



Alaska's In-State Gas Pipeline

October 31, 2013

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

Subject: September 2013 **ASAP** Progress Report

Dear Members of the Alaska Legislature:

The following monthly Alaska Stand Alone Pipeline (**ASAP**) Project activity report is provided for the month of September.

Project Management

On September 30, team members from ASAP, Michael Baker, Jr. Inc., and CH2M HILL participated in a helicopter tour of the proposed ASAP pipeline route and flew as far north as Hurricane Gulch on the Parks Highway. The team surveyed alternatives for revision 5 of the alignment concentrating on wetlands distribution, access and land concerns.

Commercial

The commercial team continued working with the Regulatory Commission of Alaska as the project evolves and provided ongoing updates toward developing a conforming tariff.

Engineering

The engineering team continued with facility engineering and design on the North Slope Gas Conditioning Facility and continued the geotechnical field program at the Nenana River, Moody and Denali Park. ASAP engineers met with Alaska Department of Transportation to begin coordination of the various aspects of the project including the use of bridges and conducted a stream crossing workshop to determine data gaps where additional information will be needed for a Class III estimate. They also met with the Pipeline and Hazardous Materials Safety Administration (PHMSA) to discuss coordination of project topics and conducted route 5 field reconnaissance.

Environmental, Regulatory and Lands (ERL)

The ERL team prepared and issued RFI's for preparation of plans and estimates to heavy civil and pipeline contractors, and continued development of labor and equipment rates.



Facilities

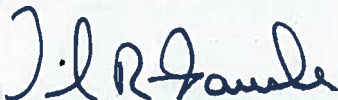
The facilities team continued to progress facility engineering and design by conducting a high level Hazard Identification review; finalized process simulations; updated process and utility flow diagrams; commenced Reliability and Maintainability analysis; started the development of equipment data sheets; developed estimate for plant heat and electrical loads for heating and ventilation; began development of preliminary electrical area classifications and approved engineering activities and plans required for Class III estimate.

Government Relations and External Affairs

- On September 17, Dan Fauske, AGDC President, presented a project update at the 9th Annual Alaska Oil and Gas Congress.
- On September 18, Mr. Fauske presented updates at the Mayor's Energy Task Force meeting and at the Alaska Association of Realtors' Annual Convention.
- On September 25, the AGDC executive team and Project staff hosted a "meet and greet" session with the AGDC Board of Directors. The orientation provided the opportunity for the board members to meet one another and receive background information about the Project.
- On September 27, Mr. Fauske and Frank Richards, Pipeline Engineering Director, presented a Project update to the Tokyo Electric Power Co, Tokyo Gas and to the Department of Commerce, Community and Economic Development Board of Directors.

Thank you for your continued support and interest in the work performed on the ASAP project. If you have any questions or would like to receive more information regarding the contents of this report, or any other activity within AGDC, please contact 907.330.6300 or visit www.agdc.us.

Respectfully submitted,



Daniel R. Fauske
President, Alaska Gasline Development Corporation

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

