



December 12, 2012

Members of the Alaska State Legislature
Alaska State Capitol
Juneau, AK 99801

Subject: November 2012 **ASAP** Progress Report on the Alaska Stand Alone Pipeline

Dear Members of the Alaska Legislature:

The ASAP project team is pleased to provide the following recap of the monthly project activity performed on the Alaska Stand Alone Pipeline/**ASAP** project.

The ASAP project

Engineering

The ASAP engineering efforts in November were focused on preparation of the facilities design Request for Proposal (RFP) to be sent out to pre-qualified respondents. The facilities design responses are due on December 17, 2012. The remainder of the month will be spent in review of the responses and it is anticipated that an award will be announced in January, 2013.j

External Affairs

ASAP public outreach included meetings with the following organizations and communities in November: Dan Fauske and Leslye Langla attended the ASAP community Advisory Council on November 15, 2012. Both were called on to answer questions on the ASAP project after Pete Stokes presented a report from Petrotechnical Resources on the forecast of Cook Inlet natural gas supply and demand. Comments from the Council included concern over the immediate and interim solution for the shortage of supply in the Inlet. Both Mr. Fauske and Ms. Langla reiterated that the ASAP project will not address the short-term issue of decline and possible shortfall however they reported to the Council that the ASAP project is the only gasline project facing Alaskans that has significant work completed and progressing.

On November 16, Dan Fauske presented to the Annual RDC Conference in Anchorage addressing several hundred attendees. Mr. Fauske advised the crowd that the ASAP project work is substantial, noting the accomplishments and the assets on file for the project. He discussed the outlook for 2013 and advised the crowd that the ASAP project will continue to perform work on delivering an energy solution for Alaska. That same day, Leslye Langla delivered a project update to the Alaska Municipal League conference held at the Captain Cook in Anchorage. The presentation was delivered to a standing room only crowd and support and

encouragement was heard from the conference attendees. When asked what is preventing the State from approving the project, Ms. Langla advised attendees that the project momentum is based on the funding received from the legislature each year.

Regulatory

The ASAP project office feels it is worth restating that the FEIS on the project was published on the federal register in the month of October. This represents a significant milestone for the ASAP project and it is considered a significant asset in the ASAP project portfolio. The work on the FEIS cannot be overstated, the State can be very proud of this latest accomplishment by the ASAP project team.

The next steps for the regulatory team include evaluating the field reports from the work performed in October. Field work for 2013 will be planned once the 2013 funding level is determined. Permit applications will be filed early in 2013 based on having a fully funded program for summer 2013.

The ASAP project team appreciates the interest and the support that is received throughout the State. The ASAP project team continues to work on addressing Alaska's energy needs.. Upon review of this report, please contact the project office if additional information is requested. Thank you for your support and oversight of the ASAP Project. If there are any questions regarding the information contained in this report, please call 907.330.6320.

Our best for a very Merry and safe Holiday Season,



Dan Fauske
President, Alaska Gasline Development Corporation

cc: Honorable Sean Parnell, Governor
Honorable Mead Treadwell, Lieutenant Governor
State of Alaska Commissioners
AGDC Board Members