

# Bringing North Slope Natural Gas to Alaskans



## Acronyms

<b>AEA</b>	Alaska Energy Authority	<b>IEP</b>	Interior Energy Project
<b>AIDEA</b>	Alaska Industrial Development and Export Authority	<b>LDC</b>	local distribution company
<b>BCA</b>	Benefit Cost Analysis	<b>LHV</b>	lower heating value
<b>Bcf</b>	billion cubic feet	<b>LNG</b>	liquefied natural gas
<b>Btu</b>	British Thermal Unit	<b>Mcf</b>	thousand standard cubic feet of gas
<b>CO<sub>2</sub></b>	carbon dioxide	<b>MMcf</b>	million standard cubic feet of gas
<b>EA</b>	environmental assessment	<b>NAAQS</b>	National Ambient Air Quality Standards
<b>EPC</b>	Engineering, Procurement, and Construction	<b>PM</b>	particulate matter (2.5 or 10.0 micron)
<b>H<sub>2</sub>S</b>	hydrogen sulfide	<b>RCA</b>	Regulatory Commission of Alaska
<b>HHV</b>	higher heating value	<b>SETS</b>	Sustainable Energy Transmission and Supply
		<b>WIO</b>	Working Interest Owner

## Definitions

**Cost-of-service:** The cost of natural gas delivered to the end consumer including the cost of the purchased gas, transportation from the source of origin, operations and maintenance, general and administrative costs, depreciation, and debt service among other factors.

**Freight (or Free)-on-board:** Sales term used to define the cost of gas available for private entities to purchase gas directly from the liquefaction facility. Private entities that purchase the gas are responsible for the transportation and storage of LNG and distribution of natural gas with the Fairbanks North Star Borough.

**Working Interest Owners:** Oil and gas industry participants with an interest in an oil and gas lease that gives the owner of the interest the right to drill for and produce oil and gas on the leased land. WIOs are directly liable for costs associated with development and production. Interior Energy Project WIOs are lease holders in the Prudhoe Bay Unit.

**404(b)(1) permit:** A permit required by Section 404 of the Clean Water Act regulating the discharge of dredged material, fill material, or both into waters of the United States. The permit is required for the LNG facility gravel pad and access road to be constructed on the North Slope and will be authorized by the United States Army Corps of Engineers. The placement of vertical support members for the pipeline connecting the facility to the natural gas supply is expected to be authorized under Nationwide Permit (NWP) 25.

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**Title V (major) Air Permit:** A permit required by Title V of the Clean Air Act for operating ongoing emission sources. The Title V permit program operated by the Alaska Department of Environmental Conservation requires that major industrial sources and certain other sources obtain a Prevention of Significant Deterioration (PSD) permit. This permit is required to construct and monitor ongoing emissions from the liquefaction facility on the North Slope. The PSD permit requires the following element:

1. installation of the “Best Available Control Technology (BACT)”;
2. an air quality analysis;
3. an additional impacts analysis; and
4. Public involvement.

**Primacy:** The regulatory agency responsible for regulation of specific programs and associated permits. For example, the United States Environmental Protection Agency was the lead or primary agency for National Pollutant Discharge Elimination System permits in Alaska until the State assumed primacy and control of the permitting process. The federal agency can step and manage the program if the state agency is not meeting program requirements as the lead agency. State agencies with Primacy regulate contaminants, adopt and implement procedures for the enforcement of state regulations, implement a system of record-keeping and reporting requirements, and have the authority to assess penalties for violations of the approved primacy program.

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