

C. List of Selected Key Terms

Below is a list of key terms and definitions used throughout this Report. Where a term is defined or otherwise explained in further detail in this Report, the relevant section is indicated in parentheses.

- **AAPP:** Arctic Alaska Petroleum Province; location of the majority of Alaska's petroleum reserves (Section III.B.1.a)
- **AFUDC:** Allowance for Funds Used During Construction; a return-on-capital calculation for construction financing (Section IV.F)
- **AGDC:** Alaska Gasline Development Corporation (Section III.C and Section IV.C)
- **AGIA:** Alaska Gasline Inducement Act; 2007 State statute providing, among other things, for reimbursement of natural gas developers' expenses to promote development of a natural gas pipeline (Section III.D)
- **ANGDA:** Alaska Natural Gas Development Authority (Section III.C)
- **ANGTA:** Alaska Natural Gas Transportation Act; 1976 Federal statute promoting expedited development of a pipeline to deliver natural gas from Alaska to the Lower 48 (Section III.C)
- **ANWR:** Arctic National Wildlife Refuge; Federal area within Alaska's North Slope with significant undiscovered oil (Section III.B.1.a)
- **ARMB:** Alaska Retirement Management Board; entity controlling seven State retirement systems (Section VI and Section VI.B)
- **ASAP:** Alaska Stand Alone Pipeline; proposed 727-mile pipeline southward from the North Slope to an existing pipeline system in the Matanuska-Susitna Borough (Section III.C)
- **BBL:** Billion barrels (unit of *oil* volume)
- **Bcf:** Billion cubic feet (unit of *natural gas* volume)
- **CAPM:** Capital asset pricing model; framework for calculating cost of equity (Section VII)
- **CBRF:** Constitutional Budget Reserve Fund (Section V.A.1 and Section V.B.2)
- **Cook Inlet:** Area in Southcentral Alaska, location of substantial oil and gas reserves (Section III.B.2.b.ii)
- **DOE:** U.S. Department of Energy
- **EIA:** U.S. Energy Information Administration
- **EPC:** Engineering, Procurement and Construction; final phase of Project before operations, encompasses final engineering and preparation, and expected to cost approximately \$52.8 billion (midpoint) (Section IV.D and Section IV.G.1)
- **FEED:** Front-End Engineering and Design; final phase of Project before major construction, encompasses contract preparation and financing arrangements, and expected to cost approximately \$1.8 billion (midpoint) (Section IV.D and Section IV.G.1)
- **FERC:** Federal Energy Regulatory Commission
- **FID:** Final Investment Decision; last Project milestone before EPC phase (Section IV.D and Section IV.F – IV.G.1)

- **FTSA:** Firm Transportation and Services Agreement; agreement describing the tariff that the State of Alaska pays TransCanada under the Memorandum of Understanding (Section IV.C and IV.F)
- **Fuel Use Act:** Powerplant and Industrial Fuel Use Act; 1978 Federal statute restricting construction of new power plants and boilers (Section III.C – III.D)
- **FY:** the State of Alaska’s Fiscal Year starts on July 1 and ends on June 30 (e.g., Fiscal Year 2014 ended on June 30, 2014)
- **GeFONSI:** General Fund and Other Non-segregated Investments; includes the State’s general operating fund (Section V.B.2)
- **GTP:** the Project’s gas treatment plant (Section IV.B)
- **GW:** Gigawatt (unit of power equivalent to one billion watts)
- **Heads of Agreement:** agreement that establishes non-binding guiding principles and partner roles for the Project as well as important commercial and operating arrangements among each of the key Project parties (Section IV.A and Section IV.C)
- **IPO:** Initial public offering; method of issuing shares to public investors (Section VII.B.1)
- **ISD:** In-service date; date upon which a project becomes available for operations
- **JBIC:** Japan Bank for International Cooperation (Section VI.B)
- **KOGAS:** Korea Gas Corporation; state-owned South Korean utility (Section III.A.2)
- **LIBOR or L:** London Interbank Offered Rate; benchmark rate that banks charge each other for short-term loans (Section VII and Section XI.A.2)
- **LNG:** Liquefied natural gas
- **LNG Plant:** the Project’s liquefaction facility (Section IV.B)
- **Lower 48:** Contiguous U.S. states, consisting of 48 states and Washington, D.C.
- **Mcf:** Thousand cubic feet (unit of *natural gas* volume)
- **MMBD:** Millions of barrels per day (unit of *oil* volume)
- **MMBtu:** Million British thermal units (unit of energy)
- **MOU:** Memorandum of Understanding; agreement between the State and TransCanada (Section IV.F)
- **MTPA:** Metric tons per annum (unit of *LNG* volume)
- **North Slope:** Region in northern Alaska bound by the Brooks Range and Arctic Ocean (Section III.B.1 – III.B.2)
- **NPRA:** National Petroleum Reserve-Alaska; area within Alaska’s North Slope with significant undiscovered oil (Section III.B.1.a)
- **NPV:** Net present value; the present value of a series of future cash flows (Section IV.G.5)
- **OMB:** State of Alaska Office of Management and Budget; prepares and manages the State’s budget on behalf of the Governor (Section V.A.1)

- **PCE Endowment Fund:** Power Cost Equalization Endowment Fund; State fund created to provide affordable electricity for rural Alaska regions (Section V.B.2)
- **Pipeline:** the Project's natural gas pipeline (Section IV.B)
- **Point Thomson:** Area located in Alaska's North Slope; location of an existing oil and gas field (Section IV.B)
- **Pre-FEED:** Pre-Front End Engineering and Design; initial phase of Project, encompasses preliminary engineering and planning, and expected to cost approximately \$400 million (midpoint) (Section IV.D and Section IV.G.1)
- **Project:** the Alaska LNG Project
- **Prudhoe Bay:** Area located in Alaska's North Slope; location of an existing oil and gas field (Section III.B.2.b.i)
- **SB 138:** Senate Bill 138; 2014 State statute facilitating Alaska individuals' and entities' participation in ownership of a North Slope natural gas pipeline (Section I)
- **SBRF:** Statutory Budget Reserve Fund (Section V.A.1 and Section V.B.2)
- **SPA:** Sale and Purchase Agreement
- **Stranded Gas Act:** Alaska Stranded Gas Development Act; 1998 State statute enabling State negotiation of terms for oil producers dealing with stranded gas (Section III.C)
- **TAPS:** Trans-Alaska Pipeline System; 800-mile pipeline constructed in the 1970s to allow for the transportation of natural gas from Prudhoe Bay to Valdez (Section III.B.2.b.i)
- **Train:** Refers to an LNG plant's liquefaction and purification facility (Section XI.B)
- **Tcf:** Trillion cubic feet (unit of *natural gas* volume)
- **USGS:** U.S. Geological Survey; scientific agency of the U.S. Government
- **WACC:** Weighted average cost of capital; blended cost of financing that takes into consideration the amount of debt and equity in an entity's capital structure, and the respective costs (Section VII)
- **WTI:** West Texas Intermediate; a type of crude oil, the price of which is often used as a benchmark for oil prices (Section III.A.1)