



AGDC Responses to Senator Giessel Questions

June 27, 2016

1. **AGDC Organizational Chart.** Please provide an updated organizational chart of AGDC that includes full-time and part-time staff, contract employees, and annualized pay and benefits of both AGDC employees and contractors.

Attached, please find two documents related to AGDC employee staffing: An updated AGDC organizational chart and a document illustrating annualized pay and benefits for corporate staff and contract employees.

The FY17 AGDC corporate organizational chart reflects the proposed reduction from 38 to 26 authorized PCNs as indicated in HB 256. AGDC was previously authorized 38 PCNs, however the corporation has not filled more than 25 positions, so the reduction reflects a more accurate staffing need for FY17. As indicated on the attached employee roster, currently 20 of those positions are filled with full-time employees and 6 positions are vacant. The FY17 budgeted salaries and benefits for AGDC's 26 PCNs are detailed on the PCN attachment excerpted from the Corporation's budget detail that was submitted to the legislature.

In addition to the 26 PCNs described above, AGDC leverages contractors. The majority of these individuals are provided through broad Master Service Agreements that AGDC has executed with our major engineering and design contractors. AGDC understands that the Legislature did not want to build a large organization of full-time public employees, but instead to use highly qualified contractors and subject matter experts on an as needed basis to advance the state's gasline initiatives forward.

The corporation contracts with highly qualified oil and gas professionals to advance our statutory objectives. Our goal is to remain flexible, maintaining an ability to quickly scale up or down, to meet the scope, pace and direction of the state's gas line initiatives. Contract labor can be brought on as required, and quickly released when not required or when work tasks are accomplished. This has been our standard approach since inception.

AGDC's contractors are professionals with expertise in various aspects of the industry, to include design, construction, operation and commercial. AGDC is responsible for conducting a thorough review of pre-FEED deliverables as part of the state's FEED decision support analysis. We use highly qualified and professional contractors with expertise in designing, building and operating pipeline facilities in Alaska's challenging environment. AGDC is paying rates that are typical for professionals in these fields and that comparable to rates our partners pay for similar expertise.

2. AGDC Board Per Diem & Travel Expenses. Please provide a report of AGDC Board member per diem and travel expenses from January 2015 to present.

Attached is a report listing AGDC board member per diem and travel expenses from January 2015 to present. Board members receive a stipend of \$400/day while conducting AGDC business. Board members are also reimbursed for actual travel expenses and receive a per diem rate of \$60/day.

3. AGDC Contractor Services. Please provide a list of contractors providing services to AGDC.

Attached, please find a list of companies that AGDC has contracted with using the corporate Master Service Agreement.

4. Confidentiality Agreements. Please provide a list of all companies that AGDC has directly contracted with who have signed a Confidentiality Agreement.

Attached, please find two documents related to employee and board member confidentiality agreements. In addition to the list of current AGDC employees and board members who have signed Confidentiality Agreements, a copy of the employee CA is attached for your reference.

The attached document to answer question number three lists companies that AGDC has contracted with under AGDC's Master Service Agreement (MSA), which includes a standard confidentiality provision. The following two paragraphs are excerpts from the MSA related to AGDC confidentiality:

12. TERMINATION NOT A RELEASE. Termination of this Agreement by AGDC as permitted by this Agreement does not release the Contractor from any obligations or liability under the Agreement unless AGDC expressly releases the Contractor in writing. Upon termination of the Agreement by AGDC, the Contractor must assist in an orderly transfer of the Contractor's entire work product, including all work product of any subcontractor or vendor of the Contractor, related to this Agreement to the offices of AGDC or to any successor or custodian designated by AGDC in writing. Notwithstanding the termination of this Agreement, the Contractor shall preserve and protect all such files, notes, draft reports, and other work product, including maintaining the confidentiality of the same, and the Contractor's duty to preserve and protect all such material shall survive the termination of this Agreement until such time as the Contractor shall have delivered all such material to AGDC and AGDC shall have acknowledged receipt of same in writing to the Contractor.
22. CONFIDENTIALITY. The Contractor acknowledges that all information owned by AGDC is to be treated as confidential and proprietary unless AGDC specifically notifies the Contractor otherwise in writing. The Contractor agrees to protect and keep confidential all such information and will undertake to maintain the same standard of care and security to protect the confidentiality of the information as the Contractor uses to protect its own confidential and proprietary information and, in addition, shall take such reasonable steps as AGDC may

require of the Contractor for that purpose, including, but not limited to, compliance with the requirements of Exhibit F. In no event may the Contractor display any AGDC information on any website that is available to any person other than the Contractor, its subcontractors, and AGDC without prior written permission from AGDC.

The Contractor's confidentiality obligation hereunder shall not extend to information which is a part of the public domain before the disclosure of such information by the Contractor.

The Contractor shall not be restricted in any way from releasing information in response to a subpoena, court order, or other legal process, or as may be legally compelled by any tribunal or governmental or regulatory authority, but, in such event, the Contractor shall immediately notify AGDC of the demand for information before the Contractor responds to such demand.

The Contractor agrees to limit distribution of the information owned by AGDC to those of its employees who are performing work under the Agreement. The Contractor may not distribute information owned by AGDC to other parties without the express written consent of AGDC. The Contractor agrees that, upon completion of this Agreement or at any other time requested by AGDC, it will return the originals and all copies of any information owned by AGDC that is then in the Contractor's possession to AGDC.

For purposes of this MSA "information owned by AGDC" means (a) the Records and (b) all information provided to the Contractor by AGDC or by another person at the request of AGDC.

Exhibit F reiterates that all information created by contractors and subcontractors is to be treated as confidential, then describes how the contractor should label confidential information. Exhibit F is a lengthy appendix and is not substantive in regards to confidentiality.