

Alaska LNG Update

November 19, 2025



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

Project Development Transition to Glenfarne

- AGDC divested 75% ownership of a wholly-owned subsidiary, 8 Star Alaska, that is advancing the Alaska LNG Project (Alaska LNG)
- Glenfarne is majority owner and is leading and funding all Alaska LNG development in partnership with AGDC
- 8 Star Alaska is the corporation that holds all the engineering, environmental data, permits, authorizations and rights-of-way (ROW)
- By July 1, 2025, AGDC had completed transition of project functions and assets to Glenfarne management
- AGDC and Glenfarne meet weekly for informal dialogue on various work streams
- AGDC and Glenfarne meet formally on a regular basis with 8 Star Alaska Board of Managers meetings

AGDC's role as 25% minority owner:

- Represent State of Alaska's interest in Alaska LNG
 - Not obligated to provide future funding to maintain ownership and receive developer economics return
 - AGDC has the option on behalf of the state, but not the obligation, to invest in up to 25% in the Alaska LNG subprojects (Gas Treatment Plant, Pipeline, LNG Facility) alongside other equity investors
- Focus areas:
 - Governance
 - Technical and commercial support
 - Optional equity investment opportunities
 - Opportunities for Alaskans to invest
 - Responsibilities beyond Alaska LNG
 - Ensure adherence to project development agreements and milestones
 - Developer economics

Ownership Benefits: Developer Economics

- Divesting 75% has resulted in private sector development, funding, and leadership of Alaska LNG where AGDC holds minority ownership of a substantial asset growing in value
- Subproject development fees are paid to the Project Company (8 Star Alaska) and are capitalized into subproject cost structure
- Development fees are net of actual costs and are distributed to owners (AGDC and Glenfarne) pro rata
- AGDC shares in development value uplift as each subproject phase reaches FID
- Precedent: Freeport LNG development fees flowed through the project entity, equity owners shared in the development profit proceeds

Ensure Glenfarne, as the Alaska LNG developer, pursues diligent development efforts including:

- Good faith and timely pursuit of the project developments
 - Phase 1 Pipeline development milestones are being met
- Continued investment of sufficient resources to achieve Final Investment Decision (FID)
 - Phase 1 commercial development is progressing with a focus on Alaska energy security at the lowest possible cost to in-state users
 - Active engagement with Alaska contractors, organized labor, and with key workforce development parties
- Maintenance of required permits and approvals for the project
 - Permits and approvals are being maintained, AGDC is working with Glenfarne to secure final small parcels of rights-of-way (ROW)
 - Adherence to the Alaska Advantage Principles
 - Other development activities, as necessary to achieve an affirmative FID
- Minority rights as one of four members of the 8 Star Alaska Board of Managers

The Alaska Advantage Principles

- Establish and maintain a substantial operational presence in Alaska
- Accept interconnection requests from Alaska customers—as per design, a primary interconnection will serve Fairbanks
- In-State customers get the priority right for 500 MMscfd (more than double current demand)
- Capacity will be expanded to accommodate increased demand above the original 500 MMscfd allocation
- The project may utilize differential rates only where they both:
 1. Help maximize the flow of natural gas through the project, and
 2. Achieve the lowest possible cost of gas for Alaska utility customers

AGDC supports Glenfarne as the Alaska LNG Developer by:

- Actively participating in the development consultation
- Providing technical project expertise
 - AGDC has project management and construction expertise on North Slope, Dalton Highway, and other large-scale Alaska resource development projects
- Providing commercial expertise
 - Building on AGDC's relationships
 - Coordinating relationships with key Alaskan stakeholders
 - Interfacing with Alaska Native Corporations
 - Aligning key State departments and corporations

Optional Equity Participation

AGDC has reserved the right to invest **up to 25%** in individual subprojects:

1. Phase 1 Pipeline – investment decision in 2026
2. Gas Treatment Plant – investment decision in 2027
3. LNG Facility – investment decision in 2027

Investment is a contractual **option** on terms alongside other equity investors but **not an obligation**

- Alaska corporations, businesses, and Alaskans will have the opportunity to invest in the portion of the 25% the state chooses to not invest
- Investment decisions are made as each subproject reaches FID
- Options for State investment are being investigated

Options for State investment in the Phase 1 Pipeline subproject:

1. No investment (does not alter 25% ownership of 8 Star Alaska)
 2. General fund appropriation
 3. Bonding
 - General obligation bonds requires legislation and a vote of the people
 4. AGDC looking for ways that in-kind contributions can fund subproject equity investment
- Decision for investment in Gas Treatment Plant and LNG Facility occurs as part of FID for each of those subprojects separately

Participation Delay Right Exercised:

- Glenfarne extends AGDC's window to participate in any issuance or sale of equity associated with FID for Alaska LNG subprojects

AGDC Back-In Option (5%–25%):

- After the closing of such third-party investment, AGDC may elect to back-in to acquire between 5% and 25% of the subproject equity issued, on the same economic terms

Extended Election Period:

- AGDC receives a full 180 days after closing to elect and arrange funding

Alaska LNG moves forward either with or without this participation by the State

- Alaska's oil and gas property tax rates are an outlier compared to other states
- Alaska's 20 mill rate is amongst the highest in the nation and will penalize Alaskans with higher energy costs
- Governor Dunleavy met with the Mayors of the North Slope, Fairbanks North Star, Matanuska Susitna, Kenai Peninsula and Denali Boroughs to discuss property taxes for Phase 1 Pipeline (in-state) construction
- Working group established to start meeting and develop recommendations
- 3rd party contractor to be engaged to facilitate work group

AGDC's statutory mission (AS 31.25.005(5)(6)(7)) contains directions to pursue development of gas infrastructure to include:

- Analyzing potential natural gas pipelines and other transportation mechanisms connecting to industrial, residential, or utility customers in other regions of the State
- Develop other transportation mechanism and works of public improvement to facilitate production, transportation, and delivery of natural gas
- Infrastructure project development outside the scope of private sector partnerships would require Legislature support

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ALASKA
GASLINE
DEVELOPMENT CORP.



Acronyms

ACC	Arctic Carbon Capture	Gt	Gigatonne
AFN	Alaska Federation of Natives	GTP	Gas Treatment Plant
AGDC	Alaska Gasline Development Corporation	HH	Henry Hub
ANCSA	Alaska Native Claims Settlement Act	HOA	Heads of Agreement
ANVCA	Alaska Native Village Corporation Association	IOC	International Oil Company
AOGCC	Alaska Oil and Gas Conservation Commission	IPT	Integrated Project Team
AP-X	Air Products Liquefaction Technology	IRR	Internal Rate of Return
Bbl	Barrel	JKM	Japan Korea Marker
Bblsd	Barrels per Day	Kbblsd	Thousand Barrels per Day
Bcf	Billion Cubic Feet	LNG	Liquefied Natural Gas
Bcfd	Billion Cubic Feet Per Day	LOI	Letter of Intent
BLM	Bureau of Land Management	M3	Cubic Meters
Capex	Capital Expenditure	MMBtu	Metric Million British Thermal Unit
CB&I	Chicago Bridge & Iron Company	MOU	Memorandum of Understanding
CCS	Carbon Capture and Sequestration	MT	Metric Tons
CIT	Corporate Income Tax	MTPA	Million Tonnes Per Annum
CO ₂	Carbon Dioxide	NETL	National Energy Technology Laboratory
CO ₂ E	CO ₂ Equivalent	NPRA	National Petroleum Reserve Alaska
DES	Delivered Ex-Ship	O&M	Operations & Maintenance
DOE	Department of Energy	OCS	Outer Continental Shelf
DOT&PF	(Alaska) Department of Transportation and Public Facilities	Opex	Operating Expenses
EA	Environmental Assessment	QRA	Quantitative Risk Analysis
EIS	Environmental Impact Statement	ROW	Right-Of-Way
EPC	Engineering, Procurement & Construction	SPA	Sale and Purchase Agreement
FEED	Front End Engineering Design	TAPS	Trans-Alaska Pipeline System
FERC	Federal Energy Regulatory Commission	Tbtu/yr	Trillion British Thermal Units per Year
FID	Final Investment Decision	Tcf	Trillion Cubic Feet
FOB	Free on Board	TPA	Tonne per Year
FTA	Free Trade Agreement	USGS	United States Geological Society
GHG	Greenhouse Gas	VDR	Virtual Data Room