



GLENFARNE
ALASKA LNG, LLC

ALASKA LNG

HOUSE FINANCE COMMITTEE UPDATE

May 11, 2026

Major Alaska Benefits

- 01 Energy Security for Generations
- 02 The Only Path to Low-Cost Energy for Families, Businesses & Government
- 03 Hundreds of Millions in Annual State & Local Taxes & Royalties
- 04 Thousands of High-Paying Construction & Operations Jobs
- 05 Unprecedented Growth Opportunity: Mining & Data Centers
- 06 Cleaner Air



Comparing Alaska's Energy Options

ALASKA LNG

- Energy Security
- Low-Cost Energy
- \$800+ Million New Taxes/Royalties
- Economic Growth
- Rural Energy Funding
- 12,000 Jobs
- Cleaner Air
- 80% Public Support

LNG IMPORTS

- Energy Security
- Low-Cost Energy
- \$800+ Million New Taxes/Royalties
- Economic Growth
- Rural Energy Funding
- 12,000 Jobs
- Cleaner Air
- 80% Public Support

COOK INLET

- Energy Security
- Low-Cost Energy
- \$800+ Million New Taxes/Royalties
- Economic Growth
- Rural Energy Funding
- 12,000 Jobs
- Cleaner Air
- 80% Public Support

Tax Incentives Across the United States

PILT and property tax reforms are commonly used across the country to enable large infrastructure projects and attract investment:

TEXAS Cities & counties pair 100% property tax abatements with PILT agreements — the most analogous to the Alaska proposal

LOUISIANA 10-year property tax exemption (80–100%) with no PILT requirement; parish agreements for flexibility

NEW JERSEY PILT agreements under the Long-Term Tax Exemption Law for designated redevelopment zones

OKLAHOMA 5-year property tax exemptions with state reimbursement to local jurisdictions

TENNESSEE Industrial dev. boards facilitate PILT agreements by acquiring and leasing back property

SOUTH CAROLINA FILOT (Fee in Lieu of Taxes) negotiated between companies and counties with reduced rates

Alaska vs. Competing LNG Projects⁽¹⁾

	A	B	C
	Jurisdiction	Property Tax Treatment	Annual Tax Burden
1	US Lower 48 (LA, TX)	10-year exemptions; PILT Agreements	\$0–1M/year
2	US (Cove Point, MD)	PILT with 42% reduction after 5 years	~\$50M → ~\$29M
3	Canada (LNG Canada)	Large suite of fiscal incentives	\$10–30M/year
4	Russia (Yamal)	12-year holiday, 2% thereafter	\$0 first 12 years
5	Nigeria LNG	10-year tax holiday	\$0 first 12 years

Globally, fiscal incentivization is the norm. Tax holidays and reductions in early project years are standard practice to attract capital investment, enable large-scale infrastructure.

Source:

1. Gas Strategies global benchmarking, AGDC Lunch & Learn 2022.

Alaska's Oil & Gas Property Taxes Have Long Been a Problem

Independent Analysis:

- Gas Strategies (2020)
- Wood Mackenzie (2022)
- GaffneyCline (2025)

Property Tax Impact

- Due to pipeline implementation have a economic impact
- It is common to have holiday taxes/
- Thus, Alaska potentially
- At \$1/MMBtu gas supply
- If the price is high
- Consider in lieu of



Benchmarking with global projects gives insight into the support measures competing projects are receiving

- Fiscal incentives are the norm. Tax breaks generally benefit upstream
- Upstream revenues are separated
- Fiscal stability is typically not available
- Property taxes are typically not incentivized
- Incentivization is common, though 'levers' may not rely on more

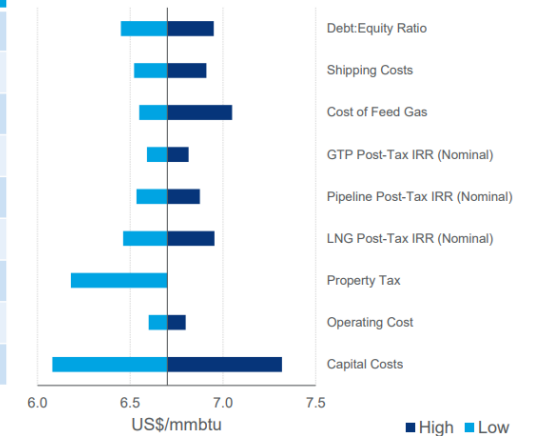
Cost of supply is most sensitive to capital costs and property tax

Cost of Supply - Sensitivities

Assumptions

	Low	Base	High
Leverage – Debt : Equity Ratio	75:25	70:30	65:35
Shipping Costs (US\$/mmbtu)	0.58	0.76	0.97
Cost of Feed Gas (US\$/mmbtu)	1.00	1.15	1.50
GTP Post-Tax IRR (Nominal)	10%	12%	14%
Pipeline Post-Tax IRR (Nominal)	10%	12%	14%
LNG Post-Tax IRR (Nominal)	10%	12%	14%
Property Tax	0.2%	2%	2%
Operating Cost (US\$ billion, 2019 real) (+/- 15%)	14.7	17.3	19.9
Capital Costs (US\$ billion, 2019 real) (+/- 15%)	32.9	38.7	44.5

Sensitivities



Source: Wood Mackenzie

13

Higher Taxes Mean Higher Alaska Energy Bills



Massive Capital Base

LNG projects are capital intensive. Alaska's current property tax system assesses the value of physical assets, creating a potentially enormous tax burden and raising Alaska energy bills before meaningful revenue is generated.



Flat Tax, Variable Revenue

Unlike income taxes, the current property tax system does not scale with project revenues. This disproportionately affects Alaska consumers in the early years of the project.

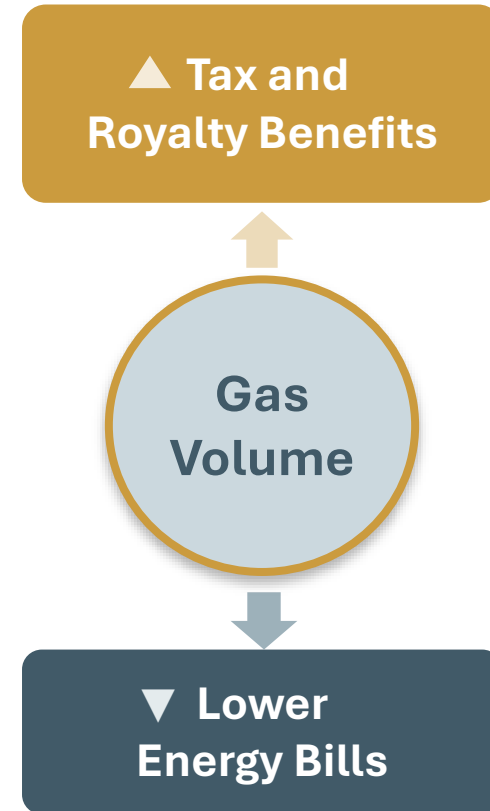


Competitive Disadvantage

Alaska's current 20 mil property tax rate is an order of magnitude higher than comparable LNG projects.

Aligning Consumer & Policy Benefits

- Tax reform (SB 280 & HB 381) aligns benefits with pipeline volume:
 - Lower energy bills
 - Increased state & local revenue
- High taxes have burdened development for years
- Today Alaska receives zero energy benefit from North Slope gas



\$26B+
New Taxes & Royalties

Up To **\$1,450**
Annual Residential
Energy Savings

\$1.4B
Statewide Rural Energy
Investment

ALASKA LNG

The World's Premier Natural Gas Project

- 01 Has major permits: Federal and State
- 02 Abundant, proven natural gas reserves
- 03 Unparalleled political support
- 04 Independently viable project phases
- 05 Advanced status of engineering, routed through established infrastructure areas
- 06 Pipeline commercial structure established
- 07 Customer commitments for most LNG


ARCTIC GAS TREATMENT
3.9 BCFD

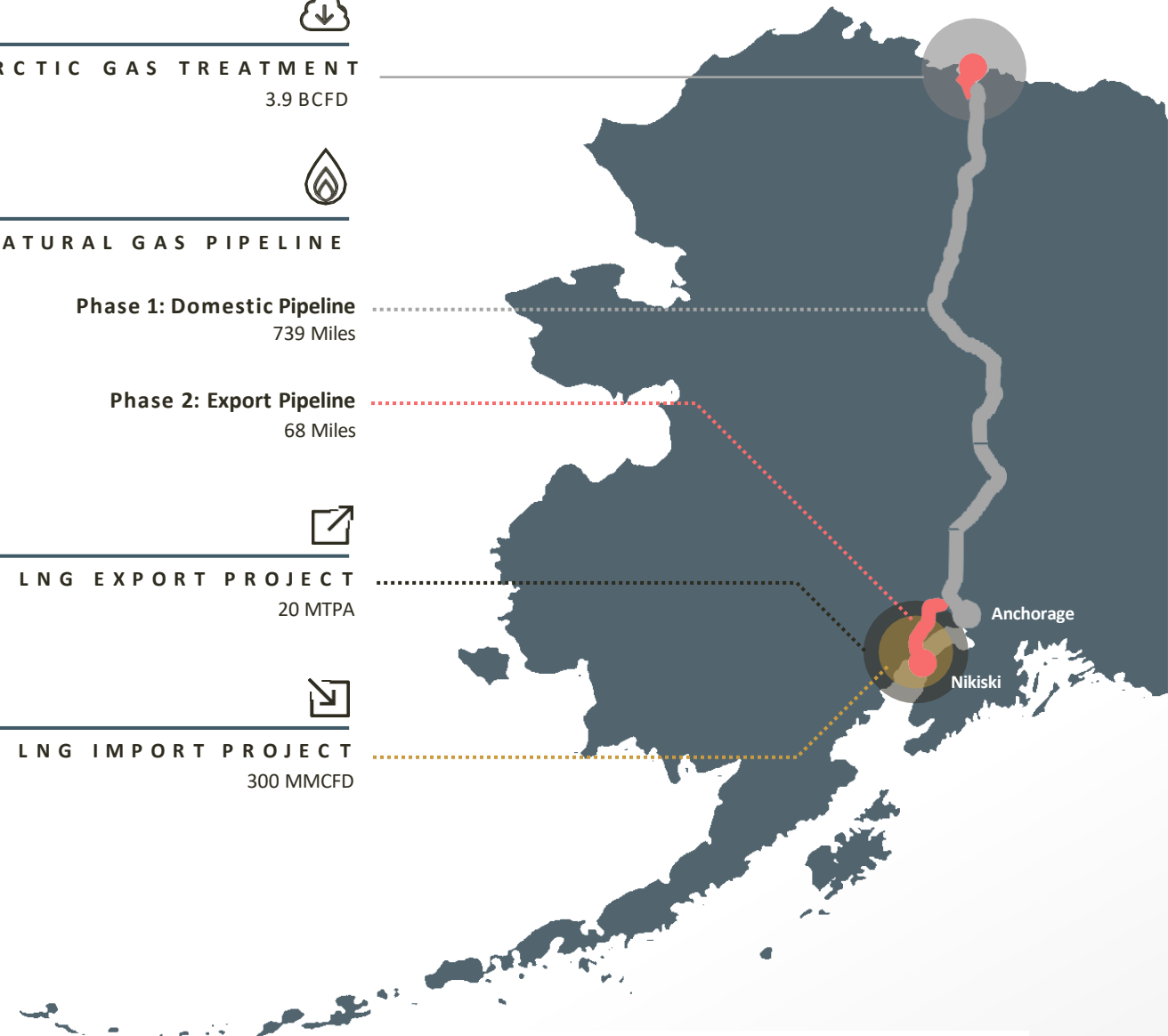

ALASKA NATURAL GAS PIPELINE

Phase 1: Domestic Pipeline
739 Miles

Phase 2: Export Pipeline
68 Miles


ALASKA LNG EXPORT PROJECT
20 MTPA


ALASKA LNG IMPORT PROJECT
300 MMCFD



Construction Overview

Phase 1 scope includes:

739-mile, 42” pipeline from Prudhoe Bay to Southcentral Alaska and a Point Thomson transmission line (PTTL) lateral

Divided into:

- Multiple spreads of mainline construction plus PTTL spread
- One year of early works, overlapping with first mainline construction season
- Two years (4 seasons) of mainline construction to achieve mechanical completion

Major Scopes:

- Line Pipe Supply
- Pipeline Construction
- Logistics
- Camps
- Early Works (Access Roads, Camp Facility Sites, and Pipe Storage Yard Sites)



Advanced Design and Cost Structures

Engineering and cost estimates are sufficiently advanced to support financing and construction initiation, with remaining scope refinements well defined

Completed Design Suitable for Initiation of Construction



Engineering advanced to a level suitable for financing



Major civil works, pipe & pipeline construction, and man camps substantially engineered

Remaining engineering focused on:



Interconnection points



Select pipeline tie-ins



No critical path risk to construction start regarding engineering

Total Installed Cost Determination by Third-Party EPC Advisor

FEED Study



- ✓ Completed by Worley **between May–Dec 2025**
- ✓ Scope focused on **updating pricing to 2026 USD**

Early Works Implementation Plan



- ✓ IP Filed with FERC for Spring 2026 work:
 - 20 Pads for Construction Camps
 - 46 Pipe Storage Yard Pads
 - 619 Temporary and Permanent Access Road Segments
 - 149 Primary & Alternate Borrow Pit Sites
 - 98 Construction Bridges & 6 Specialty Bridges

Aligning Strategic Partners

Engineering Agreement



July 2025

LNG Compression and Power Generation Supply Agreement



October 2025

Steel Supply Agreement



October 2025

Major Pipeline Equipment

Leading International Equipment Supplier
(Confidential)

November 2025

World Class Partners

Glenfarne has engaged world-class service providers and strategic partners to support the Project

PRODUCERS



CONTRACTORS & DELIVERY PARTNERS



LINE PIPE & STEEL SUPPLIERS



Accelerating Market Interest



6 MTPA

**March
2025**



2 MTPA

**June
2025**

Jera

1 MTPA

**September
2025**

posco


1 MTPA

**September
2025**



1 MTPA

**October
2025**



2 MTPA

**February
2026**



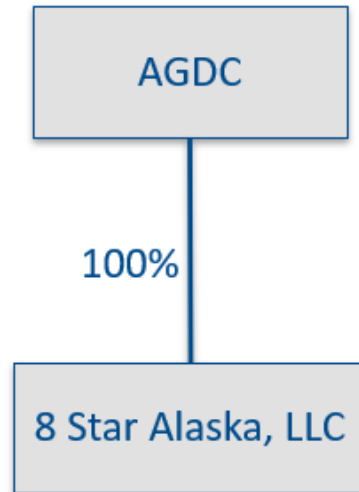
Organizational Structure

- Glenfarne Alaska LNG
- Alaska Gasline Development Corporation
- 8 Star Alaska

ALASKA LNG

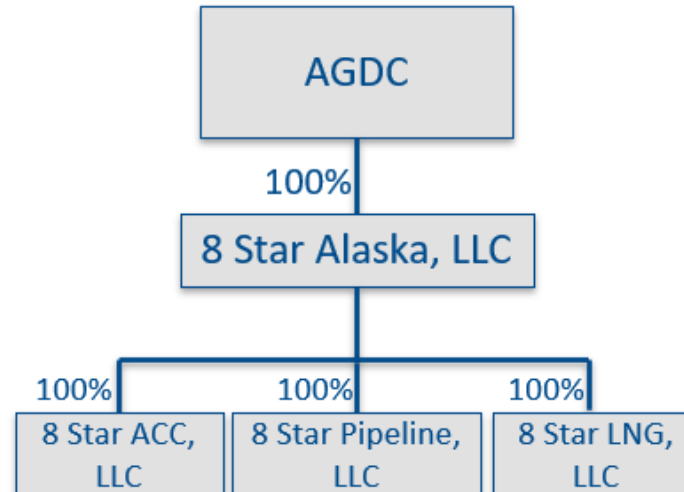
8 Star Alaska, LLC

2018



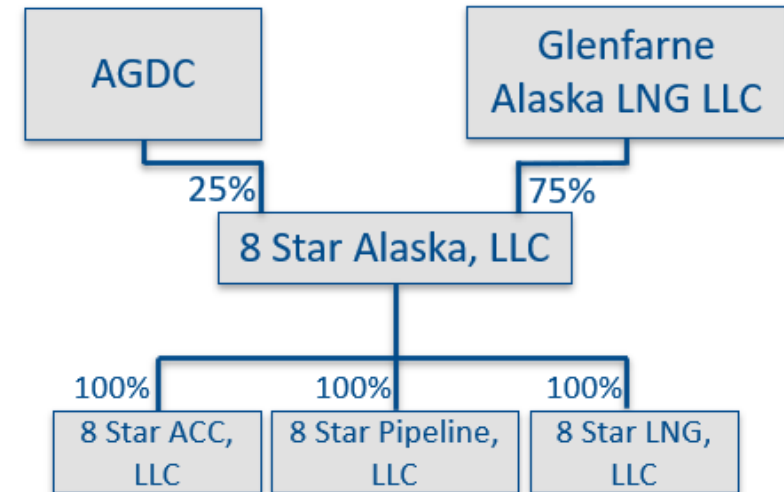
- 8 Star Alaska was formed in 2018
- Wholly-owned subsidiary of AGDC
- Legal purpose: financing, acquisition, maintenance, construction and operation of an Alaska LNG Project

2023



- Three subsidiaries were formed for each of the subprojects
- Remained a wholly-owned subsidiary of AGDC
- Subproject companies wholly-owned by 8 Star Alaska
- This structure was originally driven by the integrated permit structure

2025



- 75% of 8 Star Alaska was transferred to Glenfarne in exchange for taking the project to FID
- The three subsidiaries remain 100% owned by 8 Star Alaska
- AGDC's 25% of 8 Star Alaska is in perpetuity

Appendix A: Alaska LNG Cost Estimate History

Year	CAPEX Estimate (\$billion)	Estimate Class	Process	Lead Party	Other Contributing Parties
2013	\$45-\$65	5	Heads of Agreement (HOA)	ExxonMobil	BP, ConocoPhillips
2016	\$44.1	4	Pre-FEED JVA	ExxonMobil	BP, ConocoPhillips, AGDC
2020	\$38.7	4	Fluor Corporation Optimization	AGDC	ExxonMobil, BP
2022	\$43.9	4	Fluor Corporation Escalation	AGDC	Enbridge
2026	\$46.2	4	DOR Modeling Escalation	AGDC	DOR

Appendix B: Property Tax + Corporate Income Tax

Jurisdiction	Property Tax Treatment	Property Tax Burden	Corporate Income Tax			Notes:
			State/Province	Federal	Total	
Alaska LNG	Up to 20 mil property tax	More than \$500M/year	9.40%	21%	28.40%	Alaska property tax outlier
US Lower 48 (LA, TX)	10-year exemptions; PILT Agreements	\$0–1M/year	0%-5.5%	21%	21%-25.3%	Texas has a franchise/margin tax, generally 0.75% of taxable margin
US (Cove Point, MD)	PILT with 42% reduction after 5 years	~\$50M → ~\$29M/year	8.25%	21%	28%	S-Corp exemption does not apply to non-resident members
Canada (LNG Canada)	Large suite of incentives	\$10–30M/year	9%	15%	27%	Normal BC corporate income tax is 12% - relief for natural gas projects
Russia (Yamal)	12-year holiday, 2% thereafter	\$0 first 12 years	n/a	16.50%	16.50%	A special post-war corporate tax structure in place at 30%
Nigeria LNG	10-year tax holiday	\$0 first 12 years	n/a	0%	0% first 12 years	After 12-year holiday Nigeria LNG pays 30%



GLENFARNE
ALASKA LNG, LLC

Thank You.

Please contact us for more information:

Info@glenfarnegroup.com

GLENFARNEGROU.COM

