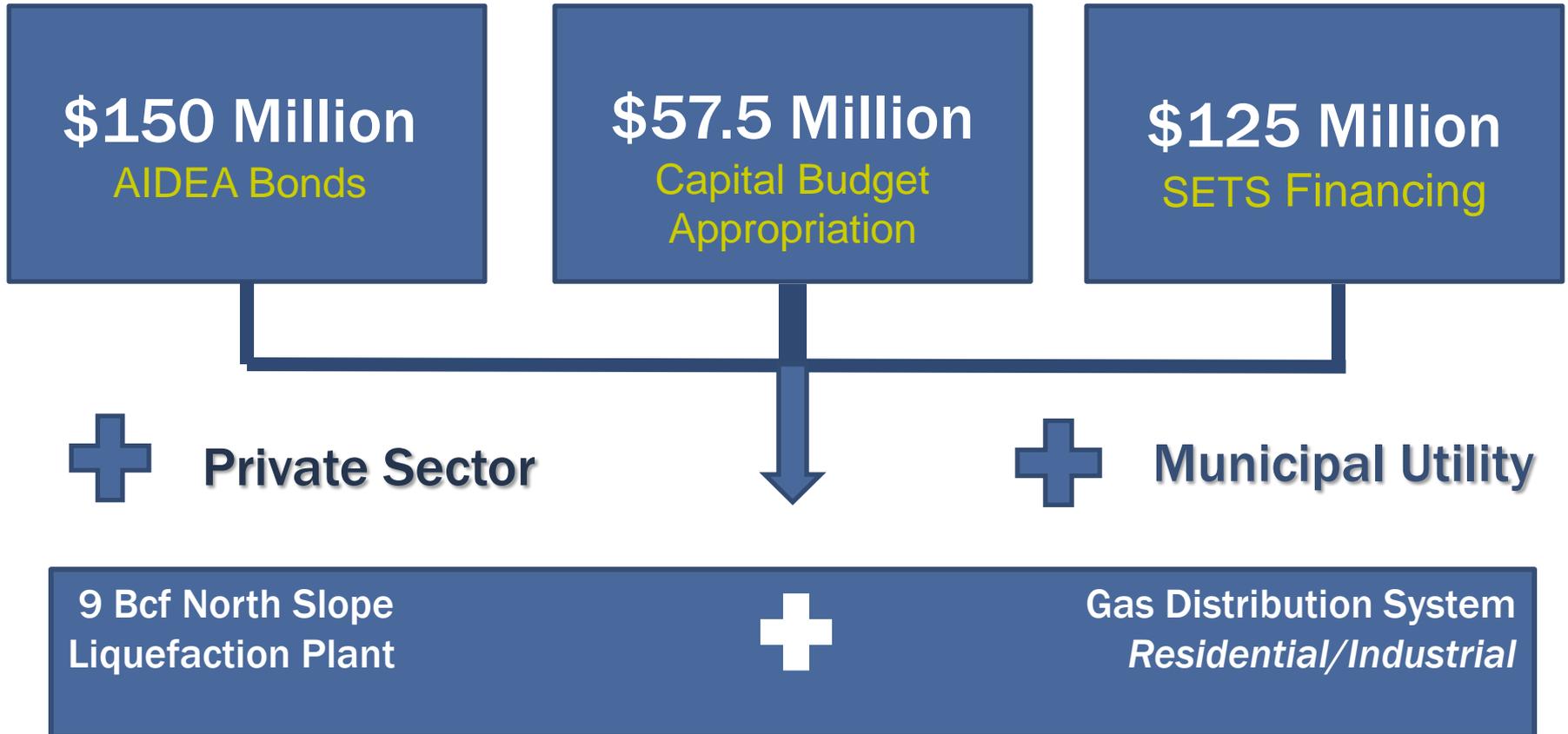




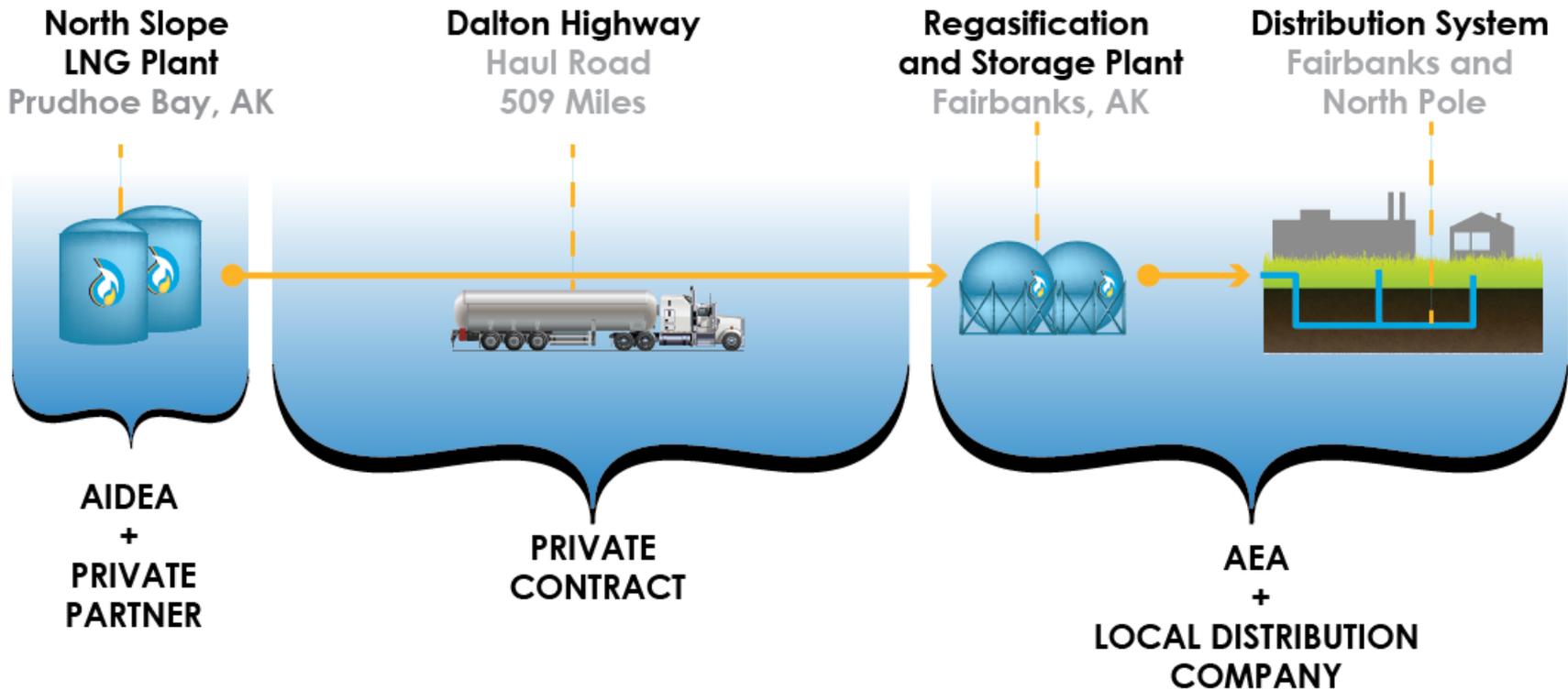
AIDEA Board Meeting October 1, 2013

Interior Energy Project Bringing North Slope Natural Gas to Alaskans

SB23 FINANCE PACKAGE



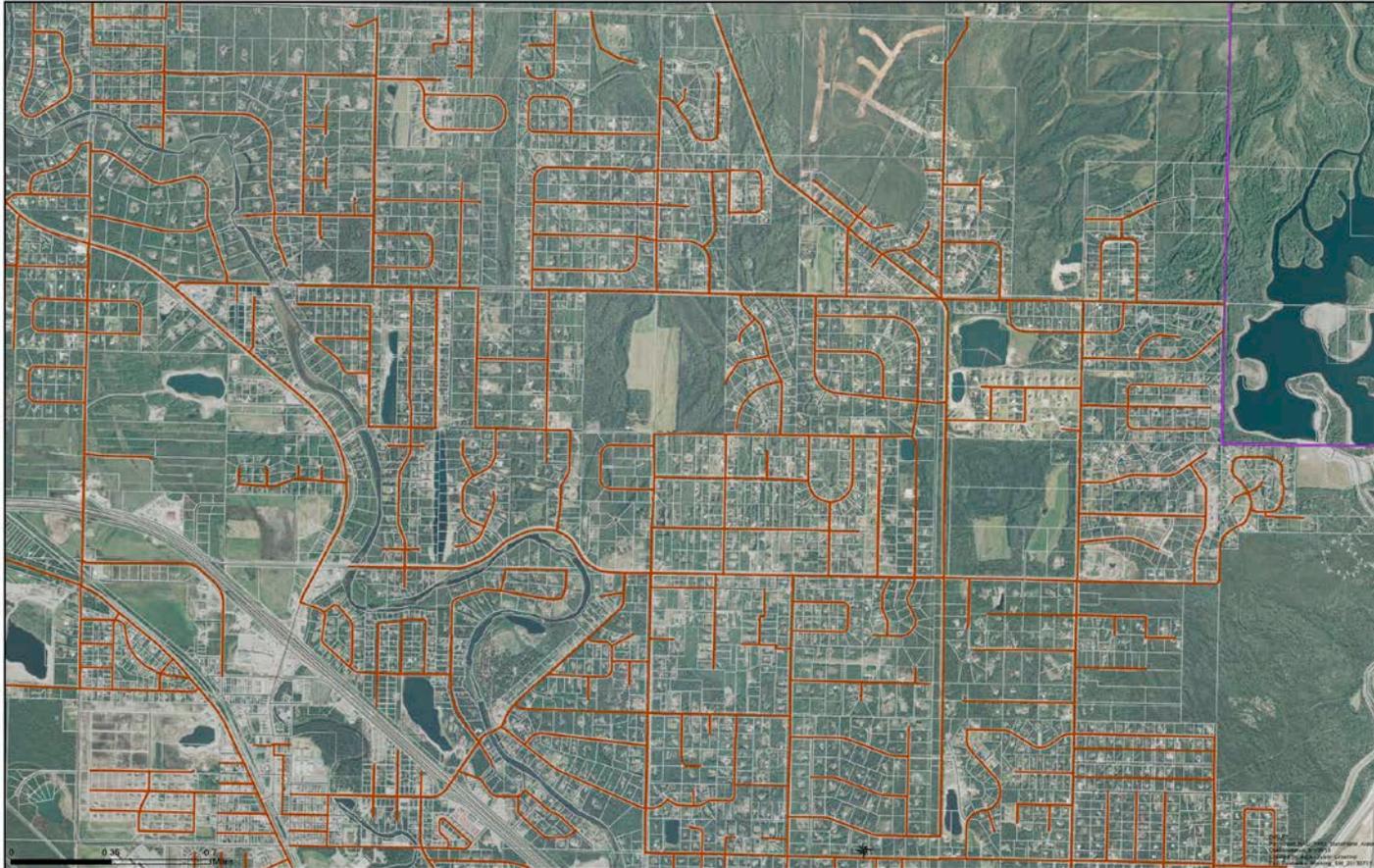
IEP PROJECT OVERVIEW



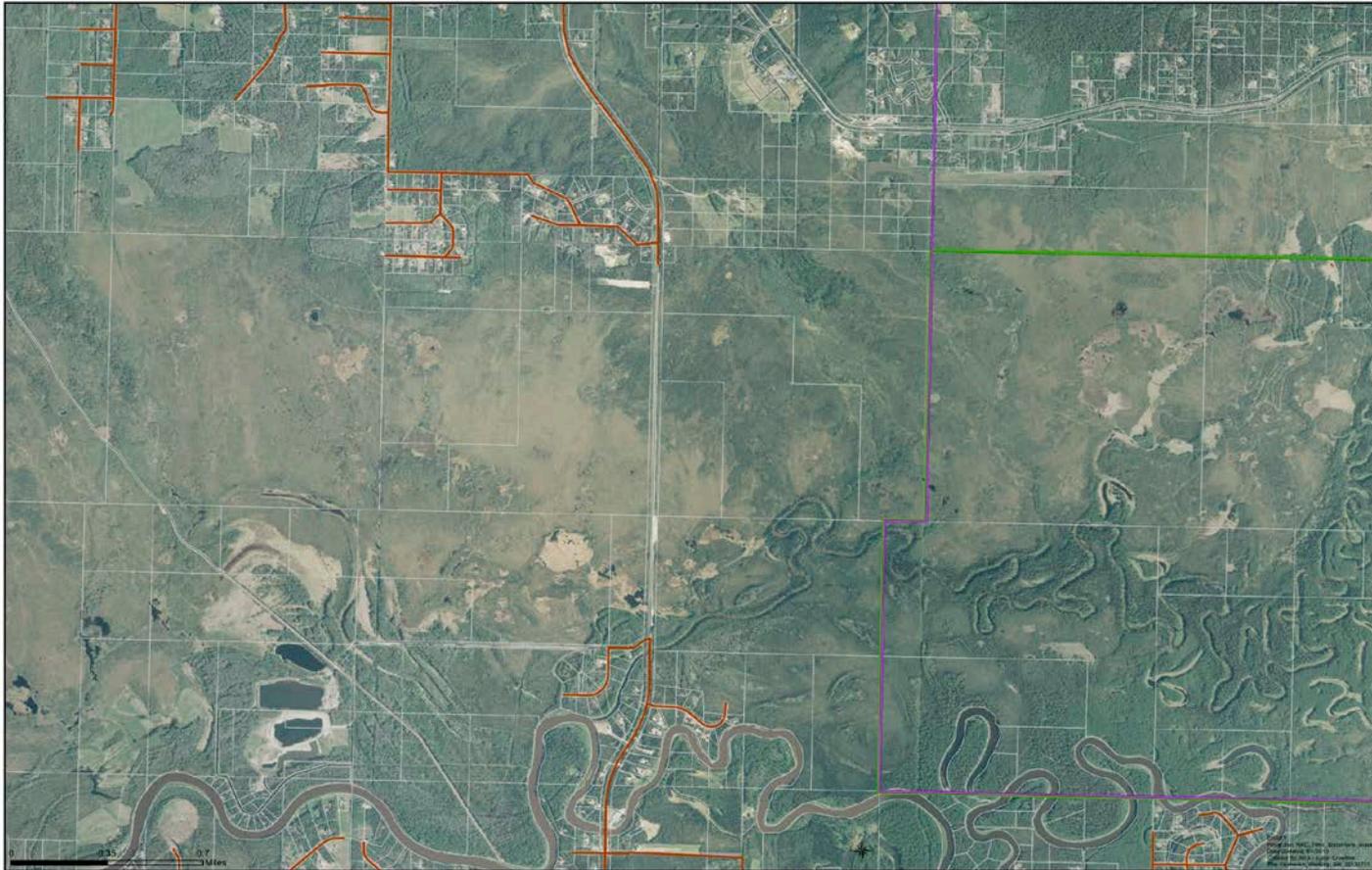
CURRENT DISTRIBUTION EFFORTS

- ④ **Independent distribution analysis**
 - **Internal GIS layout**
 - **\$/line-item estimating**
 - **Review of storage requirement and cost**
 - **Map showing potential buildout by year**
 - **Discussions initiated with potential customers**
- ④ **FNSB natural gas conversion study**
- ④ **Work session with Interior local government officials on October 9th to discuss the distribution system**

HIGH DENSITY MAPPING EXAMPLE



DISTRIBUTION LOOPING ISSUE



RCA SERVICE AREA

- ④ **AEA/AIDEA is monitoring the RCA service area process**
- ④ **RCA decisions scheduled mid-October**
- ④ **RCA process will not slow IEP progress**
 - **IEP will work with either utility if granted the service area**
 - **AIDEA projects that the existing FNG service area would be able to support initial 9 Bcf plant**
 - *131 miles of new pipe to build out existing FNG area*
 - *Total demand of 4.8 Bcf, peak demand of 7.9 Bcf*

FNSB CONVERSION STUDY

- ④ **Analysis of FNSB customers expected conversion to natural gas**
- ④ **“Conversion Incentives and Financing Alternatives” white paper expected October 9**
- ④ **Final report due December 6**
 - **Estimate conversion rates**
 - **Recommendation of potential legislation to incentivize conversion**
 - **Conversion benefits and cost**
 - **Air quality effects, timing and economic benefits**

NORTH SLOPE LNG PLANT EFFORTS



- **Commercial discussions with potential North Slope LNG plant participants**
- **Technical review of technology proposed to be used by potential North Slope LNG plant participants**
- **Continuing LNG Plant permitting**
- **Identification of potential alternative supplies of natural gas**

NEGOTIATIONS CONTINUING

- **AIDEA working on reaching firm agreement to develop North Slope LNG Plant**
- **Multiple meetings with LNG Plant proposers to discuss and refine business terms**
- **Ongoing discussions and evolving terms**

PERMITTING

- ① **Necessary permits underway by HDR**
- ① **All permits expected to be obtained on time**
- ① **All permit and permit progress transferable to entity that develops the North Slope LNG plant**

NS LNG PLANT PERMITS

Permit/Approval	Description/Requirement	Status
Air Permit	Needed prior to installation of air polluting equipment	In-progress; anticipate submittal 12/3/13; receipt by Fall 2014
USACE Wetlands/Section 404 permit	Needed prior to pad/road construction	Preliminary application materials submitted; other parts on-going and on-track for Mar-2014 receipt
EA and HIA	Needed for wetlands permit	EA started; HIA awaiting proposal from DHSS
USFWS ESA and Section 7 Consultations	Need approvals prior to construction in Spring 2014	In-progress and presently working with BP
DNR ML&W Pad and Road Lease	Needed prior to Spring 2014 construction work	Lease application submitted 9/23/13; anticipate receipt March-2014
Temporary Water Use Permit	Needed prior to Spring 2014 construction work	Not started; only requires short timeframe for permit approval
SPCO Pipeline Right-of-Way Application	Needed prior to pipeline construction (late Fall 2014)	In-progress; anticipate application submittal Oct-2013
RCA CPCN	Needed prior to pipeline construction (late Fall 2014)	In-progress; anticipate application submittal Oct-2013
Gas Purchase Agreement (with BP & WIOs)	Needed to finalize commercial agreements	Tentative conversations held
AOGCC Meter & Withdrawal Approval	Needed with gas contract	Initiated approval submittal package; anticipate 6+ months once submitted

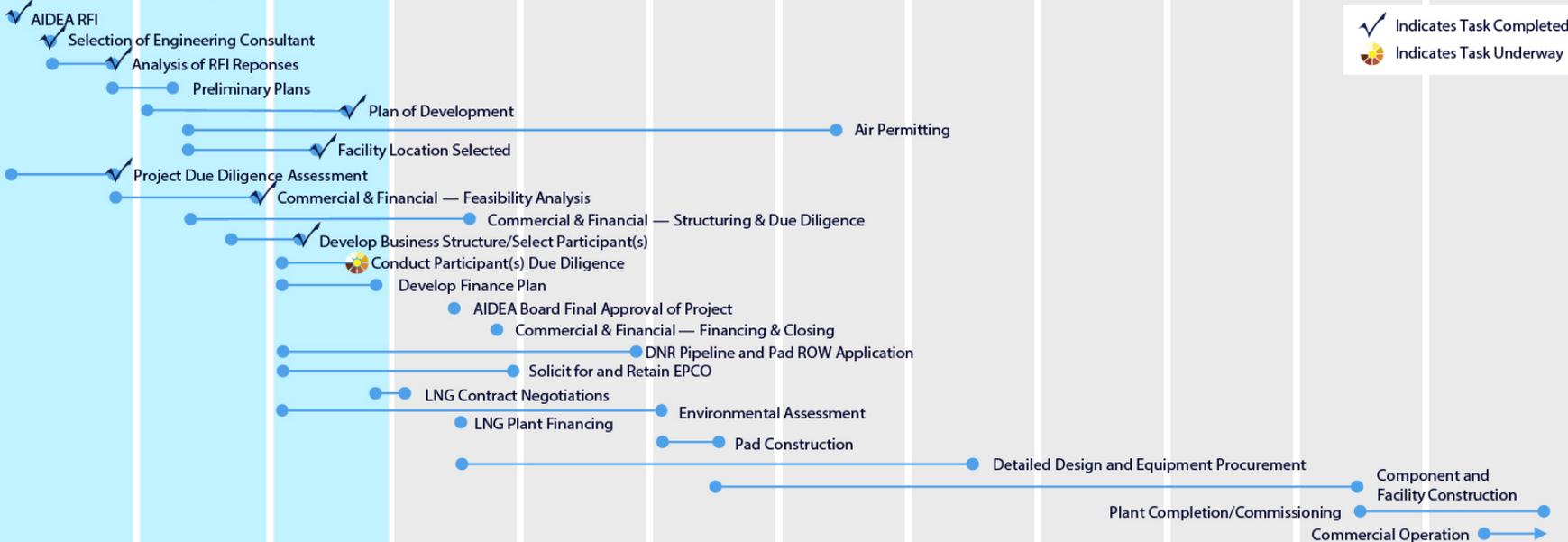
NS LNG PLANT PERMITS

Permit/Approval	Description/Requirement	Status
ADF&G Fish Habitat Permit	Needed prior to Spring 2014 construction work	In-progress; anticipate submittal in Dec-2013; receipt by Feb-2014
DNR SHPO and Borough Consultation	Needed prior to Spring 2014 construction work	Site survey completed; report in-progress
NSB Development Permit	Needed prior to Spring 2014 construction work	In-progress; anticipate submittal in Nov-2013; permit receipt by Mar-2014
DNR DML&W Tundra Travel Permit	Needed prior to Spring 2014 construction work	Anticipate submittal in Nov-2013; approval by Jan-2014
DEC SWPPP	Needed prior to Spring 2014 construction work	In-progress, anticipate submittal in Nov-2013

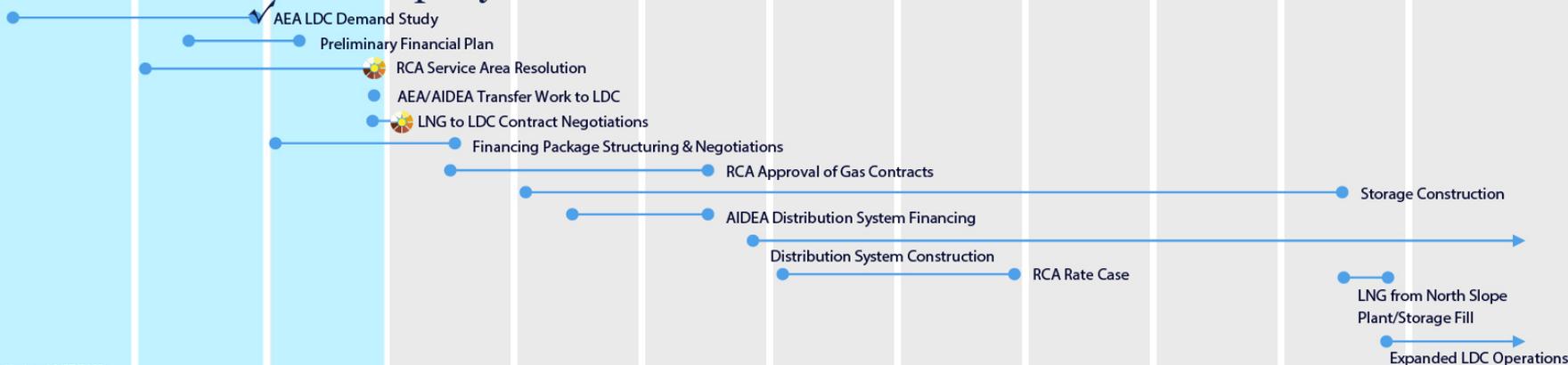
AIDEA Interior Energy Project - Schedule



LNG Facility



Local Distribution Company





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