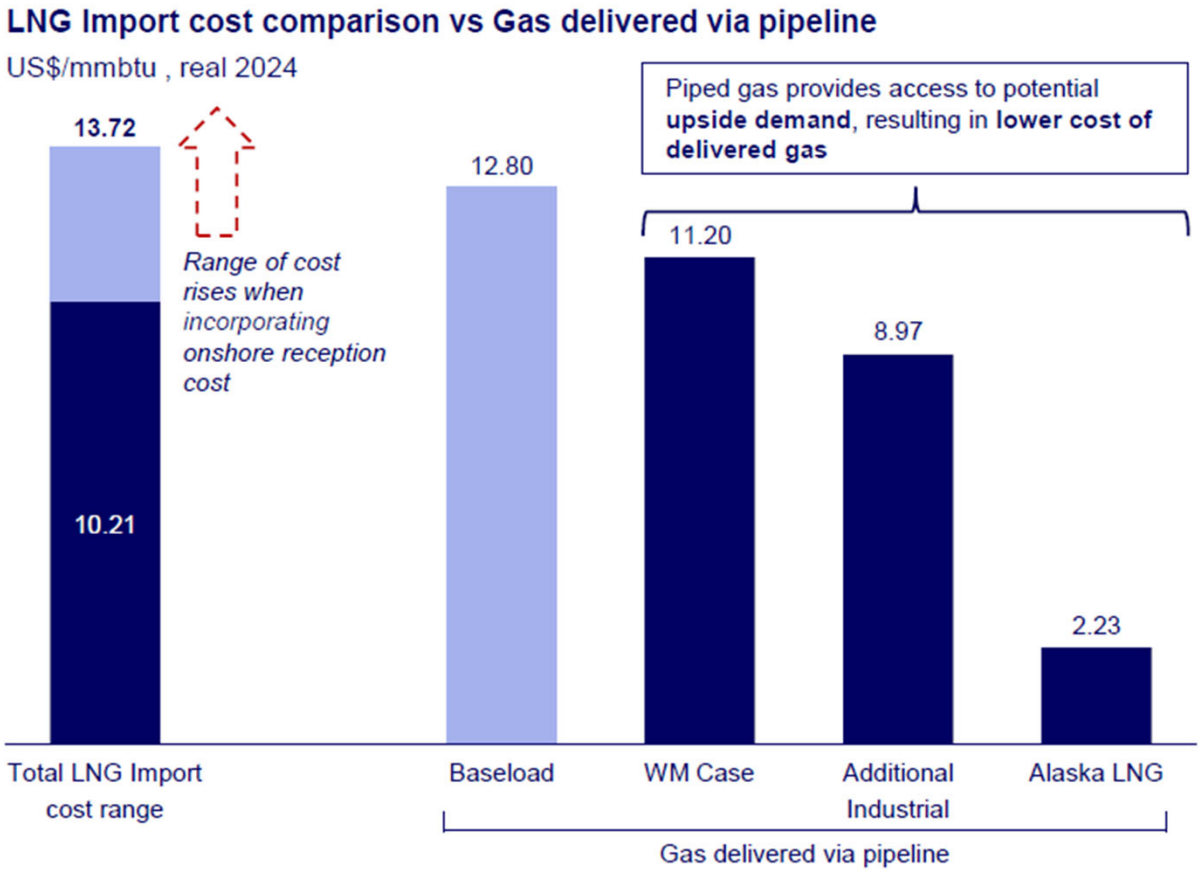
Wood Mackenzie Study

ALASKA GASLINE DEVELOPMENT CORP.

- At the direction of the Alaska Legislature, AGDC contracted with Wood Mackenzie to perform an independent third-party economic assessment of the Phase 1 gas pipeline
- Wood Mackenzie's key findings are:
  - The Phase 1 pipeline can match or beat the cost of imported LNG
  - The Phase 1 pipeline will create significant new jobs and economic activity in Alaska
  - Phase 1 increases the likelihood of full project success

Wood Mackenzie Analysis

The Wood Mackenzie Analysis shows that the Phase 1 pipeline can deliver gas at or below the cost of imported LNG with just domestic demand. As new Anchor Customers develop, Alaskans will benefit from lower cost energy.



Phase 1 Jobs

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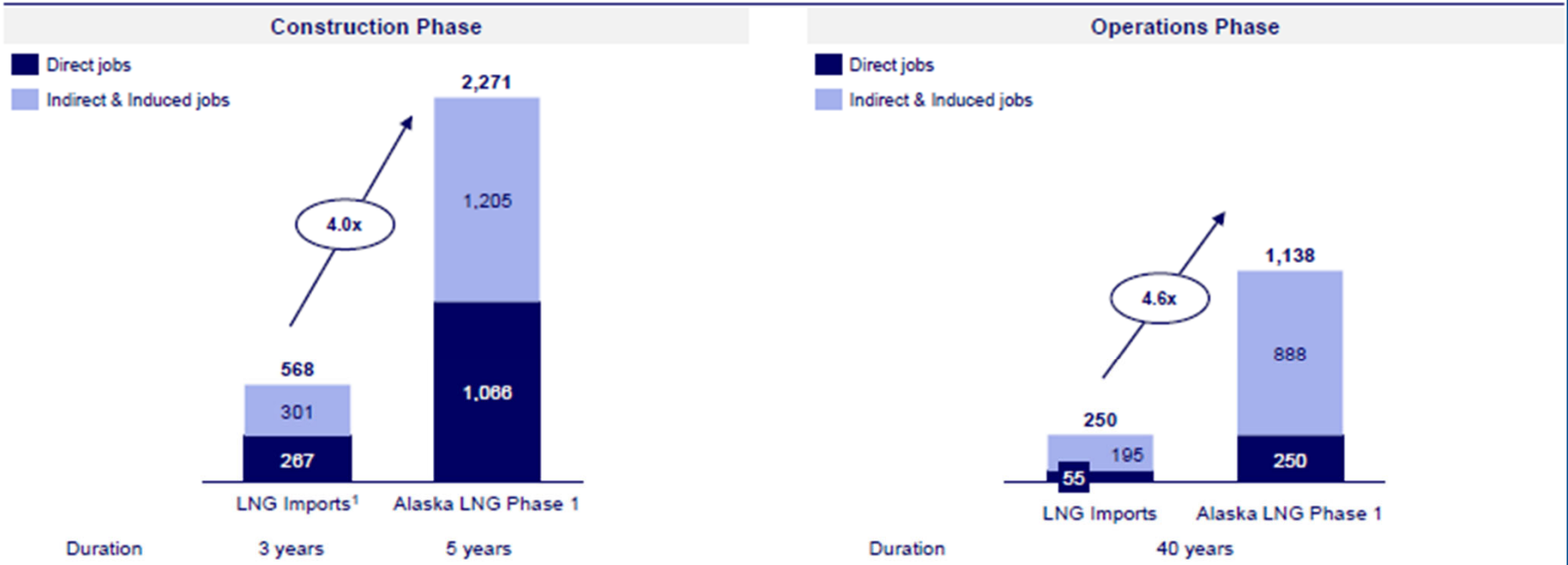
Economic Impact of LNG Pipeline Phase 1

Wood Mackenzie

The impact in jobs created from Alaska LNG Phase 1 is 4x larger than the LNG imports alternative mainly due to a larger in-State construction scope

Economic Impact Comparison – LNG Imports vs Alaska LNG Phase 1

Average jobs per year - Direct, indirect, and induced



Source: Wood Mackenzie and AGDC. 1. Refer to appendix for key assumptions

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Economic Impact

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Economic Impact of LNG Pipeline Phase 1

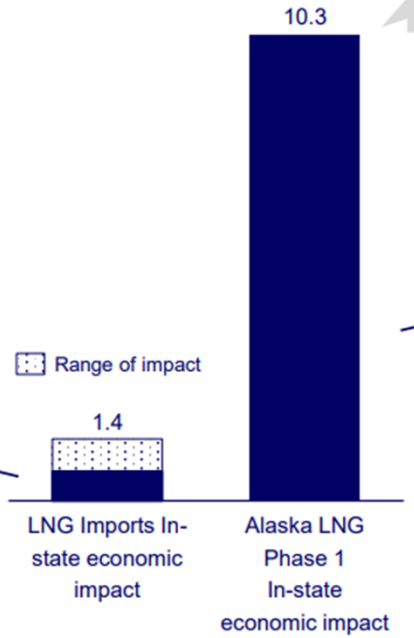
Wood Mackenzie

Economic impact for Alaska LNG Phase 1 is 7x – 10x larger than the LNG imports alternative with the additional benefit of potential lower gas cost via industry expansion and upside demand

Economic Impact Comparison – LNG Imports vs Alaska LNG Phase 1
GVA in US$ billion, 2024 Real

Phase 1 costs are **offset** by roughly equivalent **economic impacts**

- Marginal FSRU capex considered as only requiring setting up – construction done elsewhere
- No upside for gas demand outside of current baseload consumption
- Impact mainly considering:
  - Dock construction
  - FSRU and dock required labor
  - Local services and materials suppliers
  - Local businesses stimulated



- Pipeline construction related activity and capital spend directly impacting Alaska economic activity
- Lifetime operational expenditure
- Government revenue from project's corporate taxes
- Government take from upstream gas monetization
- Upside for gas demand (additional industrial) and Fairbanks gas switch from higher emissions fuels

Source: Wood Mackenzie

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Economic Impact

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Economic Impact of LNG Pipeline Phase 1

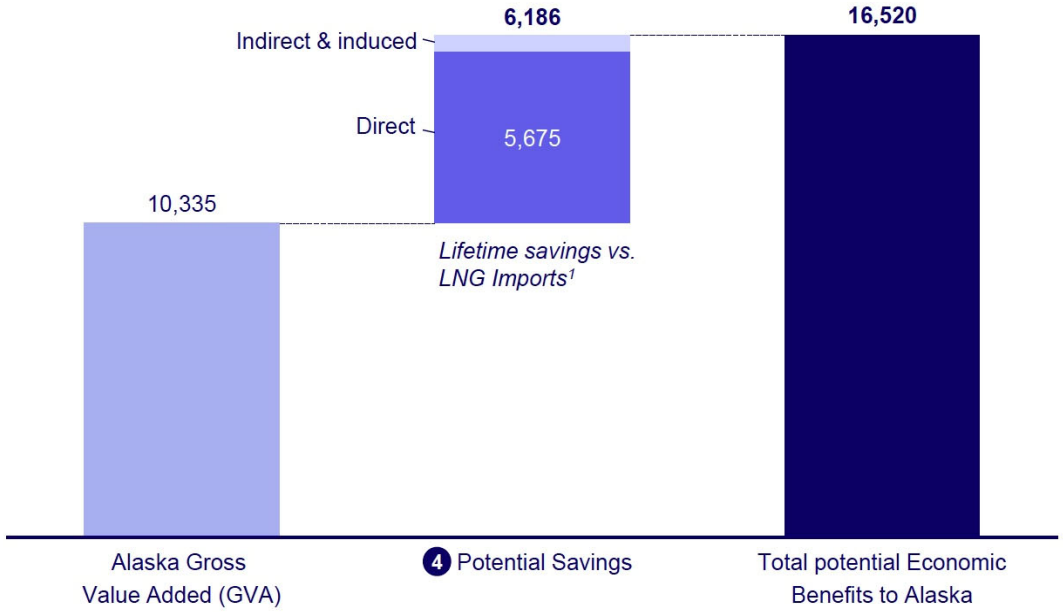
Wood Mackenzie

With potential implied savings (compared to LNG imports) economic benefits to the state add up to ~US$ 16.6 Bn

- Gas via pipeline has additional economic benefits over the long term:
  - Lifetime **savings** from the **baseload** supplied via Pipeline, compared to LNG add up to **~US$ 5.7 billion**
  - Savings going back into the economy would also generate indirect and induced impact
  - The pipeline provides potential upside for gas demand and industrial activity
  - Overall potential impact to the state of Alaska is estimated at ~ **US$16.5 billion** or 2.8x in-state capex

Total Economic Impact Estimated for Alaska LNG Phase 1

US$ million, 2024 Real



Source: Wood Mackenzie, AGDC, the Perryman Group; 1. Considers WM Case Scenario, high-end cost of LNG imports and grossed up with the construction economic multiplier (as proxy)

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Developer-Led Project

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Evolution to Private Developers

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2013 – 2016

Producer-Led

Producers provided initial scoping and engagement—important demonstration of *producer* support

2017 – 2022

State-Led

State-led initial design, permitting, and authorization—important demonstration of *state* support

2023 – Onward

Developer-Led

Transition to world-class private parties for construction and operations

Equity Offer for Investors

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AGDC is raising development capital to take Alaska LNG to Final Investment Decision (FID)

- Alaska LNG is an attractive investment:
  - Best economics of any North America project
  - Has all major permits
  - Beneficial equity terms
  - Local support

AGDC equity offer highlights

- Majority ownership and control of Alaska LNG in exchange for:
  - Funding development costs to FID
  - Commitment to move Alaska LNG forward on fast timeline
  - Preferential in-state gas supply
  - Opportunity for Alaska to invest

Introduction to Glenfarne

ALASKA GASLINE DEVELOPMENT CORP.

Glenfarne Mission and Vision

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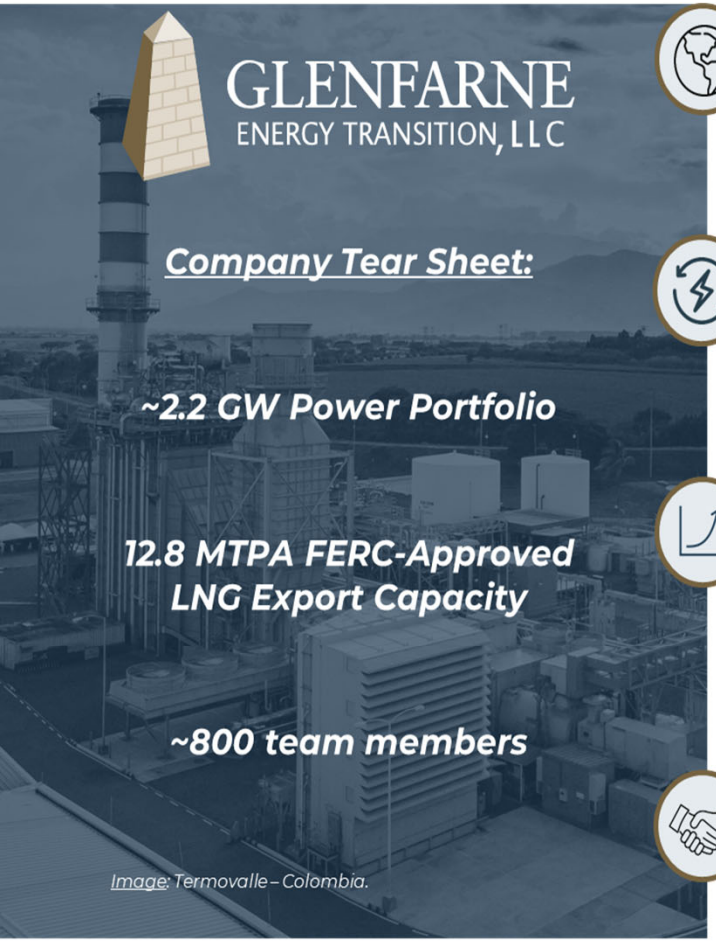

Glenfarne is a global energy transition specialist that is guided by its core mission and vision.

Mission: To realize the potential of the world's energy transition.

Vision: Responsibly grow our renewables, grid stability, and flexible fuels businesses to provide economically viable solutions to our communities and customers to realize the potential of the world's energy transition.

Glenfarne believes that its core competence is its ability to develop local platforms in end markets (by leveraging assets, knowledge and relationships), built around a core understanding that the market's energy transition journey will be driven by the interaction of domestic gas and global LNG.

Glenfarne at a Glance

ALASKA GASLINE DEVELOPMENT CORP.

Renewables
417 MW[1]
35 Renewable Assets[1]

~2.2 GW Power Portfolio

Grid Stability
1.8 GW
14 Grid Stability Plants

Gas Infrastructure
12.8 MTPA[2] LNG Exports

STABLE U.S. GAS RESOURCE BASE | **"HERE AND NOW" ENERGY TRANSITION** | **HIGH-GROWTH EMERGING MARKETS** | **LOCAL FOCUS & GLOBAL CAPABILITIES**

1. Includes 68 MW of Solar PV under construction.
2. FERC-approved capacity.

Glenfarne Term Sheet

ALASKA GASLINE DEVELOPMENT CORP.

This Term Sheet memorializes certain obligations and key timeframes for the Alaska LNG Project, with key milestones for phased project development and the overall goal to have the project constructed and operational by 2030, and through which Glenfarne will:

1. Commit to capitalize the project in sufficient amounts to fund and resource the successful development of the project to FID of each subproject
2. In return for project leadership and investment in project development, obtain a 75% equity position across the 8 Star structure, while carrying AGDC's 25% equity to FID
3. Achieve agreed milestones to:
    i. Enter Front-End Engineering Design (FEED) on the Phase 1 pipeline ($50 m)
    ii. Market sufficient volumes and prepare for FEED on the gas treatment and LNG plants
    iii. Enter FEED on Phase 2 LNG exports ($100 m)

FEED Backstop and Phase 1 Development

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Alaska LNG Corporate Structure

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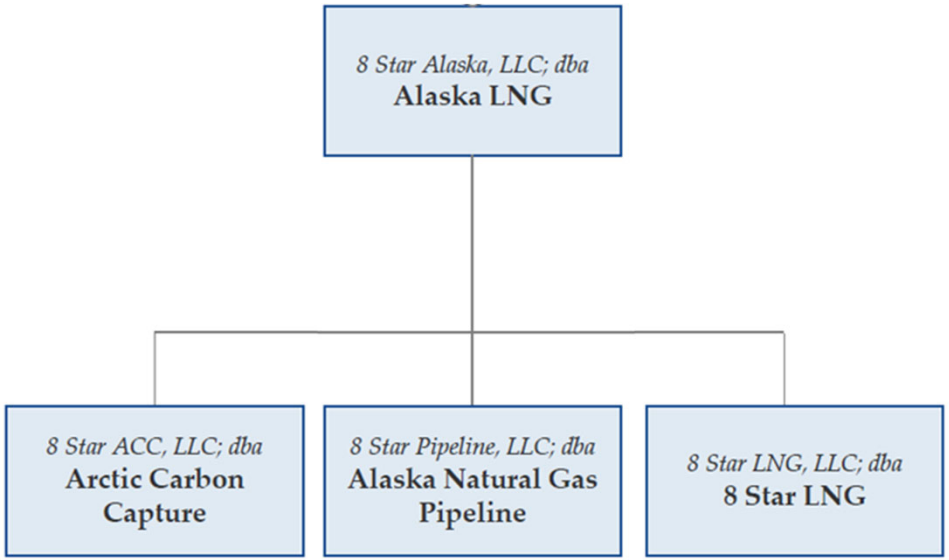
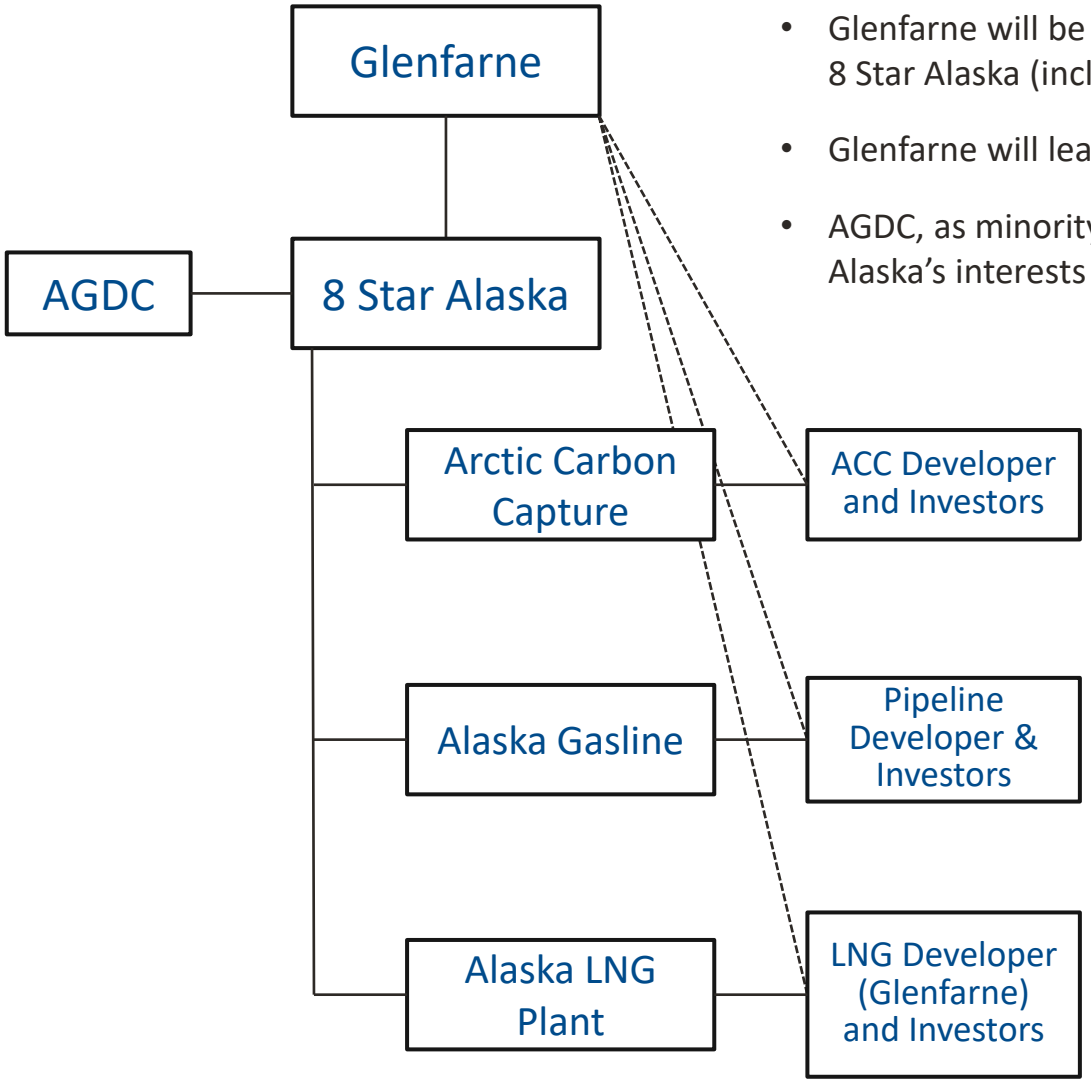
AGDC will use the project company 8 Star to hold Alaska LNG assets, raise capital, and provide collateral to AIDEA

- AGDC is a state-owned corporation and cannot sell or transfer ownership shares of itself
- AGDC created "8 Star Alaska, LLC" (8 Star) as the vehicle for bringing in third-party investment and control of Alaska LNG
- All Alaska LNG assets (permits, rights-of-way, agreements) are held by 8 Star
- Project components are structured to allow separate economics at the project level while holding the integrated permits at the 8 Star level



Glenfarne Ownership Structure



- Glenfarne will be the majority owner and manager of 8 Star Alaska (including Alaska LNG and Phase 1)
- Glenfarne will lead project development
- AGDC, as minority owner, will represent the State of Alaska's interests

- For each subproject, including Phase 1, Glenfarne will have the right to partner with third-party developers and investors
- These partners will fund and develop the individual subprojects under the management of Glenfarne
- The first stage of funding is FEED
- The next stage gate is FID
- The State of Alaska will have the right, **but not the obligation**, to invest up to 25% of construction costs

Understanding FEED

"FEED" is the final step before Final Investment Decision (FID) and construction can start

FEED is a technical term used in the oil and gas industry for the final stage before an FID & construction

FEED stands for "Front-End Engineering Design"

FEED produces a final cost estimate and construction contracts ready to be executed

FEED Backstop Timeline

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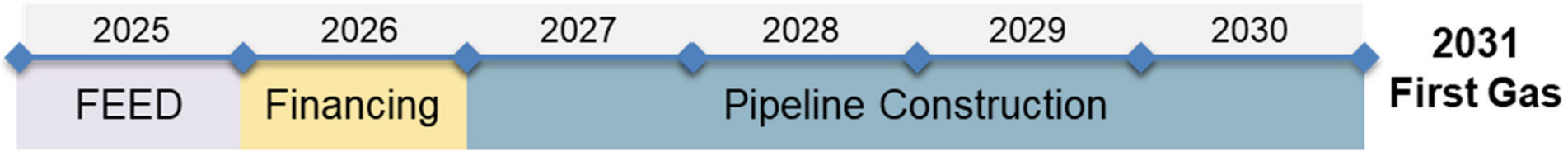
1. December 4: AIDEA Board Resolution authorizing AIDEA Executive Director to negotiate and execute binding agreements
   - Resolution ONLY applies to Phase 1 FEED (up to $50 m).
   - There is NO state backstop requested or proposed for Phase 2 FEED (up to $100 m)
2. After AIDEA Resolution:
   - Finalize and sign Phase 1 FEED backstop agreements: AIDEA, AGDC & Developer
3. Upon execution of FEED Agreements:
   - Pipeline FEED subcontractor commences work to update FEED Scope of Work and Budget at their own expense
4. Within 120 days of execution of FEED Agreements:
   - Parties commence Phase 1 FEED

Actions to Build Phase 1 Pipeline

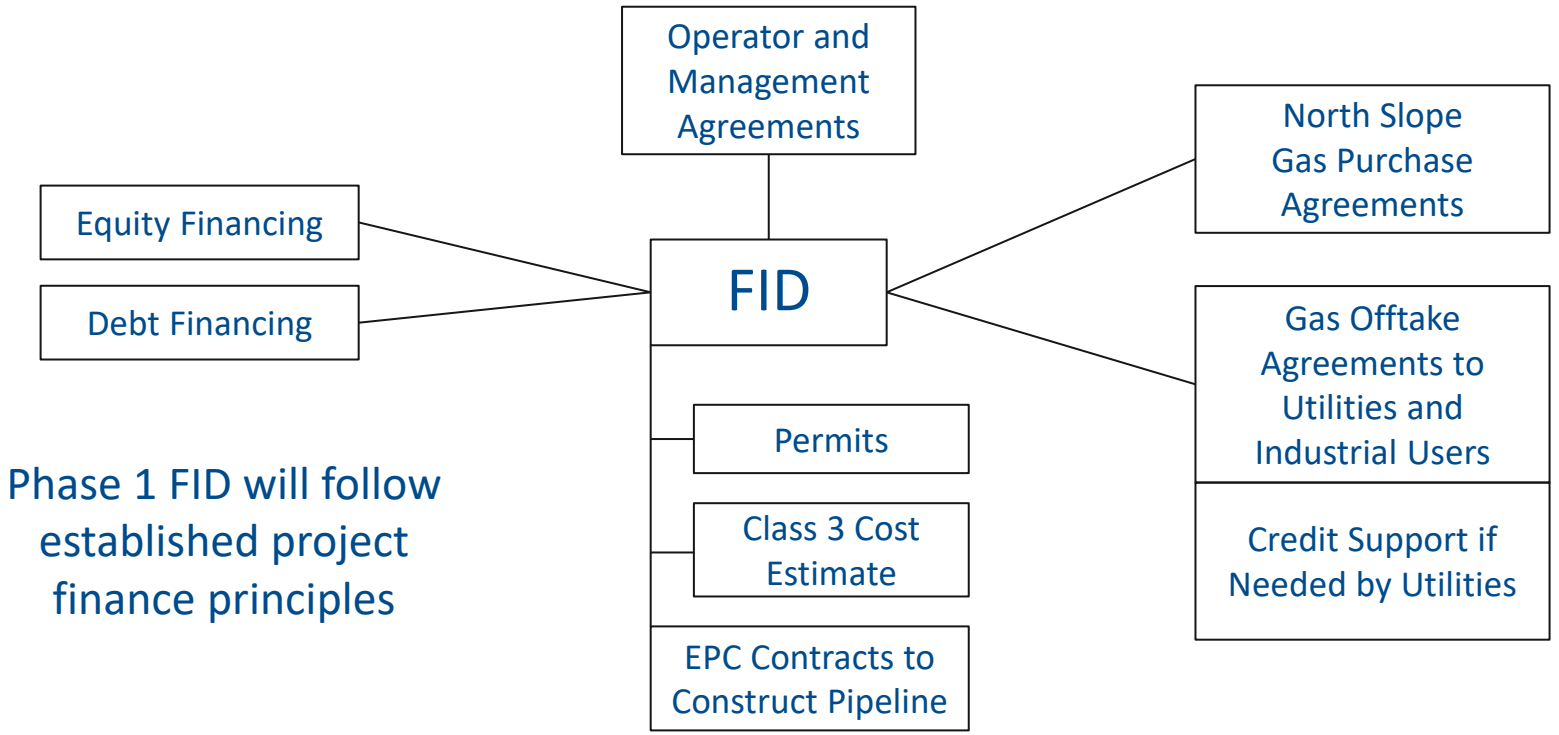


- ❑ Execute FEED Backstop Agreements and $50 million FEED backstop from AIDEA (in progress)
- ❑ FEED generates final cost estimate and construction contracts
- ❑ Enter into agreements with Alaska utilities for long-term gas supply
- ❑ Raise debt and equity financing
- ❑ Final Investment Decision – Start construction

Conditions to Enter FID

FID occurs when all commercial agreements needed to underpin financing are in place and all debt and equity capital necessary to fund the entire project construction is fully committed.

FID is not simply a "decision" to build—it requires full construction funding committed and deployed by third parties.



Phase 1 FID will follow established project finance principles

North Slope Gas Supply

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Preferred Gas Supply: Great Bear Pantheon

Accelerates project and lowers Alaska energy costs

These fields are still in development, so back up supply agreements from Prudhoe Bay and Point Thomson are required

<$1.00 per MMBtu

- Cheaper to supply gas to pipeline than reinject
- Price to be reduced based on cost-savings

Low-Cost Access

- No CO_2 removal
- Adjacent to pipeline, no new infrastructure needed

"Back Up" Gas Supply: Producing North Slope Fields

These fields are currently producing gas but will have a higher price and require additional infrastructure

Prudhoe Bay

- Largest gas field in North America
- Needs gas treatment to remove CO_2

Point Thomson

- Selling gas unlocks liquids production
- Requires new 63-mile pipeline

Satellite Fields

- Endicott and North Star
- Needs gas treatment to remove CO_2

Role of AGDC

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Transition to Lead Party

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Key Milestones:

- Pre-Definitive Agreements:
  - AGDC is leading and funding Alaska LNG Project development
- Pre-FID:
  - Lead Party assumes 75% equity in 8 Star upon signing Definitive Agreements and is responsible for funding all project development costs to FID
- Pre-FID:
  - The State's equity in 8 Star is carried at 25% to FID and AGDC is responsible for project transition functions
- Post-FID:
  - The State has the option, but not the obligation, to invest in up to 25% of capital to construct the Alaska LNG subprojects with AGDC representing the State's interest

Transition to Lead Party

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ROLE	Pre-Definitive Agreements					Pre-FID (FY26-FY27)					Post-FID (FY28 forward)				
R A C I	Project Leadership	Development Funding	Technical	Commercial	State Equity (100%)	Project Leadership	Development Funding	Technical	Commercial	State Equity (25%)	Project Leadership	CAPEX/OPEX Funding	Technical	Commercial	State Equity (TBD)
AGDC	A	A	A	A	A	C	I	R	R	A	I	A	I	I	A
Lead Party	C	C	C	C		A	A	A	A		A	A	R	R	

Definitive Agreements Executed (8 Star)

Final Investment Decision (FID)

Legend	R Responsible	A Accountable	C Consulted	I Informed

“America’s Gasline”

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National Priority, Local Benefits

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Alaska LNG benefits from strong federal, state, and local support:

- *Robust Federal Support:*
  - Two presidents, unified delegation
  - Executive Order "*Unleashing Alaska's Extraordinary Resource Potential*"
- *Uncommon State Support:*
  - Three governors
  - Business leaders
  - Alaska Native support
  - Leading labor voices

Bloomberg

Trump Vows Long-Delayed Alaska LNG Export Project Will Be Built

Ari Natter & Ruth Liao
Nov. 8, 2024, 7:58 PM EST

FAIRBANKS Daily News-Miner
a company of The Helen Snedden Foundation, a nonprofit corporation

Biden administration backs Alaska LNG in new environmental study

Linda F. Hersey Jul 1, 2022 Updated Jul 13, 2022

Poll Results: What do Alaskans Want?

- **87% of residents support the construction of a natural gas pipeline for in-state use and export**
- High level of support (59%) for state incentives to private companies and utilities to identify and pursue projects to ensure energy deliverability

Cook Inlet Gas Shortage – Legislative Options to Address the Issue
House Resources Hearing, March 24, 2024

Rapidly Intensifying Market Interest

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- Last week officials from Japan, South Korea, and Taiwan signaled intensifying interest in Alaska LNG through direct investment, long-term purchase agreements, or both
- Accelerating commercial interest adds to project momentum

Reuters

Exclusive: Japan weighs Alaska LNG pipeline pledge to win Trump's favour

By Tim Kelly, Yukiko Toyoda and John Geddie

January 31, 2025 11:08 AM EST · Updated 6 days ago

Since 1983

BUSINESSKOREA

South Korea to Import 7 Million Tons of U.S. LNG Annually in Strategic Energy Shift

"The construction of a terminal on the West Coast or in Alaska could significantly reduce these costs, making U.S. LNG a more viable option."

台灣英文新聞

Taiwan News

VOICE OF THE PEOPLE · BRIDGE TO THE WORLD · ESTABLISHED IN 1949

Taiwan state oil group turns to Alaska for natural gas supplies

Increased imports will cut trade surplus with US

Feb. 6, 2025 15:16

FY 2026 Budget Request

ALASKA GASLINE DEVELOPMENT CORP.

FY26 Operating Budget Request

ALASKA GASLINE DEVELOPMENT CORP.

FY26 Operating Budget Request (in thousands of dollars)	
Personal Services	$1,888.0
Travel	$47.1
Services (Contracts)	$1,171.8
Commodities	$40.0
Total GF Request	**$2,487.5**

FY25 Operating Budget was one-time only, as is this request

FY26 Capital Budget Request

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$4,200.0 General Fund Request – Provides funding for:

- Technical and Legal expertise needed for development of agreements/ contracts with investor(s), utilities, base industrial customers, gas purchase and gas sale agreements
- Expertise to work with Department of Energy on the establishment of loan guarantees
- Maintain compliance and secure data management systems, geographic information systems capabilities, and stakeholder databases
- Keep permits current and interface with State of Alaska and federal regulators ranging from water quality, culture resources, material sites, and highway use agreements
- Payment of permit fees and lease costs
- Support AGDC's role as minority owner representing the State's interests during FEED with technical, regulatory, and project management expertise

AGDC.us

ALASKA GASLINE DEVELOPMENT CORP.

AGDC Common Acronyms

ACC	Arctic Carbon Capture
AFN	Alaska Federation of Natives
AGDC	Alaska Gasline Development Corporation
ANCSA	Alaska Native Claims Settlement Act
ANVCA	Alaska Native Village Corporation Association
AOGCC	Alaska Oil and Gas Conservation Commission
Bbl	Barrel
Bblsd	Barrels per Day
Bcf	Billion Cubic Feet
Bcfd	Billion Cubic Feet Per Day
BLM	Bureau of Land Management
CCS	Carbon Capture and Sequestration
CO_2	Carbon Dioxide
CO_2E	CO_2 Equivalent
DOE	Department of Energy
EA	Environmental Assessment
EIS	Environmental Impact Statement
EPC	Engineering, Procurement & Construction
FEED	Front End Engineering Design
FERC	Federal Energy Regulatory Commission
GTP	Gas Treatment Plant
HH	Henry Hub
Kbblsd	Thousand Barrels per Day
LNG	Liquefied Natural Gas
LOI	Letter of Intent
m^3	Cubic Meters
MMBtu	Metric Million British Thermal Unit
MT	Metric Tons
MTPA	Million Tonnes Per Annum
NETL	National Energy Technology Laboratory
NPR-A	National Petroleum Reserve - Alaska
ROW	Right-of-Way
TAPS	Trans-Alaska Pipeline System
Tbtu/yr	Trillion British Thermal Units per Year
Tcf	Trillion Cubic Feet
TPA	Tonne per Year