

Alaska State Legislature

Senator Cathy Giessel
Senate Majority Leader
Senate District E
907-465-4843



120 4th Street
Alaska State Capitol,
Room 121
Juneau, AK 99801

MEMORANDUM

TO: Senator Elvi Gray-Jackson, Chair, Legislative Budget & Audit Committee

FROM: Senator Cathy Giessel, Chair, Senate Resources Committee

DATE: December 8, 2025

RE: Retention of Pegasus Global Holdings, Inc. as consultant to the Legislature on proposed Alaska Gasline project.

Requested consultation subjects:

- Review of "Memo to State of Alaska, Alaska State Legislature, Legislative budget & Audit Committee, April 15, 2019
- Broad megaproject overview of phases and decision points
- What should the Legislature understand of the implications of
 - ownership structure
 - appropriate project governance
 - cost controls and supervision of costs, financing agreements
 - engineering/procurement/construction (EPC) contracts, offtake agreements for in-state gas
 - schedule slippage prevention
 - financial decisions related to tax structure, royalty, production tax
 - ongoing independent monitoring
- Provide ongoing advice to Legislature as Glenfarne/Alaska Gasline Development Corporation proceeds with project

The proposed Alaska Gas Pipeline project has great implications for Alaska financial position and social impact. Alaska needs to maximize the value to the state treasury for the natural gas resources. Taxation of not only the natural gas, but also the corporations gaining financially from the project and the workforce earning wages in Alaska.

The Legislature needs to have a clear understanding of the fiscal impacts as well as the social impacts. Housing, transportation, public safety, and workforce preparation are topics that must be addressed timely and effectively.

Timeline: Pegasus on contract as a resource by January 20, 2026 would be ideal. The Senate Resources committee would utilize their expertise as early as January 21. The Senate Arctic Affairs may also utilize their input on Arctic construction implications of the pipeline project.

Respectfully,

A handwritten signature in blue ink that reads "Cathy Giessel". The signature is fluid and cursive, with the first name "Cathy" and last name "Giessel" clearly legible.

Senator Cathy Giessel
Chair, Senate Resources Committee