

# Alaska LNG

## *Overview*

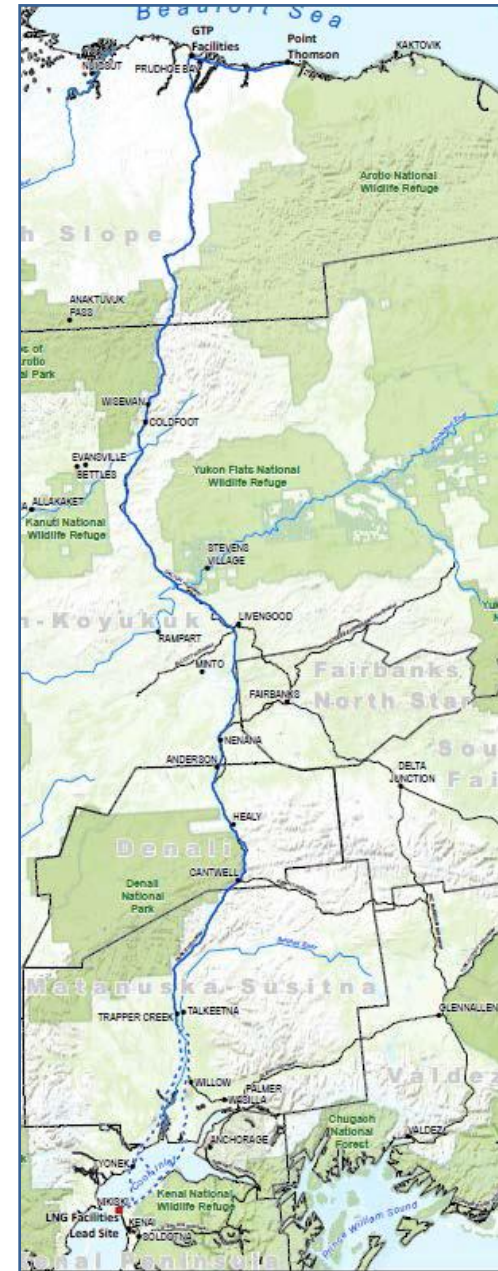
December 6, 2013

## Project Team

- BP, ConocoPhillips, ExxonMobil and TransCanada are working together to progress an Alaska LNG project:
  - 300+ people involved in project planning and design work
  - Multiple third-party contractors engaged, including Alaskans
  - Leveraging Denali, APP, and related material (\$700M past work)

## Project Description

- Concept selection work to date:
  - Gas treatment plant located on the North Slope
  - An 800-mile, 42-inch diameter pipeline
  - Up to 8 compression stations
  - At least 5 off-take points for in-state gas delivery
  - Liquefaction plant and marine export terminal located in south-central region
    - **Lead site is Nikiski**
  - Preliminary capital investment: \$45-\$65B



- Lead Site – After evaluating more than 20 locations, the Project Team has identified a primarily industrial area near Nikiski.
- The Team has performed considerable technical work for both the location of the plant as well as the viability of Nikiski for LNG tanker operations.
- A Nikiski LNG plant site takes into consideration a pipeline route that provides access to natural gas for:
  - Fairbanks
  - Mat-Su Valley
  - Anchorage
  - Kenai Peninsula



***Alaska LNG Plant  
Conceptual Layout***

- Access to land is part of project development.
- Access to land allows further engineering and feasibility studies, including environmental, geotechnical, soils, groundwater and other research as necessary to confirm the LNG plant and terminal site selection.
- The exact parcels that we want to access are confidential. We do not have a specific timetable for completing the process.
- We hope that we will be able to reach an arrangement with the landowners in the areas we are interested in accessing.



Mark Jennings



## Previous and Current Work

### Key project design accomplishments

- Confirmed ability to integrate into existing operations
- Completed project design concept, announced Feb 2013
- Finalized LNG Lead Site



### Field Studies

- Alaska LNG is now working to answer key technical questions to reduce uncertainty and continue advancing the project.
- The multi-year field work effort is underway. We are working to complete the 2013 program and are planning for the 2014 season.
- The primary scope of field work is to analyze existing environmental conditions along project footprint
  - Planning, logistics, and permitting to support survey work
  - Public and agency engagement to support survey work and ongoing project planning
- 2013 Summer Field work completed September 2013:
  - Cultural Resources: >6,500 acres
  - Hydrology / Lakes / Fisheries studied: 27 / 17 / 20
  - Subsistence and Health Impact Assessments starting this winter (2013/14)
  - 150 people involved in field studies (60% Alaskans)



- A successful Alaska LNG project would provide a host of economic benefits to Alaskans including:
  - State and local revenues
  - Short and long-term job opportunities
  - Business and industrial opportunities
- Commercializing North Slope natural gas through the Alaska LNG Project will provide Alaskans access to a cleaner burning and dependable energy source to supply ongoing in-state energy demand via five off-take points along the pipeline route.
- The off-take points would be decided following consultation with State officials and local utilities

## ***Key Issues, Timing and Next Steps***

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### **Key Issues**

- “Mega-project” challenges (labor, resources, equipment, schedule, etc.)
- Uncertainty related to permit timing and scope

### **Next steps**

- Completing field studies in preparation for regulatory submissions
  - Winter Field Season 2013/14
  - Summer Field Season 2014
- More detailed engineering and design work for an LNG plant, marine export terminal, LNG tanker fleet, a pipeline and a gas treatment plant

### **Project timing**

- Preliminary engineering and environmental studies within a 3-5 year timeframe (depending on regulatory approvals)
- After regulatory approvals are received and funding is secured, final engineering, design, procurement and construction may be completed in 5-6 years

- If you have questions or concerns, please call our Alaska toll-free number
- We will respond to you and put your name and address in our stakeholder database, which will give you the option to automatically receive project updates

### Alaska LNG

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