

Senate Resources Committee Meeting

February 10, 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

Current Owner and Developer of the Alaska LNG Project

- Transitioning project to private ownership under qualified developers



Alaska LNG Overview

North Slope Gas Supply

- 40 Tcf of gas reserves in PBU and PTU
- 122 Tcf of total “Proved Producing Reserves” in Alaska*
- Early Supply from Great Bear Pantheon

Arctic Carbon Capture (ACC)

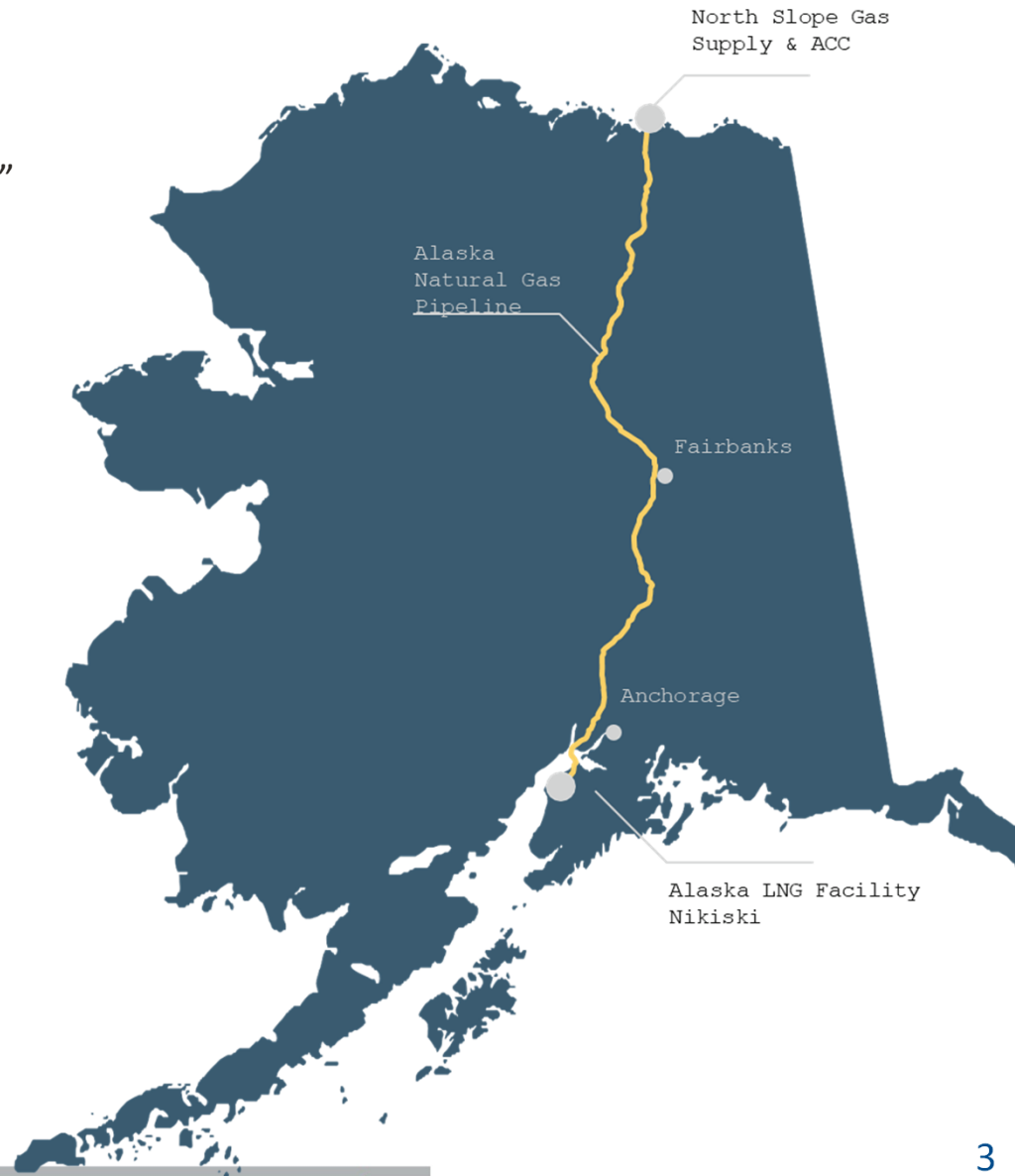
- Adjacent to existing PBU gas plants, will remove and sequester 7 million tons of CO₂ annually and condition gas to LNG specifications

Natural Gas Pipeline

- 807-mile pipeline from Prudhoe Bay to Nikiski, follows existing oil pipeline and highway system, with gas delivered to Alaska communities and the LNG plant

Alaska LNG Facility

- 20-MTPA LNG facility located in Nikiski near the legacy Kenai LNG Plant



*https://www.eia.gov/naturalgas/crudeoilreserves/pdf/Table_8.pdf

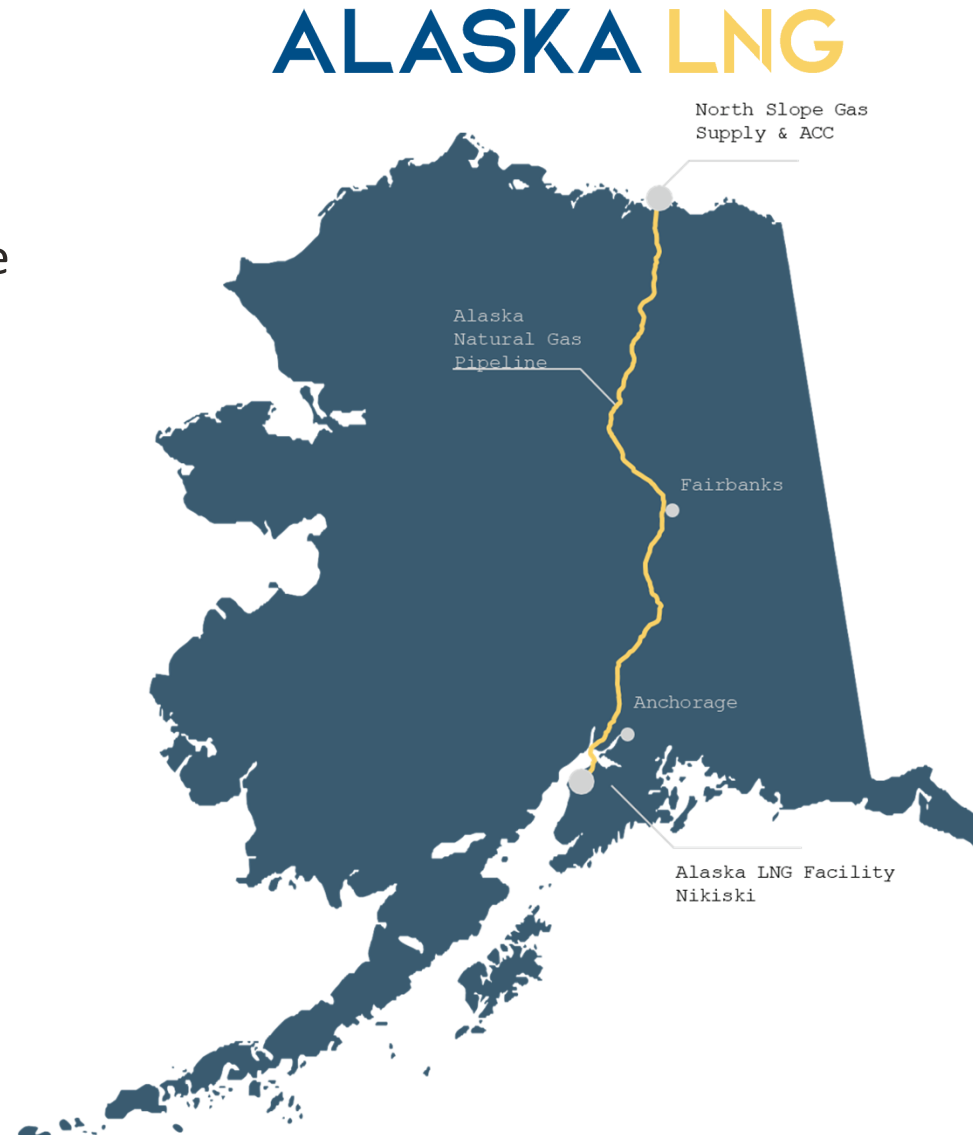
Phase 1 of Alaska LNG

Alaska LNG is a **fully permitted** integrated \$43.8 LNG export, pipeline, and gas treatment project

Phase 1 is the pre-build of the pipeline from the North Slope of Alaska to Southcentral Alaska – \$10.8 bn

Phase 2 is the construction of North Slope gas treatment and LNG export facilities – \$33 bn

By phasing Alaska LNG, Alaska can utilize existing permits to quickly provide gas for Alaskans and provide infrastructure for future LNG exports and industrial use



“It is the intent of the legislature that the Alaska Gasline Development Corporation continue to work towards meeting the critical energy needs of Alaskans by advancing a pipeline project proposal which would deliver North Slope natural gas to Alaska's utilities, businesses, and homeowners. Further, it is the intent of the legislature that the Alaska Gasline Development Corporation complete an independent third-party review of a project proposal that would commercialize North Slope gas and present that analysis to the legislature by December 20, 2024. **It is the further intent of the legislature that if analysis shows a positive economic value to the state, all parties would work toward Front End Engineering and Design for Phase 1 of a pipeline project.**”

At the direction of the Alaska Legislature, Wood Mackenzie was contracted to complete an independent third-party economic assessment of the Alaska LNG Phase 1 Pipeline.

The analysis shows a positive economic value to the state.

Developer-Led Project

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Evolution to Private Developers

2013 – 2016

Producer-Led

Producers provided initial scoping and engagement—important demonstration of *producer* support

2017 – 2022

State-Led

State-led initial design, permitting, and authorization—important demonstration of *state* support

2023 – Onward

Developer-Led

Transition to world-class private parties for construction and operations

AGDC is raising development capital to take Alaska LNG to Final Investment Decision (FID)

- Alaska LNG is an attractive investment:
 - Best economics of any North America project
 - Has all major permits
 - Beneficial equity terms
 - Local support

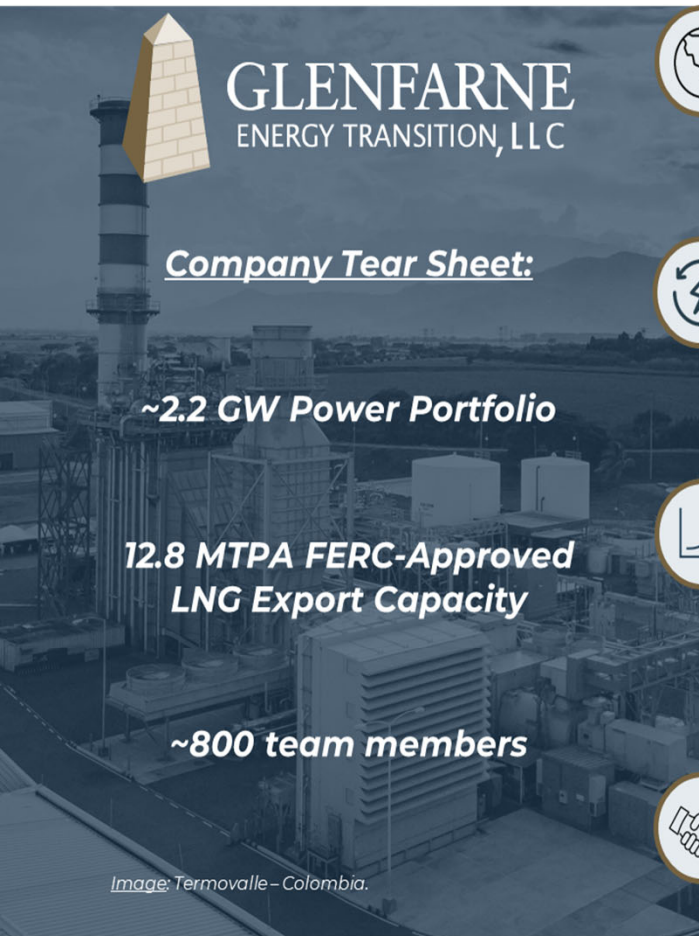
AGDC equity offer highlights

- Majority ownership and control of Alaska LNG in exchange for:
 - Funding development costs to FID
 - Commitment to move Alaska LNG forward on fast timeline
 - Preferential in-state gas supply
 - Opportunity for Alaska to invest

Introduction to Glenfarne



Glenfarne Mission and Vision



Glenfarne is a global energy transition specialist that is guided by its core mission and vision.



Mission: To realize the potential of the world's energy transition.



Vision: Responsibly grow our renewables, grid stability, and flexible fuels businesses to provide economically viable solutions to our communities and customers to realize the potential of the world's energy transition.



Glenfarne believes that its core competence is its ability to develop local platforms in end markets (by leveraging assets, knowledge and relationships), built around a core understanding that the market's energy transition journey will be driven by the interaction of domestic gas and global LNG.

Glenfarne at a Glance



Renewables

417 MW¹

35 Renewable Assets¹

~2.2 GW Power Portfolio



Grid Stability

1.8 GW

14 Grid Stability Plants



Gas Infrastructure

12.8 MTPA² LNG Exports

STABLE U.S. GAS
RESOURCE BASE

"HERE AND NOW"
ENERGY TRANSITION

HIGH-GROWTH
EMERGING MARKETS

LOCAL FOCUS &
GLOBAL CAPABILITIES



1. Includes 68 MW of Solar PV under construction.
2. FERC-approved capacity.

This Term Sheet memorializes certain obligations and key timeframes for the Alaska LNG Project, with key milestones for phased project development and the overall goal to have the project constructed and operational by 2030, and through which Glenfarne will:

1. Commit to capitalize the project in sufficient amounts to fund and resource the successful development of the project to FID of each subproject
2. In return for project leadership and investment in project development, obtain a 75% equity position across the 8 Star structure, while carrying AGDC's 25% equity to FID
3. Achieve agreed milestones to:
 - i. Enter Front-End Engineering Design (FEED) on the Phase 1 pipeline (\$50 m)
 - ii. Market sufficient volumes and prepare for FEED on the gas treatment and LNG plants
 - iii. Enter FEED on Phase 2 LNG exports (\$100 m)

FEED Backstop and Phase 1 Development

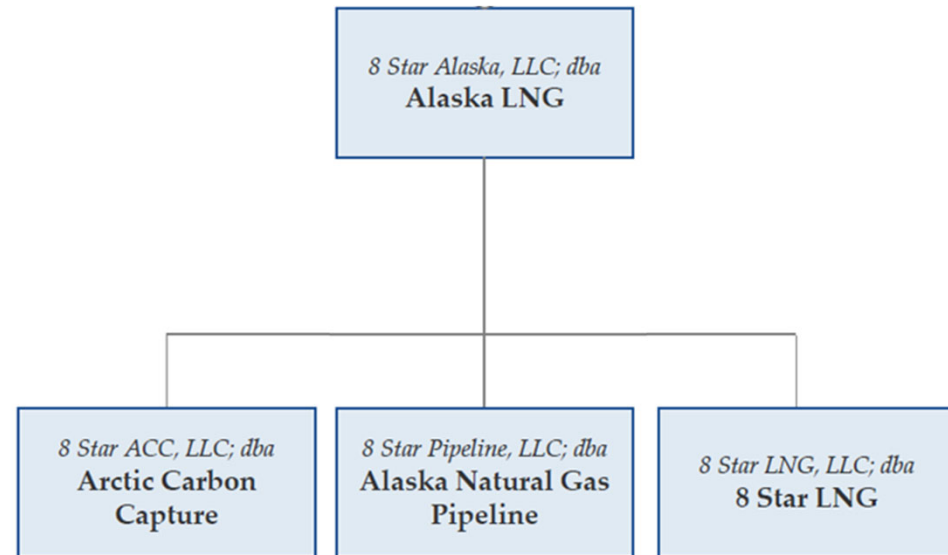
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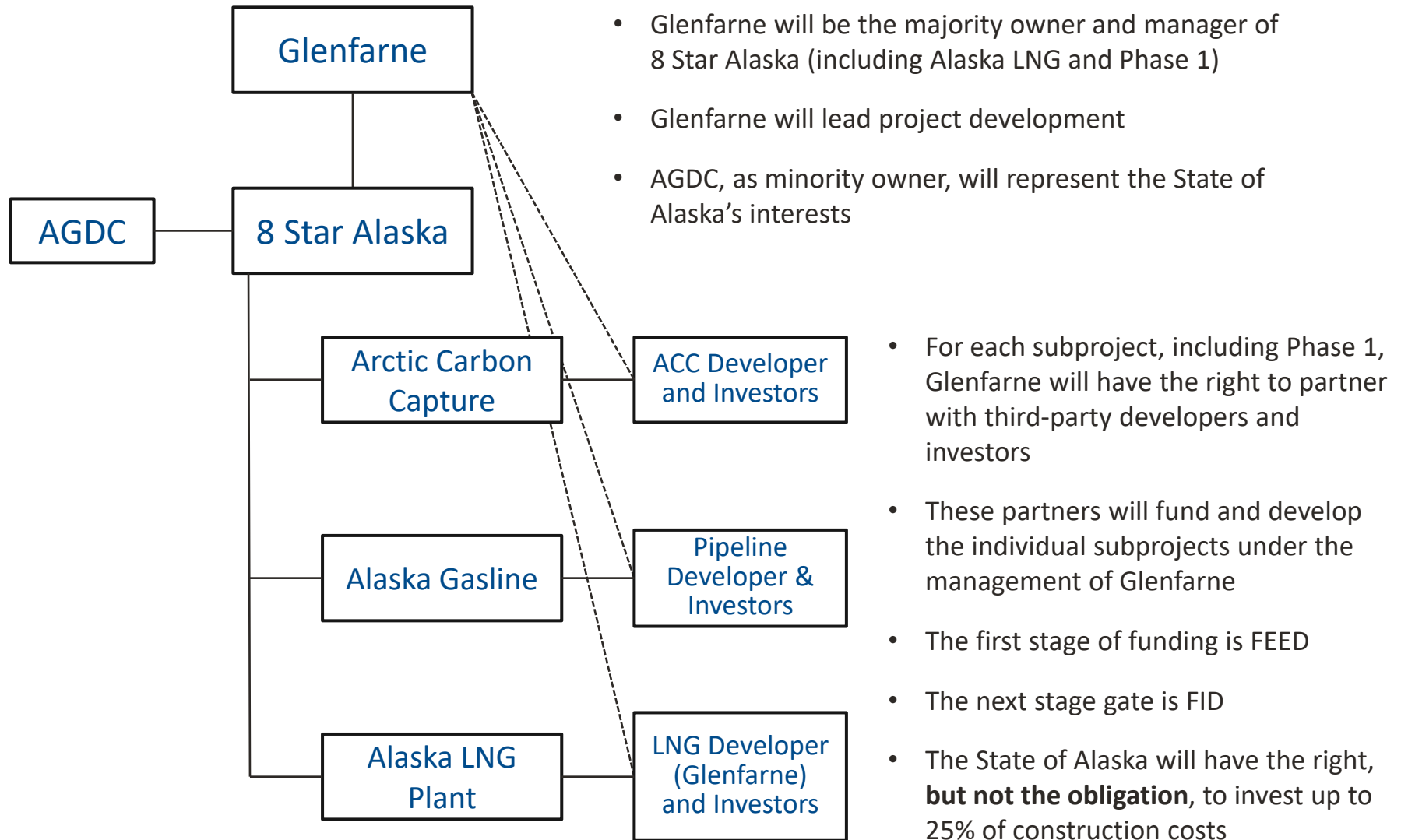
Alaska LNG Corporate Structure

AGDC will use the project company 8 Star to hold Alaska LNG assets, raise capital, and provide collateral to AIDEA

- AGDC is a state-owned corporation and cannot sell or transfer ownership shares of itself
- AGDC created “8 Star Alaska, LLC” (8 Star) as the vehicle for bringing in third-party investment and control of Alaska LNG
- All Alaska LNG assets (permits, rights-of-way, agreements) are held by 8 Star
- Project components are structured to allow separate economics at the project level while holding the integrated permits at the 8 Star level



Glenfarne Ownership Structure



“FEED” is the final step before Final Investment Decision (FID)
and construction can start



FEED is a technical term used in the oil and gas industry for the final stage before an FID & construction



FEED stands for “Front-End Engineering Design”

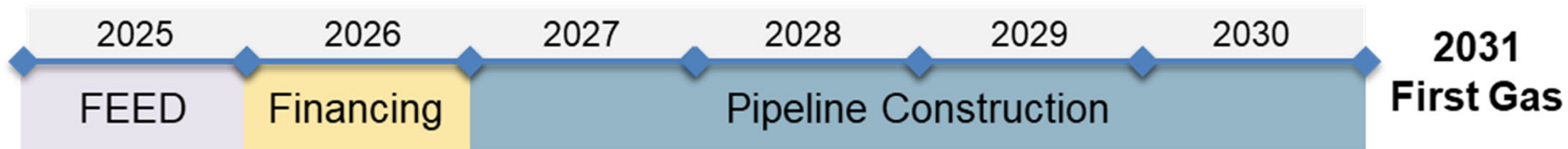


FEED produces a final cost estimate and construction contracts ready to be executed

FEED Backstop Timeline

1. December 4: AIDEA Board Resolution authorizing AIDEA Executive Director to negotiate and execute binding agreements
 - Resolution ONLY applies to Phase 1 FEED (up to \$50 m).
 - There is NO state backstop requested or proposed for Phase 2 FEED (up to \$100 m)
2. After AIDEA Resolution:
 - Finalize and sign Phase 1 FEED backstop agreements: AIDEA, AGDC & Developer
3. Upon execution of FEED Agreements:
 - Pipeline FEED subcontractor commences work to update FEED Scope of Work and Budget at their own expense
4. Within 120 days of execution of FEED Agreements:
 - Parties commence Phase 1 FEED

Actions to Build Phase 1 Pipeline

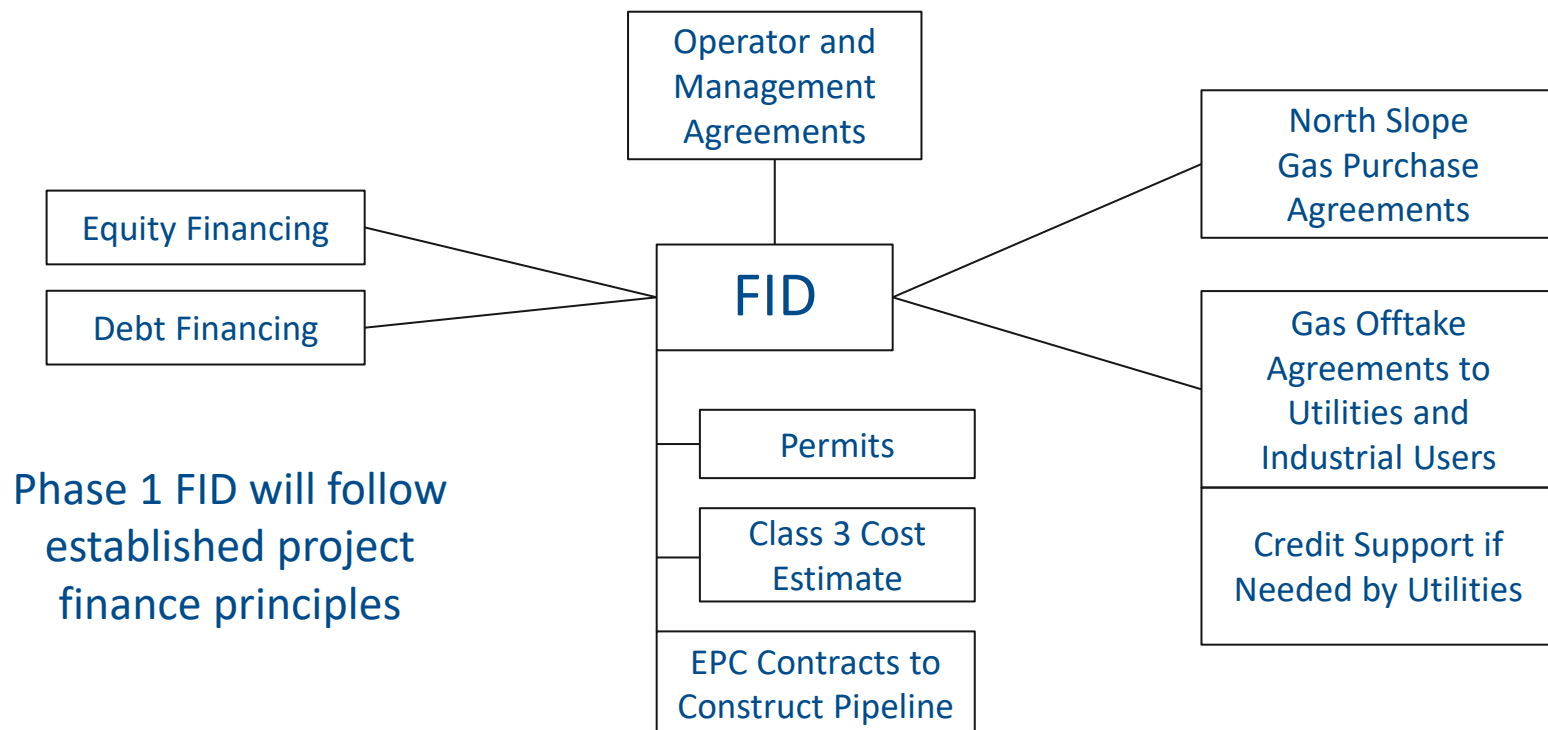


- ☐ Execute FEED Backstop Agreements and \$50 million FEED backstop from AIDEA (in progress)
- ☐ FEED generates final cost estimate and construction contracts
- ☐ Enter into agreements with Alaska utilities for long-term gas supply
- ☐ Raise debt and equity financing
- ☐ Final Investment Decision – Start construction

Conditions to Enter FID

FID occurs when all commercial agreements needed to underpin financing are in place and all debt and equity capital necessary to fund the entire project construction is fully committed.

FID is not simply a “decision” to build—it requires full construction funding committed and deployed by third parties.



Preferred Gas Supply: Great Bear Pantheon

Accelerates project and lowers Alaska energy costs

These fields are still in development, so back up supply agreements from Prudhoe Bay and Point Thomson are required

<\$1.00 per MMBtu

- Cheaper to supply gas to pipeline than reinject
- Price to be reduced based on cost-savings

Low-Cost Access

- No CO₂ removal
- Adjacent to pipeline, no new infrastructure needed

“Back Up” Gas Supply: Producing North Slope Fields

These fields are currently producing gas but will have a higher price and require additional infrastructure

Prudhoe Bay

- Largest gas field in North America
- Needs gas treatment to remove CO₂

Point Thomson

- Selling gas unlocks liquids production
- Requires new 63-mile pipeline

Satellite Fields

- Endicott and North Star
- Needs gas treatment to remove CO₂

Role of AGDC



Key Milestones:

- Pre-Definitive Agreements:
 - AGDC is leading and funding Alaska LNG Project development
- Pre-FID:
 - Lead Party assumes 75% equity in 8 Star upon signing Definitive Agreements and is responsible for funding all project development costs to FID
- Pre-FID:
 - The State's equity in 8 Star is carried at 25% to FID and AGDC is responsible for project transition functions
- Post-FID:
 - The State has the option, but not the obligation, to invest in up to 25% of capital to construct the Alaska LNG subprojects with AGDC representing the State's interest

Transition to Lead Party

| ROLE | | Pre-Definitive Agreements | | | | | Pre-FID (FY26-FY27) | | | | | Post-FID (FY28 forward) | | | | |
|------------|----------|---------------------------|---------------------|-----------|------------|---------------------|---------------------|---------------------|-----------|------------|--------------------|-------------------------|--------------------|-----------|------------|--------------------|
| R | A | Project Leadership | Development Funding | Technical | Commercial | State Equity (100%) | Project Leadership | Development Funding | Technical | Commercial | State Equity (25%) | Project Leadership | CAPEX/OPEX Funding | Technical | Commercial | State Equity (TBD) |
| C | I | | | | | | | | | | | | | | | |
| AGDC | | A | A | A | A | A | C | I | R | R | A | I | A | I | I | A |
| Lead Party | | C | C | C | C | | A | A | A | A | | A | A | R | R | |

Definitive Agreements
Executed
(8 Star)

Final Investment
Decision
(FID)

| Legend | R Responsible | A Accountable | C Consulted | I Informed |
|--------|----------------------|----------------------|--------------------|-------------------|
|--------|----------------------|----------------------|--------------------|-------------------|

“America’s Gasline”

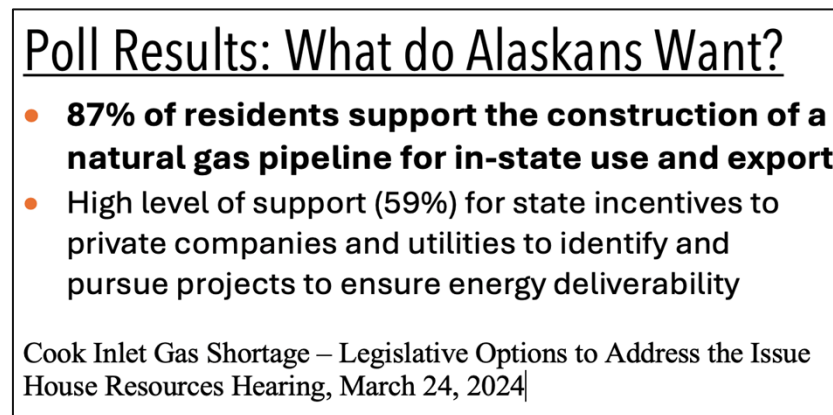
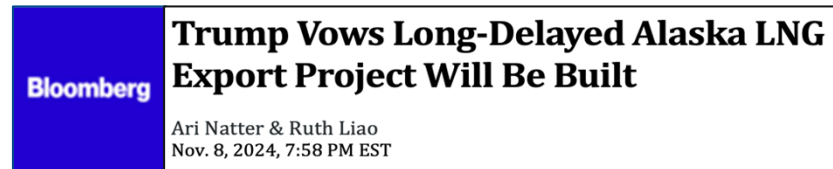
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National Priority, Local Benefits

Alaska LNG benefits from strong federal, state, and local support:

- *Robust Federal Support:*
 - Two presidents, unified delegation
 - Executive Order "*Unleashing Alaska's Extraordinary Resource Potential*"
- *Uncommon State Support:*
 - Three governors
 - Business leaders
 - Alaska Native support
 - Leading labor voices



Rapidly Intensifying Market Interest

- Last week officials from Japan, South Korea, and Taiwan signaled intensifying interest in Alaska LNG through direct investment, long-term purchase agreements, or both
- Accelerating commercial interest adds to project momentum



AGDC.us

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AGDC Common Acronyms

| | | | |
|-------------------|---|----------------|---|
| ACC | Arctic Carbon Capture | FEED | Front End Engineering Design |
| AFN | Alaska Federation of Natives | FERC | Federal Energy Regulatory Commission |
| AGDC | Alaska Gasline Development Corporation | GTP | Gas Treatment Plant |
| ANCSA | Alaska Native Claims Settlement Act | HH | Henry Hub |
| ANVCA | Alaska Native Village Corporation Association | Kbblsd | Thousand Barrels per Day |
| AOGCC | Alaska Oil and Gas Conservation Commission | LNG | Liquefied Natural Gas |
| Bbl | Barrel | LOI | Letter of Intent |
| Bblsd | Barrels per Day | m ³ | Cubic Meters |
| Bcf | Billion Cubic Feet | MMBtu | Metric Million British Thermal Unit |
| Bcfd | Billion Cubic Feet Per Day | MT | Metric Tons |
| BLM | Bureau of Land Management | MTPA | Million Tonnes Per Annum |
| CCS | Carbon Capture and Sequestration | NETL | National Energy Technology Laboratory |
| CO ₂ | Carbon Dioxide | NPR-A | National Petroleum Reserve - Alaska |
| CO ₂ E | CO ₂ Equivalent | ROW | Right-of-Way |
| DOE | Department of Energy | TAPS | Trans-Alaska Pipeline System |
| EA | Environmental Assessment | Tbtu/yr | Trillion British Thermal Units per Year |
| EIS | Environmental Impact Statement | Tcf | Trillion Cubic Feet |
| EPC | Engineering, Procurement & Construction | TPA | Tonne per Year |