

May 4, 2023

Honorable Senator Bert Stedman
State Senate
Alaska State Capitol
120 4th Street, Room 518
Juneau, Alaska 99801

Dear Senator Stedman:

I appreciated the opportunity to update the Senate Finance Committee on the progress the Alaska Gasline Development Corporation has made in bringing the Alaska LNG Project to fruition. We continue to work closely with prospective investors and developers, several of whom will be coming to Alaska in the next few months. Their willingness to come to visit the site, is viewed as a positive indication of their serious interest in investing in Alaska's LNG project.

During the May 3, 2023, Senate Finance Committee meeting, I was unable to respond to Senator Bishop's question with specific costs to mitigate wetlands impacted by the project. The cost of mitigation credits will be priced during Front End Engineering and Design (FEED) when the wetland mitigation plan is finalized, therefore we don't have a specific cost at this time. The cost estimate from April of 2022 indicated that costs would be in the \$20 to \$30 million range.

Senator Wilson asked about the Environmental, Social and Governance (ESG) issues associated with the construction and operation of the project. Knowing that ESG issues are becoming important to investors, AGDC developed a report titled "Alaska LNG Project- supporting domestic and global sustainability goals". Attached is a copy of that report. The report can also be found online at <https://alaska-lng.com/project-overview/environmental-benefits/>.

The report highlights how at each step of the process AGDC has put in place mitigation strategies such as the Arctic Carbon Capture Plant, use of current transportation corridors, and demonstrated how the project provides a cleaner source of fuel for interior Alaskan's as well as the replacement of coal powered plants in Asia. AGDC has engaged with stakeholders at every phase of the project. The report also highlights the potential for ammonia generation which is a central to zero-carbon strategies of countries across the pacific rim.

I am available to update you or members of the Finance committee at any time during the interim between sessions. Our Board meetings are public meetings and are conducted in person and via Zoom. If any members would like to be notified of upcoming meetings, please let Mary Siroky (msiroky@agdc.us) know and she will ensure those personal notifications happen.

I look forward to bringing you exciting news regarding securing investors before the start of the next legislative session.

Best Regards,



Frank Richards
President

Cc: Mary Siroky, AGDC