

President's Report

June 18, 2025



Safety Moment – Call 811!

Call 811 for a utility locate before digging around your home

811 is the national call-before-you-dig phone number. Call 811 or go to the state's 811 website a few business days before digging. The local utility owner will mark any underground utilities with paint or flags to help prevent damage to underground utility lines

Projects, big or small, require a utility locate. For example, be sure to contact 811 if you are:

- Planting a small flower bed or tree
- Installing fence posts or a mailbox
- Digging in a spot that was previously marked
- Hiring a contractor or landscaper for a digging project
- Only digging in a small area and don't want my entire yard marked

811 protects you and your community! Hitting a buried line while digging can disrupt utility service, cost money to repair, or cause serious injury or death. Always contact your 811 center, wait the required time for utilities to respond to your request, and ensure that all utilities have responded to your request before putting a shovel in the ground.

811 Alaska Digline, Inc. www.811ak.com | Statewide: 1-800-478-3121 or Dial 811 !

FY 2025 Financial Report

AGDC Fiscal Year to Date Statement of Activities (\$thousands) as of April 30, 2025 Unaudited	
LNG Project Expenditures	5,242
AGDC General & Admin	2,066
Total	7,308

LNG Project Expenditures (AKLNG Expenditures)		AGDC General & Administrative (G&A by Function)	
	YTD Costs		YTD Costs
Venture Development	2,270	Personnel	1,026
Core PMT & Systems	1,498	Travel	62
ERL	1,473	Services	959
Total	5,242	Commodities	19
		Depreciation	-
		Total	2,066

FY 2026 Budget (enacted)

FY 2026 Operating Budget (\$thousands)		FY 2026 Capital Budget (\$thousands)	
Request	\$2,487.5	Request	\$4,200.0
Appropriated	\$2,238.8	Appropriated	\$0
Reduction	-\$248.7	Total	\$0

FY2026 Funds (\$thousands projected)

8 Star Transition Services Reimbursement (est.)

AGDC Services – April thru June 2025 \$ 600.0

July 1, 2025 Balances (est.)

Alaska LNG Fund and Global Accounts \$ 750.0

FY 2026 Appropriation

AGDC Operating \$2,238.8

Total FY26 Funds (est.) \$3,588.8

Department of Energy (DOE), National Energy Technology Laboratory (NETL) Award for Alaska LNG Project Front-End Engineering Design (FEED)

- \$4 million Award effective July 1, 2023, with Pre-award costs effective April 1, 2023
- Budgeted costs included direct contracted project expenditures
- Alaska LNG Project milestone was achieved 1Q 2025 ahead of schedule and under budget
- AGDC reached the Award's maximum federal cost share of \$4M on April 30, 2025, and completed all Federal Assistance Reporting in May 2025
- DOE Project close out is complete; DOE will publish the Final Technical Report in June 2025
- June 13, 2025, letter of appreciation sent to Senator Murkowski for Congressionally Directed Spending funds received via DOE NETL Award



Legislative Update

ALASKA
GASLINE
DEVELOPMENT CORP.

The logo for Alaska Gasline Development Corp. features the company name in a sans-serif font. To the right of the text is a stylized outline of the state of Alaska, composed of several blue stars of varying sizes arranged to form the state's shape. A single blue star is positioned above the main outline.

HB 119 Fairbanks Spur Line

- HB 119 – Would require a direct spur line to the City of Fairbanks and the Fairbanks North Star Borough for an in-state natural gas pipeline advanced under AGDC statute AS 31.25.005(4)
- AS 31.25.005(4) applies to the Alaska Stand Alone Pipeline (ASAP) Project, which included a Fairbanks Lateral
- HB 119 (STA) added the requirement to construct a spur line in the section applying to Alaska LNG (AS 31.25.005)
 - AGDC submitted a fiscal note for \$242M in capital costs and \$1.9M in annual operating costs starting in 2030
- Draft HB 119 (ver. G) brought before the House Resources Committee removes the construction requirement under the Alaska LNG portion of the statute – going back to original version of the bill
- HB 119 is in the House Resources Committee. There are no additional committee referrals

SB 114 Fairbanks Spur Line

- SB 114 is an exact match to HB 119 requiring a direct spur line to the City of Fairbanks and the Fairbanks North Star Borough for an in-state natural gas pipeline advanced under AGDC statute AS 31.25.005(4)
- Passed out of Senate Resources
 - Do Pass – Senators Giessel, Myers, Hughes, Dunbar, Claman
 - No Recommendation – Senator Wielechowski
- Next committee is Senate Finance

- SB 125 – would establish the Alaska Gasline Finance Corporation in the Department of Revenue
- The corporation would develop and have primary responsibility for financing a natural gas pipeline in the state
- The corporation would offer shares of a natural gas pipeline to the public
- Directly conflicts with AGDC statutory powers and duties in AS 31.25.080
- Bill is in Senate Resources

Commercial & Program Management



Glenfarne Definitive Agreements

- AGDC recently achieved a significant milestone in privatization of the Alaska LNG Project through execution of definitive agreements with Glenfarne to acquire 75% of 8 Star
- Glenfarne is both leading and funding the development of the project forward to Final Investment Decision (FID)
- AGDC is now completing a period of transition to a role as a minority 25% owner in 8 Star and holding the option for the state to acquire up to 25% of the three Alaska LNG sub-projects



AGDC Minority Role & Key Functions

- 8 Star Governance
- Alaska LNG Development Support
- Final Investment Decision Support
- Clawback Capacity
- Gas Infrastructure Development
- Ensure Glenfarne continually pursue Diligent Development Efforts, including:
 - Good faith and timely pursuit of the Project's objectives
 - Continued investment of sufficient resources to achieve FID
 - Maintenance of required permits and approvals for the Project
 - Adherence to "Alaska Advantage Principles"
 - Other development activities, as necessary, to achieve an affirmative FID, etc.

Governor's Energy Conference

High-level engagement from across Asia, with private-sector and high-level government officials from:



Japan



Korea



Thailand



India

8 Star to follow up with Asia visits from 18 – 26 June

- Japan, to attend the Japan Energy Conference and LNG Producer-Consumer Conference
- Thailand and Taiwan to continue discussions as reported in media

Governor's Energy Conference

CPC Corporation Taiwan sent a high-level delegation including:

- Secretary-General to President Lai Ching-te, Pan Men-an
- Vice Minister of Economic Affairs, Chien-Hsin Lai
- CPC Corporation Chairman, J. Z. Fang
- CPC Vice President, Jane Liao



Governor's Energy Conference



Senior Taiwan official visits site of new Alaska LNG project

[Senior Taiwan official visits site of new Alaska LNG project | Reuters](#)

Japan's Top LNG Importer Will Explore Buying From Alaska

Bloomberg

[Japan's Top LNG Importer Will Explore Buying From Alaska - Bloomberg](#)

Newsweek

Alaska Governor: Why the Alaska LNG Pipeline Matters for South Korea's Energy Security | Opinion

Published Jun 03, 2025 at 2:03 PM EDT

[Alaska Governor: Why the Alaska LNG Pipeline Matters for South Korea's Energy Security | Opinion - Newsweek](#)

During Prudhoe Bay tour, Trump officials tout oil pipeline and potential gasline



[During Prudhoe Bay tour, Trump officials tout oil pipeline and potential gasline](#)

Alaska LNG Developer Activities

- 8 Star Transition
- Phase 1 Pipeline
- Strategic Partner Process
- Gas/LNG Customer Engagement
- Gas Supplier Engagement
- Government Engagement – Federal and International
- Permit & Authorizations – Maintenance & Sustainability
- Import LNG Project

Defeated Legal Challenges

FERC Order Challenge

- Center for Biological Diversity (CBD) and Sierra Club
- Court Decision 5/16/2023 upheld FERC's authorization

DOE Export Authorization Challenge

- CBD and Sierra Club
- Court Decision 4/15/2025 upheld DOE's authorization

Our Children's Trust (OCT)

- Lawsuit against State of Alaska, AGDC, and AGDC President
- Case dismissed by Alaska 3rd Judicial District court
- Plaintiffs have indicated their intent to appeal their case



Our Children's Trust (OCT)

- Sagoonick v. State of Alaska II
 - Includes AGDC and President
- On June 12th appealed to Alaska Supreme Court
- Amicus briefs in support filed by League of Women Voters and Alaska Legislators

Biological Opinions (BiOp) Challenge

- CBD and Sierra Club
- AGDC filed Motion to Dismiss (MTD)
- Petitioners Opposed MTD and Dept. of Justice partially agreed and partially disagreed with MTD
- Court granted motion for abeyance and stayed proceedings until 12/31/25
- U.S. Fish and Wildlife Service has already completed new BiOp

Federal Loan Guarantees

- Senate Energy and Natural Resources Committee is advancing legislation to rewrite the Title 1706 Department of Energy loan program
- Title 1706 was an outcome of the Inflation Reduction Act that included numerous clean energy loan programs
- The new Title 1706 will focus on loans for energy infrastructure and will provide a new opportunity, in addition to the existing loan guarantees
- This legislation is to be included in the upcoming reconciliation bill

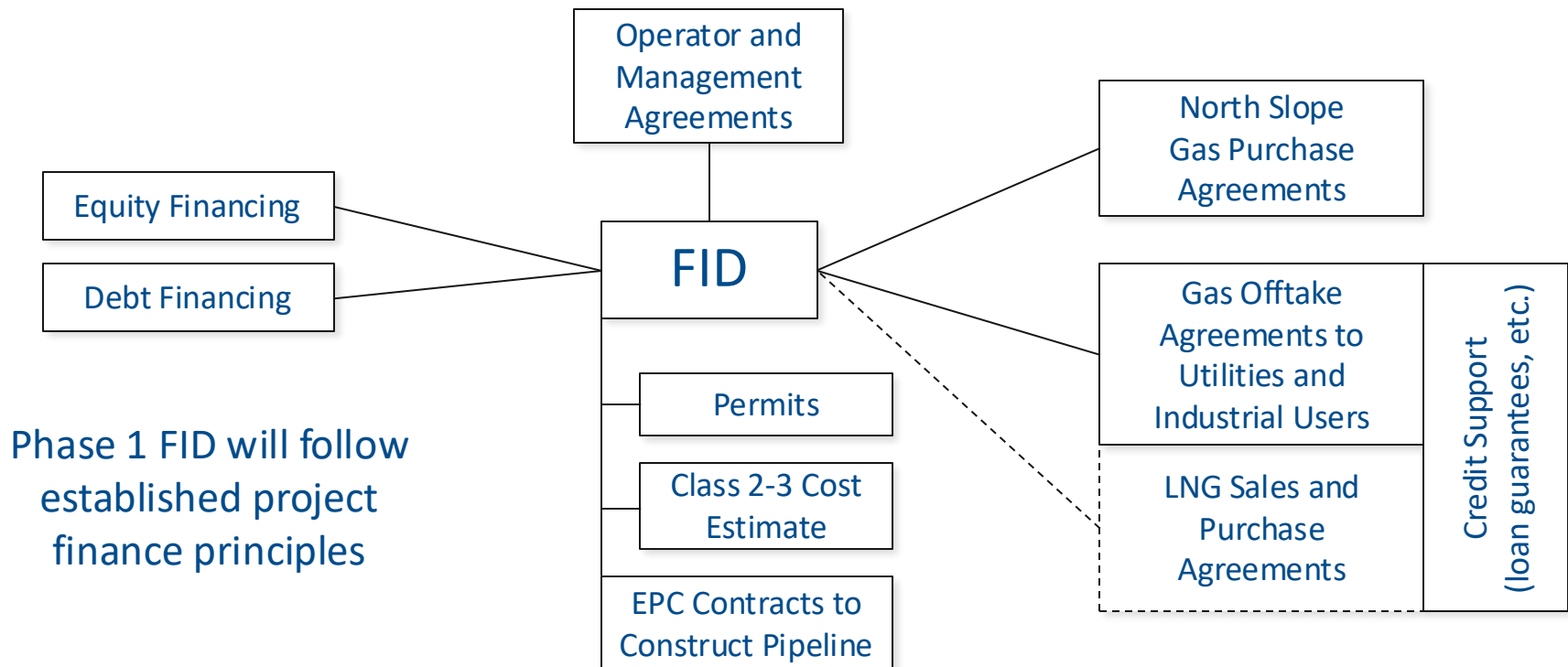
Tax-Exempt Financing

- **Maximizing Federal Tax-Exempt Status:** AGDC, as a public corporation of the State of Alaska, may issue tax-exempt bonds under Internal Revenue Code (IRS) §103 for qualified public infrastructure components of the project potentially lowering borrowing costs for portions with clear public benefit
- **Railroad Bonds May Offer Greater Flexibility:** Alaska Railroad Corporation, a federal land grant entity, has unique bonding authority under 45 U.S.C. §1207 and may issue tax-exempt bonds without the volume cap constraints or certain IRS arbitrage limitations that apply to state conduit issuers like AGDC

Final Investment Decision (FID) Process

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.

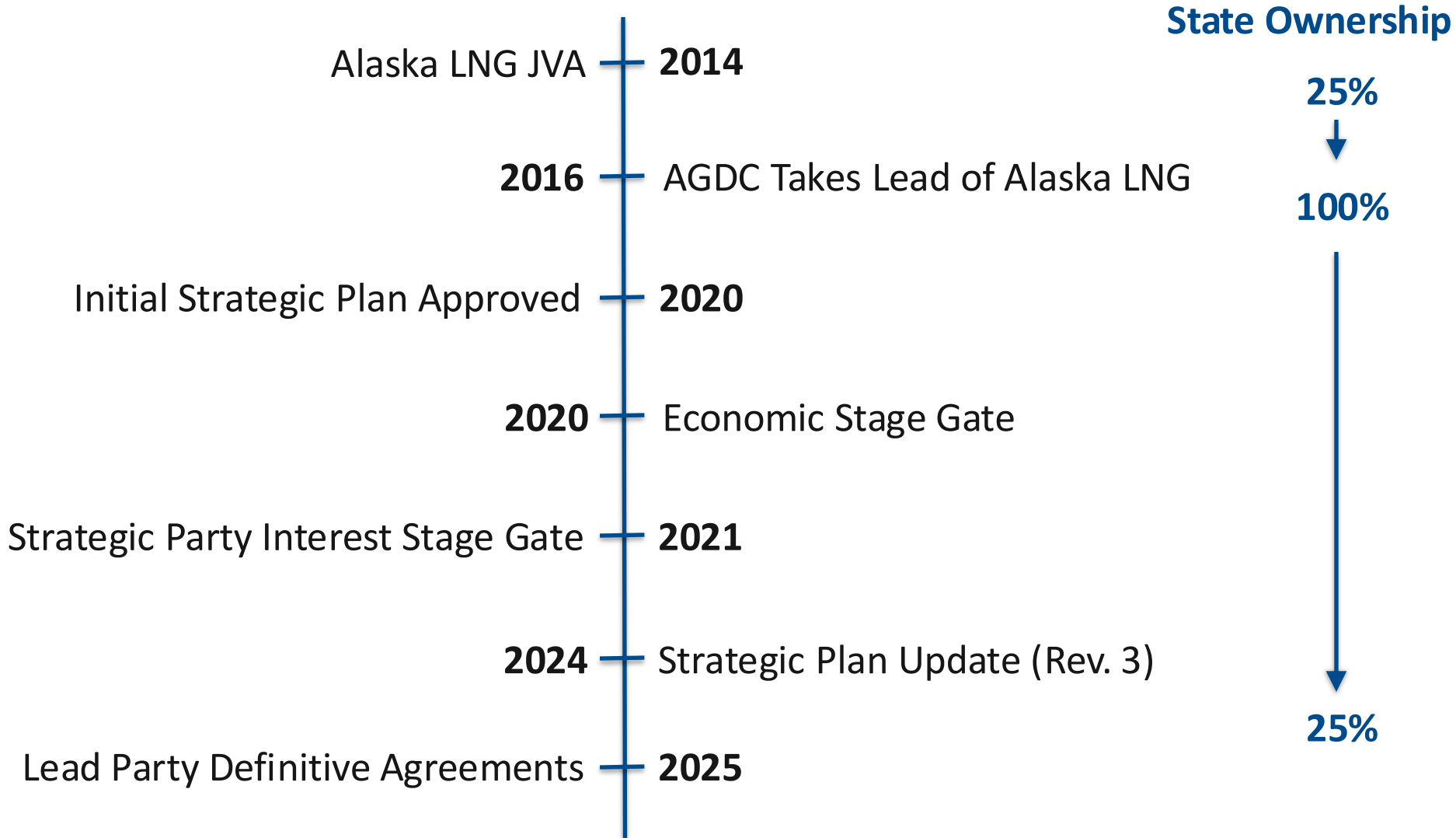
FID is not simply a “decision” to build—it requires full construction funding committed and deployed by third parties.



Strategic Plan Update



Alaska LNG Progression



Strategic Objectives Status to Date

No.	Strategic Plan (Rev. 3) Objectives	Status
1	Pursue Phase 1 of the Alaska LNG Project, which will accelerate construction of the Pipeline.	Completed
2	Lead the overall project development by securing LNG offtake agreements and private sector funds for project development activities under 8 Star Alaska LLC.	Completed
3	Develop and sign project development agreements with Lead Parties to advance the project through FEED to FID.	Completed
4	Achieve the maximum benefit from the project to Alaskans while minimizing ongoing AGDC spend.	Completed
5	Maintain a common Project Economic Model in association with Strategic Parties and validate the integrated Alaska Total Value Model with the Alaska Department of Natural Resources and Alaska Department of Revenue and inform key stakeholders and policy makers.	Completed
6	Maintain and defend existing permits and authorizations required for project completion.	Completed

AGDC Strategic Role & Key Functions

8 Star Transition			
	LOI Interim Period	Transition Agreement Phase	8 Star Operations Phase
AGDC	<ul style="list-style-type: none"> Project Sponsor (100%) & Developer Project Management Systems Embedded Commercial Staff Embedded Technical Staff Contracted Project Services Office 	<ul style="list-style-type: none"> Project Sponsor (25%) AGDC Governance Obligations Project Management Systems Embedded Commercial Staff Embedded Technical Staff Contracted Project Services 	<ul style="list-style-type: none"> Project Sponsor (25%) AGDC Governance Obligations Commercial Management Program Management Information Systems Management
8 STAR	<ul style="list-style-type: none"> Transition Planning Organization Building 	<ul style="list-style-type: none"> Project Sponsor (75%) & Developer Organization Building & Transition Contracting Office 	<ul style="list-style-type: none"> Project Sponsor (75%) & Developer Project Management Systems Embedded Commercial Staff Embedded Technical Staff Contracted Program Services

Definitive
Agreements
Executed

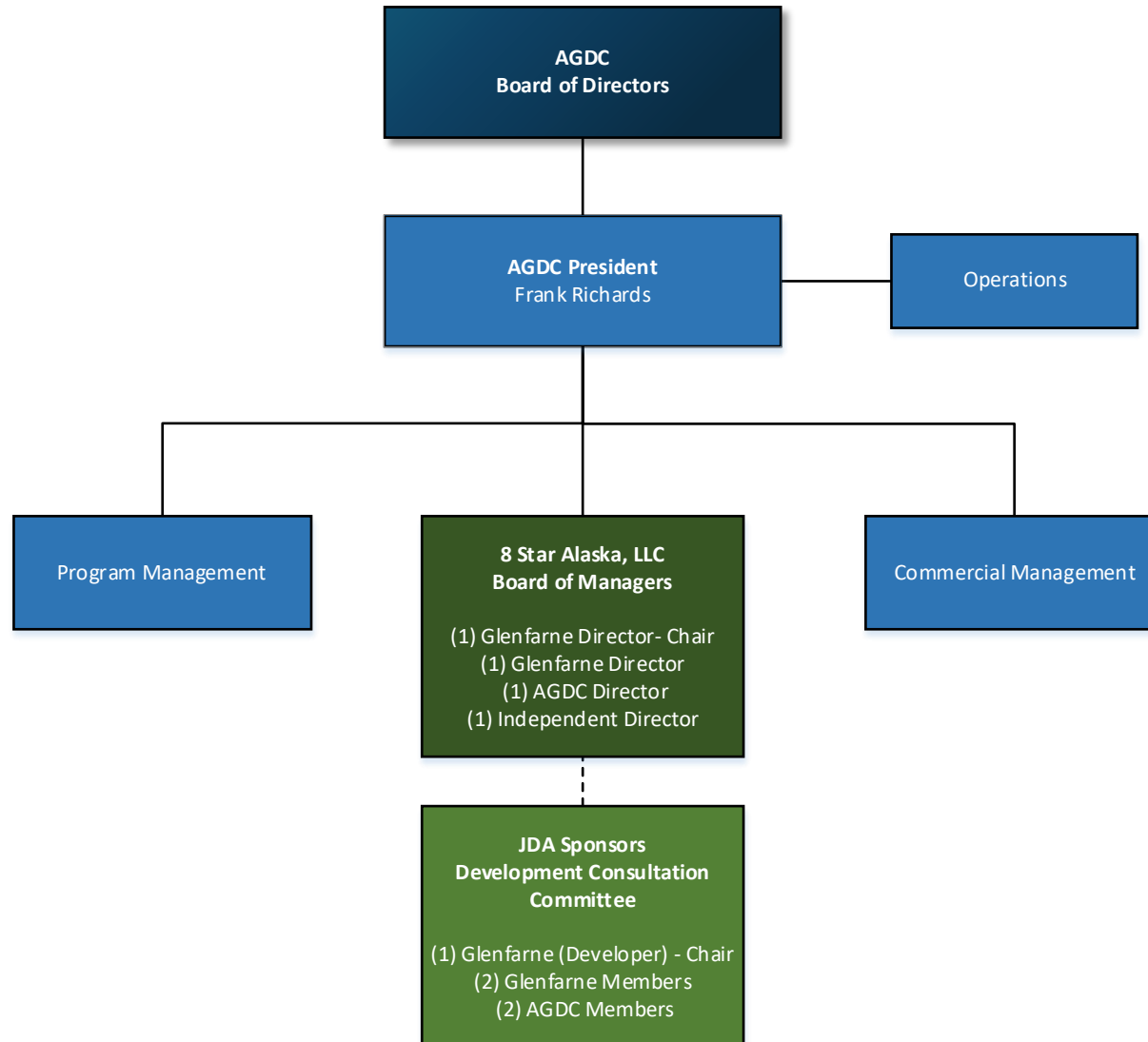
TBD – Min.
90 Days

Following completion of the 8 Star transition, AGDC will establish and maintain a core management organization internally at the corporate level to help oversee and govern AGDC's ongoing ownership and interest in the 8 Star series organization and the Alaska LNG Project

Key Functions to Drive Staffing:

- 8 Star governance
- Alaska LNG Development support
- Final Investment Decision management
- Clawback management
- Gas infrastructure development

AGDC Strategic Role & Key Functions



Strategic Plan (Rev. 4) Objectives

No.	Key Strategic Plan Objectives Moving Forward
1	Fulfill AGDC's 8 Star and Alaska LNG development governance roles through the Board of Directors, the Development Consultation Committee, and for the Alaska Advantage Principles
2	Provide reimbursable Transition Services to 8 Star until the Transition Services Agreement is terminated
3	Provide ongoing technical, commercial, and key stakeholder support to the Alaska LNG Developer through subproject FID(s)
4	Actively monitor Alaska LNG project developments and communicate with key stakeholders (within the bounds of confidentiality agreements)
5	Lead a working group to prepare, plan, and align key parties for AGDC's option to invest 5% - 25% in 8 Star Sub-project equity at FID(s)
6	Coordinate with the Developer, the Administration, and the Alaska Legislature on legislation necessary to support overall Alaska LNG development
7	Coordinate with the Administration and the Alaska Legislature on legislation to execute AGDC's option to invest 5% - 25% in 8 Star Sub-project equity at FID(s)
8	Maintain technical and commercial management capacity to execute potential claw back of 8 Star and Alaska LNG

FY26 Authorization for Expenditure (AFE)



- The proposed FY26 AFE is aligned with the approved update of the Strategic Plan (Rev. 4) and reflects overall reduced staffing and expenditure
- The AGDC Work Program & Budget (WP&B) for the FY26 AFE covers the period between July 1, 2025, through June 30, 2026
- The WP&B consists of major functions around:
 - Commercial management
 - Program management
- The scope of the AFE is for baseline capital expenditures outside of the corporate operations

FY26 Work Program & Budget (\$thousands) \$1,594.0
consisting of:

- Program Management \$1,155.0
 - Program Director, IT support, compliance support, and program support personnel

- Commercial Management \$ 439.0
 - Commercial Director

FY26 Capital AFE

- AGDC has sufficient funding for the AFE budget
- Management recommends board approval of AFE 26-001

Contact Us

AGDC

<http://www.agdc.us/>

<https://agdc.us/contact-agdc/>

Alaska LNG

<https://alaska-lng.com/>

<https://alaska-lng.com/contact-us/>

Social Media

Twitter <https://twitter.com/alaskalng>

Facebook <https://www.facebook.com/AKGaslineDevelopmentCorp>

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AGDC.us

ALASKA
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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