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October 9, 2015

Ms. Leah Levington
External Affairs Coordinator
Alaska Gasline Development Corporation
3201 C Street, Sixth Floor
Anchorage, AK 99503

Written Questions about Proposed AGDC Confidentiality Regulations

Dear Ms. Levington,

ExxonMobil believes its interests are affected by the proposed Alaska Gasline Development Corporation (AGDC) confidentiality regulations. Please accept our written questions attached to this letter

We look forward to the answers provided by AGDC.

Regards,

A handwritten signature in black ink, appearing to read "W. A. McMahon".

Attachment

AGDC Confidentiality Regulations

ExxonMobil General Questions

1. The Heads of Agreement (HoA) for the Alaska LNG Project (AKLNG), signed by the State of Alaska in January 2014, was based on the intention of State of Alaska (State) participation in AKLNG on equal footing with ExxonMobil, BP and ConocoPhillips. How are the proposed AGDC confidentiality regulations consistent with this approach?
2. A participant in AKLNG will need the ability to enter into a broad range of confidentiality agreements and agreements containing confidentiality provisions, to participate in all aspect of AKLNG. Given the limitations of the proposed regulations, is the State considering the use of a different public entity to hold its interest in AKLNG?
3. In general, please explain the need, rationale and purpose for these regulations?
4. HB 4, as amended, provided AGDC will the ability to enter into confidentiality agreements to support its involvement in the AKLNG project, which have enabled AGDC to participate, to date, on an equal footing with the other AKLNG participants. Why now is AGDC proposing to limit its rights under existing law to its own detriment?
5. Why don't the proposed regulations take into account the advantage of the confidentiality authorizations provided to AGDC under SB138?
6. Has AGDC considered the harm to AGDC and the other AKLNG participants that will be caused by granting universal open access to the details of all of AGDC's agreements, including the agreements related to AKLNG? Has AGDC considered the difficulty this access will cause in negotiating, contracting and advancing claims?
7. If commercially sensitive LNG marketing information is made public, this may impact the competitive advantage the AKLNG participants may have in the LNG market. Has AGDC considered the potential competitive harm and disadvantage to the AKLNG participants if commercially sensitive LNG marketing information is made public?
8. Do the following Alaska public corporations publicly disclose their commercial agreements?
 - Permanent Fund Corporation
 - Alaska Industrial Development and Export Authority
 - University of Alaska
 - Alaska Aerospace CorporationWill the statutes creating these Alaska public corporations also be supplemented by passing regulations making their commercial contracts public?
9. Why do the proposed regulations expressly prohibit an agreements' terms and conditions from being held as confidential?

ExxonMobil Section by Section Questions

10. Under part (b) of “Confidentiality agreements” is a “contract . . . to protect the confidentiality of any information” limited to contracts that are solely for that purpose?
11. Why limit the protection of AGDC information to the narrow categories of information that may be protected by confidentiality? What is the rationale/purpose behind such limitations?
12. Is the Boards’ potential waiver of AGDC “trade secrets” subject to the confidentiality provisions of the agreements under which AGDC acquired those “trade secrets”?
13. Under part (a), (b) and (c) of “Consideration of confidential information”, what is meant by “may or must” keep confidential?
14. Under part (b) of “Consideration of confidential information”, is the Board bound by confidentiality provisions in the agreements AGDC enters into and how can the Board “authorize” the disclosure of confidential information belonging to a third party?
15. Under part (a) of “Limits on and review of confidential information”, who determines if disclosure of a third party’s information will cause that third party “commercial or competitive harm” to the third party owning the information?
16. In general, who determines under part (a) of “Confidentiality Agreements” that the information belonging to third parties meets one of the 6 described categories? Will AGDC and the State indemnify third parties if AGDC does disclose confidential information meeting one of those 6 categories?
17. In part (a) “Limits on and review of confidential information” why is there a presumption that information obtained by AGDC from a third party is not confidential and is therefore subject to an open records request? Also, please explain what is meant by “absent clear indication or demonstration to the contrary”? What needs to be made “clear” and who needs to “demonstrate to the contrary”?
18. In part (a) “Limits on and review of confidential information” if under the any of the “confidentiality agreements of the corporation” information in possession of the corporation would be confidential will this be a “clear indication” that such information is confidential?
19. In part (b) of “Limits on and review of confidential information”, will the third parties who have disclosed information to AGDC be involved in the review of their information provided to AGDC to make the determination of whether it is confidential and not subject to an open records request?
20. In part (b) of “Limits on and review of confidential information”, please explain how the “committee” will make the determination as to whether a third party’s information is confidential? Will the “committee” be bound by the terms of the agreements signed by AGDC with such third parties in making that determination?
21. In part (c) of “Limits on and review of confidential information”, please explain how the “President” will determine if the “need for confidentiality no longer exists”? Will the “President” make the determination as to whether there is no longer a need to keep a third party’s information confidential? When the “President” periodically evaluates confidential information for potential public release and that information is

subject to confidentiality, would approval by the parties to those agreements be obtained prior to public release?

22. Will the "President" consult and agree with the relevant third party that the "need for confidentiality no longer exists"? Will the "President", in making the determination that "need for confidentiality no longer exists" be bound by the terms of the agreements signed by AGDC with such third parties in making that determination?
23. If there is a conflict between agreements containing confidentiality obligations and the provisions of the regulations, which one controls? Is AGDC going to provide a copy of the Regulations to each third party it does business or seeks to do business?
24. Can you please explain the rationale behind AGDC making all Board approved contracts publicly available? Has AGDC asked third parties with whom AGDC would like to enter into contracts with, if the third parties would enter into such contracts knowing that the terms and conditions of those contracts would become public?
25. Will these Regulations apply to both contracts where AGDC is purchasing a product or service, and contracts where AGDC may be selling a product or service?
26. Will these Regulations apply to contracts proposed to be entered into with the State itself?
27. Will the Regulations apply to contracts entered into by a Joint Venture in which AGDC has an ownership interest whether or not those Joint Venture contracts need to be approved by the AGDC or its Board?