



**Alaska Industrial Development and Export Authority
BOARD MEETING MINUTES
Wednesday, December 18, 2013
Anchorage, Alaska**

1. CALL TO ORDER

Chair Pruhs called the meeting of the Alaska Industrial Development and Export Authority to order on December 18, 2013 at 9:06 a.m. A quorum was established.

2. ROLL CALL: BOARD MEMBERS

Members present in Anchorage: Chair Dana Pruhs (Public Member); Vice-Chair Russell Dick (Public Member); Susan Bell (Commissioner, Department of Commerce, Community, and Economic Development); Wilson Hughes (Public Member); Crystal Nygard (Public Member); Michael Pawlowski (Department of Revenue); and Gary Wilken (Public Member).

3. ROLL CALL: STAFF, PUBLIC

AIDEA Staff present: Ted Leonard (Executive Director); Chris Anderson (Deputy Director-Commercial Finance); Mark Davis (Deputy Director-Infrastructure Development); Jim Hemsath (Deputy Director-Project Development & Asset Management [PDAM]); Michael E. Lamb (Deputy Director-Finance and Operations); Althea Clapp (Acting Chief Procurement Officer); Jennifer Haldane (Human Resources Manager); Karsten Rodvik (External Communications Officer); Matt Narus (Project Manager-PDAM); Jeff San Juan (Infrastructure Development Finance Officer); Lori Stender (Project Manager-PDAM); Nick Szymoniak (Energy Infrastructure Development Officer); Krin Kempainen (Administrative Assistant); and Sherrie Siverson (Executive Assistant).

AEA Staff present: Sara Fisher-Goad (Executive Director); and Gene Therriault (Deputy Director-Energy Policy Development); and Karl Reiche (Project Manager).

AIDEA Counsel and Consultants present: Jerry Juday (State of Alaska Department of Law, Assistant Attorney General) and Mark Gardiner (Western Financial Group).

Participating via teleconference: Dave Domansky (Bracewell Giuliani).

Public present: Bob Swenson (Deputy Commissioner-Alaska Department of Natural Resources); Bill Barron, Paul Decker, Sara Longan, Mark Morones, and Jim Shine (Alaska Department of Natural Resources); Miles Baker and Frank Richards (Alaska Gasline Development Corporation); Elwood Brehmer (Alaska Journal of Commerce); Clark Hopp, Jim Kubitz, Wendy Lindscoog, Bill O'Leary and Dale Wade (Alaska Railroad Corporation); Kathy Black and Bill Bittner (Birch Horton Bittner and Cherot); Mark Slaughter (Cook Inlet Energy); Tim Gallagher and Katrina Timm (HDR Alaska); Jeff Logan (Jeff Logan & Associates); Chris Brown (MWH Global); Mark Rowley (Pacific Tower Properties); Robert Venables (SE Conference); and Sunny Morrison (Accu-Type Depositions).

Participating via teleconference: Eric Lidji (Petroleum News); Dianne Blumer (Commissioner, Department of Labor & Workforce Development); and Drue Pearce (Alaska Gasline Development Corporation Board member).

4. AGENDA APPROVAL

The agenda was approved as presented.

5. NEW BUSINESS

5A. INTERIOR ENERGY PROJECT

Presentation by Department of Natural Resources

Mr. Leonard expressed his appreciation for the attendance of the departments and organizations. He invited the representatives from the Department of Natural Resources to give their presentation. Deputy Commissioner Department of Natural Resources Bob Swenson provided a detailed PowerPoint presentation entitled Cook Inlet Activities & Natural Gas Update.

Mr. Wilken asked if corporations book their reserves on 1P, 2P or 3P. Mr. Swenson stated corporations will specifically delineate whether the reserves are 1P, 2P or 3P. He noted if that delineation is not specifically contained in the reserve description, then the person could be speaking about contingent resources rather than reserves. Mr. Swenson commented it is important to be clear and understand which petroleum reserves and resource definitions are being discussed in accordance to the chart on Slide 15 of his presentation.

Mr. Wilken asked for an explanation regarding Slide 24 that if demand stays the same at 90 BCF, there is no more exploration and development, supply stays the same, does the gas run out around 2035. Mr. Swenson agreed Mr. Wilken read the chart and decline curve correctly. Mr. Swenson explained there will be a huge unmet demand during that time and this gas will have to compete with whatever is being used to meet the unmet demand. Each of the tranches illustrated is a volume of gas being produced into the 90 BCF.

Chair Pruhs asked if the volume needed for the 90 BCF demand will be lost just before 2030. Mr. Swenson agreed and explained Slide 24 is showing how much drilling is occurring and how much success there is in development drilling and exploration drilling. Mr. Swenson advised this process is a continuum and not a linear process.

Mr. Pawlowski asked if the orange, green and yellow tranches on Slide 24 refer to the four fields of the analysis. Mr. Swenson agreed.

Chair Pruhs asked what the recovery rate is on the storage. Mr. Swenson noted Slide 34 illustrates the recovery rates for the different sand fields. The rate is dependent on a large number of different factors, including the type of sand present, the size of the reservoir, the number of wells available, if a water drive was utilized and multiple other factors.

Chair Pruhs asked what the average percentage of return is for the fields. Mr. Swenson stated he did not want to speculate on the answer and requested Mr. Barron or Mr. Decker respond. It was noted many of these fields have not been produced in the cycle long enough to determine the average percentage of return. Given the nature of the reservoirs, the estimate is close to one-to-one. There should not be any

loss. An update to Slide 34 was noted that Cannery Loop is online and is currently designed for 150 million CF a day.

Mr. Pawlowski commented on Slide 36, that it is not only the tax credits that have played a significant role in the recent activity, but also the low taxes during production.

Chair Pruhs asked how much royalty gas the state has in Cook Inlet and how much is in the North Slope on an annual basis. Mr. Swenson stated he cannot provide an exact number, but believes it is 6 BCF a year in Cook Inlet. Mr. Swenson stated he does not know the North Slope number. Chair Pruhs requested the information today. Mr. Swenson said he will provide Chair Pruhs the information.

Mr. Wilken asked how much gas is in Point Thompson. Mr. Swenson stated there is about 8 TCF. Mr. Wilken requested to go back to Slide 26 and asked to be shown Cosmopolitan, which is where the Endeavor Jack-Up Rig was stationed. Mr. Swenson showed Cosmopolitan located off of Anchor Point. Mr. Wilken asked if drilling will be moved to Southern Cross. Mr. Swenson agreed and noted the plan is to go back to Cosmopolitan this winter if gas permits are obtained.

Mr. Wilken asked if there is a number comparison of what the costs is to drill wells in the Cook Inlet region compared to what it costs to drill in Texas. Mr. Swenson stated he will provide specific numbers and examples to Mr. Wilken and there are wide cost variances depending on location and other factors. Mr. Swenson noted drilling in Cook Inlet is significantly more expensive than the Lower 48 and \$20 million is a typical range. Mr. Wilken asked if that number is double, triple or quadruple the cost. Mr. Swenson agreed.

Mr. Wilken commented he was told that Anchorage uses 60 BCF a year of gas. Mr. Wilken asked what makes up the difference between 60 BCF and the 90 BCF used in the presentation. Mr. Swenson showed Slide 33 and explained the different major gas users at this time and their percentage breakout; field ops, power generations, and residential and commercial. Mr. Wilken asked if Slide 33 explains the difference between 60 BCF and 90 BCF per year. Mr. Swenson stated Slide 33 denotes the rate-per-day, which is 224 MMCF. Mr. Wilken asked if the annual rate would be calculated by multiplying 224 MMCF times 365 days. Mr. Swenson agreed. Mr. Wilken expressed his appreciation for the good presentation.

Presentation by Alaska Gasline Development Corporation

Mr. Richards and Mr. Baker from Alaska Gasline Development Corporation provided a detailed PowerPoint presentation entitled Alaska Industrial Development and Export Authority, Alaska Gasline Development Corporation & Alaska Stand Alone Pipeline Update. Mr. Richard noted Alaska Gasline Development Corporation Board members in attendance today include Commissioner Bell and joining online are Commissioner Blumer and Mr. Pearce.

Commissioner Bell commented this PowerPoint was distributed to AIDEA Board members by email yesterday. She noted a couple of the slides say "AIDEA alternative analysis." Commissioner Bell advised ideas have been discussed, but have not been discussed at the Board level. She reported the Alaska Gasline Development Corporation Board members are keenly interested in what role and demands will be placed on Alaska Gasline Development Corporation.

Chair Pruhs advised no formal position has been taken by the AIDEA Board on any alternative analysis.

Chair Pruhs requested the analysis of the number estimates provided on Slide 8 of the presentation. Mr. Richards agreed to provide the information. Chair Pruhs asked if the compressor stations from Slide 9

will need an air permit. Mr. Richards advised the compressor stations will need an air permit and 24 months of sampling is required before applying for the permit.

Mr. Wilken asked Mr. Leonard is the timeline for the air quality permit for the liquefied natural gas plant on the North Slope is one year. Mr. Leonard stated the one-year timeline is due to shared sampling air data. Mr. Wilken asked for further explanation between the 9 BCF North Slope plant and the 25 BCF plant shown in the presentation. Mr. Richards stated he understands the concept of the trucking option to be a system with a liquefied natural gas facility on the North Slope and a conveyance mechanism through trucks going to a storage facility in Fairbanks. The gas is then provided from that storage system upon demand. Mr. Richards noted the pipeline has no storage and so it has to be designed for the peak demand day.

Chair Pruhs asked if the peak demand of 70 MMCFD or 25 BCF a year address any of the communities between Anchorage and Fairbanks if they wanted to tap into the pipe. Mr. Richards stated the peak demand of 70 MMCFD does not address any of those communities between Anchorage and Fairbanks. Chair Pruhs asked if there has been a study on how much demand that would potentially add. Mr. Richards reported Alaska Gasline Development Corporation has conversed with communities such as Cantwell, Healy, Talkeetna, Trapper Creek and Nenana discussing their specific energy needs and desire to have gas. Mr. Richards noted the National Park system would like to have gas for Denali National Park for both the headquarters and their fleet.

Ms. Nygard asked if HB 369 gives the power for the Alaska Gasline Development Corporation to own, bond, construct and deliver an in-state pipeline project with priority in permitting. She asked if the ownership is an equity position and who will ultimately own the pipeline. Mr. Richards explained HB 4 was the major enabling legislation, which allows the Alaska Gasline Development Corporation to make the ownership determination. Mr. Richards advised potential builder/owner/operators are currently being reviewed for the Alaska Stand Alone Pipeline. The discussions are taking place, but the determination has not yet been reached.

Chair Pruhs asked what is the worst case scenario regarding the timeline from the initiation of a project to completion. Mr. Richards noted the minimum timeline is five years and the maximum is seven years.

Mr. Wilken asked if the list of scheduled drivers run in sequence or do they run concurrently. Mr. Richards advised portions of the scheduled drivers would run concurrently. He noted the upfront work of the environmental sampling, reporting and permitting process is the hurdle that consumes a considerable amount of time. Mr. Wilken asked if the five-year estimate takes into account the concurrency of the major drivers. Mr. Richards agreed and stated along with providing a cost estimate, a project delivery schedule would also be provided.

Mr. Pawlowski expressed his appreciation for the presentation and asked what some of the additional commercial drivers and issues not listed on Slide 10 are that would affect the pipeline alternative. Mr. Richards stated the right-of-way acquisition is an issue to consider because leases will have to be acquired across private parcels, as well as Native Corporation parcels. There is a process to follow. Mr. Richards advised the legislation granted to Alaska Gasline Development Corporation has given eminent domain status. Mr. Richards commented commercial issues are faced and hopefully the contracts will be in place to be able to meet the demand. The Regulatory Commission of Alaska process is an issue that will have to be faced. The line would either go around Denali National Park or go through Denali National Park. Mr. Richards explained President Obama signed a Denali National Park bill, which allows a high pressure gas pipeline to run within or alongside the Parks Highway corridor. He explained there is seven miles of the Denali National Park that the Parks Highway crosses. Title XI of the Alaska National Interest Lands

Conservation Act is entered into as soon as a federal conservation unit is crossed. That process means all of the federal authorizations must be complete and applied for at the same time, a simultaneous single application. The challenge with the interpretation of the Alaska National Interest Lands Conservation Act is if a conservation unit is crossed, Title XI will apply from the initiation to the completion of the project, and for this project, that is approximately 360 miles.

Mr. Hughes asked if the proposed eight-inch line project went forward, what is the impact on the timeframe of Alaska Gasline Development Corporation's other project coming from Prudhoe all the way down. He asked if the two lines will be run parallel. Mr. Richards stated the presentation answered questions proposed by AIDEA Board members. Alaska Gasline Development Corporation is not looking to build the eight-inch line. Alaska Gasline Development Corporation has the statutory authority to build the Alaska Stand Alone Pipeline first and then look at other potential pipelines. Alaska Gasline Development Corporation could provide a concept level engineering cost estimate and schedule for the design discussed in the presentation. Mr. Richards noted this is not an Alaska Gasline Development Corporation project, but Alaska Gasline Development Corporation can provide pipeline engineering estimates.

Mr. Wilken asked if there is a cost estimate for the building of an eight-inch line the 300 miles from Mile Post 48 to Fairbanks. Mr. Richards stated Alaska Gasline Development Corporation would develop that cost estimate with AIDEA's concurrence. Mr. Wilken asked what it would cost to move a cubic foot of gas from Mile Post 48 to Fairbanks. Mr. Richards stated the cost components for Alaska Gasline Development Corporation's project running north to south to Fairbanks is \$4 to \$6 range to ship the gas to Fairbanks. He noted Alaska Gasline Development Corporation can create construction cost estimates for the eight-inch FlexSteel pipeline. Owner costs are also associated with the total cost. Commissioner Bell asked if Alaska Gasline Development Corporation has estimated what time it would take in terms of the analysis outline, the cost of the project, and if this project would be completed by existing staff or contractors. Mr. Richards reiterated the focus of Alaska Gasline Development Corporation is on the Alaska Stand Alone Pipeline project. No resources are being diverted. The primary pipeline engineering contractor, Michael Baker, was expressly asked to provide a cost estimate without redirecting Alaska Stand Alone Pipeline project resources. The cost of the effort would come through a reimbursable service agreement from AIDEA and not from Alaska Gasline Development Corporation. The cost estimate is approximately \$60,000 to deliver a concept level estimate and a schedule by January 25, 2014. Mr. Richards stated the engineering contractor is ready to proceed when directed.

Mr. Pawlowski asked if today's presentations will be posted online. Chair Pruhs stated the presentations can be posted online. Mr. Pawlowski asked if Alaska Gasline Development Corporation could amend the titling on the last two slides to prevent confusion. Mr. Richards agreed.

Presentation by Alaska Railroad Corporation

Mr. O'Leary and Mr. Wade gave a detailed PowerPoint presentation entitled Interior Energy Project. Mr. Kubitz, Ms. Lindskoog and Mr. Hopp were in the audience available to answer any questions.

Mr. Wilken asked where the Birchwood facility is located. Mr. Wade explained Birchwood is the next stop past Eagle River from Anchorage.

Chair Pruhs asked if the Alaska Railroad Corporation has been approached by Fairbanks Natural Gas to rail their gas to Fairbanks. Mr. Wade stated they have not been approached by Fairbanks Natural Gas to rail their gas to Fairbanks.

Ms. Nygard asked if the 10-year commitment referred to on Slide 10 of the presentation is an industry standard. Mr. Wade commented the 10-year commitment is not an industry standard.

Chair Pruhs asked if the Alaska Railroad Corporation owns the ISO tanks. Mr. Wade stated Alaska Railroad Corporation does not own the ISO tanks. Chair Pruhs asked if the 10-year commitment is based on owning the ISO tanks. Mr. Wade commented Alaska Railroad Corporation looks at 10-year terms for contracts. Chair Pruhs stated the fuel surcharge rate is currently at 24%. Chair Pruhs asked if there is any rail in the Lower 48 running on liquefied natural gas. Mr. Wade reported there are currently no railroads running on liquefied natural gas, but experimentation is ongoing. Chair Pruhs asked if the technology proves out, the Alaska Railroad Corporation would be a potential customer for liquefied natural gas. Mr. Wade agreed and discussed current testing is occurring by the largest railroads.

Ms. Nygard asked if it is realistic to be able to meet the demand access for ISO containers within the next five years, given the range of current projects. Mr. Wade commented ISO containers are readily available and it is very realistic to meet the demand. Mr. Pawlowski asked if the cost estimate from Port Mackenzie is assuming the appropriation of \$101.5 million to build the track. Mr. Wade agreed. He advised the track is on schedule and the construction project is going well.

Chair Pruhs if liquefied natural gas is currently being moved by ISO tanks. Mr. Wade commented he does not know of any liquefied natural gas that is being moved by ISO tanks. He advised ISO tanks move liquid ethanol, liquid nitrogen and other commodities or cryogenics. Chair Pruhs asked if the train was at Point Mackenzie, would it have to be brought back to Anchorage. Mr. Wade stated the train could go to Anchorage or Houston.

Mr. Wilken stated the cost per MCF for 3.5 ISO tanks is essentially the same whether in a large unit or a smaller unit. He asked why the economies of scale are not incorporated for the units. Mr. Wade explained the economies of scale may show up under a contract grid. The cost is driven up as assets are dedicated to the unit trains. Mr. Wilken asked if the ISO tanks are a hybrid train and the unit trains are dedicated trains. Mr. Wade commented the ISO containers are lifted and put on flat cars at two ISO containers per flat car. Mr. O'Leary noted the numbers provided for the ISO containers and liquefied natural gas tank cars was completed for another initiative. Mr. O'Leary advised these figures represent a general range of rates.

Chair Pruhs asked if it would be more labor and equipment intensive to load the ISO tanks than being able to pull a railcar right up to a storage facility, load it, take it to another storage facility and unload it. Mr. Wade agreed there would be more handling and more labor loading ISO tanks versus loading a large railcar.

Commissioner Bell commented there are certainly synergies across the state agencies and the Eva Creek wind turbines being moved on the railroad is one example.

Chair Pruhs asked how long it would take to get a railcar. Mr. Wade noted it would take 10 to 12 months to get a railcar out of Minneapolis from order entry to completion of the first car with eight cars per month thereafter. Chair Pruhs asked if that is less time than it takes for an ISO tank. Mr. Wade commented it takes about the same amount of time for both, but the ISO tanks were quoted at 18 months.

Ms. Nygard expressed her appreciation to the Alaska Railroad Corporation for their persistence and consistent dealings with challenges. She believes they have done a great job and provides an excellent collaboration model for any large infrastructure projects to follow.

Mr. Wilken asked if the Alaska Railroad Corporation would only have to recoup their operations and maintenance for freight if the \$101 million grant was funded to build for the Port Mackenzie rail line. Mr. O'Leary explained the initial capital cost would be covered from the state of Alaska and under the current model there would be replacement going forward on that, which would be taken into account on the rate structure charged.

Mr. Wilken asked if that type of rail line project is funded through a general obligation bond. Mr. Pawlowski stated he would have to get the answer, but typically capital improvements are general obligation bond projects. Mr. Hopp advised in 2011, approximately \$30 million of the general obligation bonds were for Port Mackenzie. There is a mixture of grants and bonding. Chair Pruhs opened the floor to comments or questions from the Board members regarding the Interior Energy Project presentations.

Mr. Pawlowski offered his perspective to staff. He noted as Board continues their due diligence process, he would like to see more effort toward going deeper into the term sheet analysis for the three term sheets AIDEA initiated. Mr. Pawlowski noted the due diligence is important, but does not want to see it distract the Board's attention from digging into the details of the term sheets.

Mr. Leonard stated AIDEA is very much concentrating on the term sheets and is providing support to Golden Valley Electric Association as they review the offers from the participants this week. Mr. Leonard stated Golden Valley Electric Association should have their comments to AIDEA by December 27, 2013. An update will be given at the meeting on January 14, 2014 for the Board to make its decision.

Commissioner Bell believes the presentations were very valuable in forming decisions regarding the Interior Energy Project. She commented the presentation by Department of Natural Resources was important, especially with AIDEA's ownership of the jack-up rig. Commissioner Bell stated more information from Department of Natural Resources may be helpful as decisions are made concerning the jack-up rig. Commissioner Bell stated the presentations were very educational. Commissioner Bell requested clarity on how the Board is going to proceed now that there is a sense of timelines from the presenters. She is unsure whether a motion is warranted to establish that clarity, but would like that clarity established today, if possible.

Mr. Wilken stated he found the three presentations today fascinating. Mr. Wilken agreed with Commissioner Bell there needs to be some sort of finality on how the Board will proceed with the due diligence.

Mr. Hughes commented the presentations were valuable and informative.

MOTION: A motion was made by Mr. Wilken to go into Executive Session to discuss confidential issues regarding strategies related to the Interior Energy Project. Motion seconded by Vice-Chair Dick. The motion was approved unanimously.

Executive Session: 11:44 a.m.

The Board reconvened its regular meeting at 12:19 p.m. Everything covered in executive session was appropriate to the motion.

MOTION: A motion was made by Mr. Wilken for AIDEA to enter into an RSA or a like arrangement to analyze a no liquefied natural gas pipeline option from Cook Inlet to Fairbanks,

North Pole. The amount of this arrangement is not to exceed \$60,000 funded by AIDEA. There was no second to the motion.

5B. Resolution No. G13-17 Real Estate Purchase and Investment

MOTION: A motion was made by Vice Chair Dick to adopt Resolution No. G13-17 Real Estate Purchase and Investment. Motion seconded by Mr. Wilken.

Mr. Hughes asked if a monetary amount has been determined which includes the buying price and what it would cost to make the space useable. Mr. Lamb stated the property and the development of the property are two separate issues. There have been preliminary assessment options that will be brought to the Board for consideration which are separate from this resolution. Mr. Leonard believes this piece of property could be utilized in expanding the building. Currently, the parking and access are very beneficial to the current property.

Ms. Nygard inquired as to what kind of obligation AIDEA currently holds. Mr. Leonard believes the annex building, which houses AIDEA, is on a year-by-year lease. The annex building is a separate building from the property in this resolution.

Mr. Wilken asked for an update on the new building or expanded building project. Mr. Lamb explained that on page two of the Resolution Section 1. addresses the update. Mr. Leonard stated AIDEA has just started the process of determining how to move forward.

Mr. Hughes asked if he is correct in concluding AIDEA would be buying the building at a price and that it could be sold for roughly the same price. Mr. Lamb agreed Mr. Hughes conclusion is correct. Mr. Lamb stated there is currently a broker's opinion of value. This resolution will give authorization to procure an actual appraisal, which will validate Mr. Hughes point and if the appraisal does not validate that point, then the Board should not move forward with the purchase.

Mr. Pawlowski commented that the final whereas in the resolution describes the acquisition of this property as an appropriate investment for the Authority.

A vote was taken and the motion passed unanimously.

6. PUBLIC COMMENTS

There were no public comments.

7. DIRECTOR COMMENTS

Mr. Leonard stated the next Board meeting is Tue. January 14, 2014, followed by a strategic planning session on Wed. January 15, 2014. Mr. Leonard said the first portion of the Interior Energy Project and a loan for storage will be brought to the Board at that meeting. Additional applications regarding other portions of the distribution system are being reviewed. Due diligence on the oil production facility and a few other loans may also be presented at that meeting.

Mr. Wilken asked if the term sheet analysis will occur at the next meeting. Mr. Leonard agreed the term sheet analysis will occur during the meeting on January 14, 2014. Mr. Wilken asked if there will be time on January 14 to complete the agenda, since January 15 is scheduled as a strategic planning meeting. Mr.

Leonard asked Ms. Fisher-Goad to discuss the meeting agenda. Ms. Fisher-Goad stated AEA's portion could be one to two hours with presentation updates, including railbelt projects, the Intertie, Bradley Lake and Susitna-Watana. Mr. Leonard stated the strategic planning meeting could be scaled back if additional time was needed to complete the January 14 meeting. Chair Pruhs recommended reviewing the agenda when it is released.

8. BOARD COMMENTS

Commissioner Bell noted both meeting days in January have been scheduled from 8:00 a.m. to 5:00 p.m. Commissioner Bell expressed her appreciation to the staff and the Board members for a tremendously busy year. She said the presentations today were a great reminder there are a lot of resources to tap to help make informed decisions. Commissioner Bell stated she has a brief announcement that has nothing to do with AIDEA. She saw a trailer of a family friendly movie that was filmed in Alaska and will open on December 20, 2013 called "Walking with Dinosaurs." She encourages everyone to see it.

Vice-Chair Dick stated his appreciation for the trip to the North Slope to see how expansive it is and how much infrastructure there is. He does not believe there can be an appreciation for what it is until one sees it.

Mr. Wilken said following the executive session last week, in his zeal, he issued a communication that was privileged by the executive session. Mr. Wilken said this was an error, he has reconciled himself with the Chairman. He issued an apology to the Board, Chair, staff and the Governor.

Mr. Wilken expressed his appreciation for the patience, diligence and work over the last three weeks regarding presenting a non-liquefied natural gas option. Mr. Wilken wished everyone a Merry Christmas and said he looks forward to 2014.

Chair Pruhs said to let him know if anyone needs anything. Chair Pruhs thanked Mr. Leonard and staff for all of the efforts these past few weeks. He stated this has been a good year and is looking forward to great things happening for the state and for AIDEA next year.

Ms. Nygard said the visit to Prudhoe yesterday was very dedicated and hospitable. She appreciated the knowledge shared at the different facilities and believes AIDEA is doing a great job in inviting the public to have conversations. Ms. Nygard believes AIDEA will have a great year and appreciates the opportunity for being here.

Chair Pruhs said he would like Board members to have boots on the ground (*attend meetings in person if possible*). He believes it is valuable for making decisions. Chair Pruhs encourages staff to visit sites as new opportunities arise. Chair Pruhs stated to Mr. Hughes he is really looking forward to getting on the drill rig this summer.

9. ADJOURNMENT

There being no further business of the Board, the AIDEA meeting adjourned at 12:37 p.m.


Ted Leonard, Executive Director/Secretary
Alaska Industrial Development and Export Authority

