



September 27, 2010

Alaska State Legislature
Alaska State Capitol
alllegislators@state.ak.us
Juneau, AK 99801

Subject: August Progress Report on the In-State Gas Pipeline Project

Dear Legislators;

In accordance with HB 369, the following monthly Project progress report is submitted for your review.

The staff has been busy assembling information and reports to meet the regulatory requirements of the Project. Additionally, meetings are being held with prospective commercial developers to gauge interest in the project.

Work was completed on the Plan of Development for submittal to federal and state agencies and continuing work is underway to support the EIS permitting schedule.

The following information is a chronological recap for August.

August 5, 2010 **Addendum #3 to RFP 2010 – AGDC – 001** was issued to all interested parties and posted to the AGDC website.

August 6, 2010 Michael Rocereta and Bryan Butcher met with representatives of First Southwest to open discussion on commercial interest in the Project.

August 9, 2010 Dan Fauske addressed members of the Legislative Energy Caucus in a public meeting to provide a Project update.

August 11, 2010 Meeting was held with James Fuego of Donlin Creek, LLC to discuss Donlin Creek pipeline project.

August 12, 2010 **Addendum #4 to RFP 2010 – AGDC – 001** was issued to all interested parties and posted to the AGDC website.

August, 17 2010 AGDC representatives met with President Agruim US and Nikiski Agruim plant manager to discuss Project potential.

August, 19 2010 – Dan Fauske addressed the Fairbanks Rotary and provided attendees with a Project update.

August 20, 2010 monthly report for July was submitted to the Legislature.

August 31, 2010 – Dan Fauske met with AHTNA President, Ken Johns to open dialogue and discuss the Project.

August, 31 2010 – Production on the Project Plan of Development was completed and the Project Plan of Development and Right-of-Way Application were delivered to the Bureau of Land Management and the U.S. Corps of Engineers. The State of Alaska received the Plan of Development with a Lease Application. Copies of all the information was delivered to the following: Entrix, ASRC Energy Services, Inc., Michael J. Baker.

The AGDC staff continues to move forward with the aggressive schedule to provide a project update to the legislature in mid-December.

Please call either 907.330.8452 or 907.277.4432 with any questions or to receive more detailed information.

Respectfully submitted,



Dan Fauske
Chair, Joint In-State Gasline Development Team