REQUEST FOR PROPOSAL(S) Draft by David Gottstein

The State of Alaska

The State of Alaska is seeking to thoroughly analyze and investigate what energy infra-structure and set of supply chain logistics will deliver the lowest cost natural gas from the North Slope of Alaska to the Korean Peninsula, Japan, Mainland China, Taiwan, and Hawaiian markets along with Alaskan population centers. And to properly identify and calculate the investment returns likely, under a variety of price and volume assumptions, to the State of Alaska, if it were to invest any capital in any of the infra-structure components.

The State of Alaska seeks to cost estimate, and forecast the economic benefits over a thirty year time horizon, to the State of Alaska and its residents, of a variety of Pacific Rim natural gas distribution options. The economic benefits of which are to include forecasted gas revenue to the State from royalties, severance taxes, and income taxes, enhanced oil revenues, and the energy savings that Alaskan residents and businesses might enjoy by exploiting the economy of scale distribution efficiencies of a competitive export oriented project. Energy savings will take into consideration the cost of conversion, the absorption rate over time, and the reduction in energy costs, if any, across all major population centers in the State within reasonable logistical proximity to various export oriented gas distribution system options.

There are Five(5) components to this RFP, that may be bid on or applied for in part, or in whole. Those components are:

A. The assembly of a professionally constituted task force assigned with the responsibility to oversee the overall project. Project Management will include the management of the technical team assembled for the purpose of, on a coordinated basis, the development of a robust financial model, and their inputs suitable for the State to prudently evaluate each of its energy distribution options. Along with the coordination with all of the various sub-contractors, through the completion of the final work product. This includes the creation of a temporary committee with authority to assemble the professionally constituted task force.

B. The recruitment and vetting of the development of the professional engineering, cost estimating, revenue and expense forecasting talent pool that will

be required to assemble the significant amount of data that will be necessary to populate the financial models with.

C. The design, and development of a robust input sensitive financial forecasting model that incorporates substantially all of the necessary inputs, and forecasting algorithms sufficient to properly evaluate each distribution option on its own merits, and in comparison to all others.

D. The retaining of a world class energy and facility construction company with significant experience able to validate and add quality to the cost estimations across the energy distribution infra-structure complex.

E. The retaining of an experienced Investment Banking firm familiar with the development and financing of large scale energy projects.

The State will entertain bids or applications for each component separately.

The specifications for each Component will include, but will not be limited to the following.

A. The assembly of a professionally constituted task force assigned with the responsibility to oversee the overall project. Project Management will include the management of the technical team assembled for the purpose of, on a coordinated basis, the development of a robust financial model, and their inputs suitable for the State to prudently evaluate each of its energy distribution options. Along with the coordination with all of the various sub-contractors, through the completion of the final work product. This includes the creation of a temporary committee with authority to assemble the professionally constituted task force.

The Six critical questions that the Alaskan Gas Due Diligence Task Force will be asked to answer are:

1. What is currently believed by the South Koreans, the Japanese, the Taiwanese, the Hawaiians, and as much as possible the Chinese as their long term-lowest priced source and price of imported LNG in the ten to forty year time horizon?

2. How much lower of a price would Alaska gas have to be delivered F.O.B. their ports, in order for Alaska gas to be their preferred lowest priced long-term strategic option?

3. What would be the lowest cost per bcf distribution method of North Slope natural gas to the Pacific Rim markets?

4. In what markets, if any, would the difference in the price needed to attract them as long-term purchasers of North Slope gas, and the cost of delivery, generate enough profit margin to amply reward the State of Alaska in the marketing of its North Slope gas, and to provide adequate returns on capital for all the participants including producers, processors, and transporters?

5. What form of gas supply chain connected to an export oriented logistics set, would result in the greatest savings of energy costs to the greatest number of Alaskans?

6. At what price of delivered natural gas to Alaska, will the price be low enough to attract value-added processors and manufacturers?

In order to answer these questions, the Due Diligence described in this RFP, shall be conducted, implemented and acted upon by a qualified Gas Distribution Due Diligence Task Force selected by the Gas Distribution Due Diligence Task Force Selection Committee described below . This Gas Distribution Due Diligence Task Force shall be made up of seven members with the following backgrounds and credentials;

1. An Alaskan registered bank, Bank President
2. A current or former supply chain and logistics manager with at least ten years experience in the energy field.
3. A petroleum engineer with over ten years experience. Not employed or under contract with BP, Conoco Phillips, or Exxon, or any of their affiliates
4. A professional executive recruiter with over ten years of experience as a senior recruiter.
5. An Alaskan Registered Investment Advisor with ten years of experience in investing in the energy sector.
6. A current or former senior executive at a software development firm with over ten years experience.
7. A current or former senior executive at a natural gas production company, with over ten years experience.
8. A current of former senior executive at a construction management firm, with over ten years experience in multi-billion dollar large scale energy projects.
9. A Certified Public Accountant with over ten years of experience in the large scale construction projects.

All applicants will have to disclose their work history, and any current or past commercial ties to BP, ConocoPhillips, or Exxon.

This Task Force will have the authority the manage the project, select and hire professionals and contractors, and pay for others services, considerate of quality and price, within limits of the establishing legislation of this RFP. The board shall elect a Chair and a Vice-Chair by majority rule, and will have authority to hire support staff.

The three primary contracts shall be for qualified services to design, and develop the software models sufficient to do the high sensitivity 30 year forecasting models. For a global leader in large scale energy engineering design and construction capable of validating construction cost estimations. And for an Investment Banking firm with experience in advising countries and other resource owners on the development of their energy resources.

The Gas Distribution Due Diligence Task Force members shall be paid for their services at market rates for the professions they each have expertise in.

The selection of qualified candidates for the Gas Distribution Due DiligenceTask Force shall rest within the super majority of 60% of the voting members of a temporary Gas Distribution Due Diligence Task Force Selection Committee made up of the following individuals:

1. The Commissioner of Revenue
2. The Commissioner of Natural Resources
3. The Chairman of the Alaska Permanent Fund Board of Trustees
4. The Mayor of Anchorage
5. The Mayor of Fairbanks
6. The Mayor of Juneau
7. The President of the Alaska Federation of Natives

B. The recruitment and vetting of the development of the professional engineering, cost estimating, revenue and expense forecasting talent pool that will be required to assemble the significant amount of data that will be necessary to populate the financial models with. The professional talent pool shall include the following professions;

1. Natural Gas Gathering Systems Cost Estimator
2. Experienced Natural Gas Gathering Systems Operations Manager
3. Gas Conditioning Plant Cost Estimator
4. Experienced Gas Conditioning Plant Operations Manager
5. Gas Pipeline Cost Estimator
6. Experienced Gas Pipeline Operations Manager
7. LNG Terminal Cost Estimator
8. Experienced LNG Terminal Operations Manager
9. Natural Gas Storage Terminals Cost Estimator
10. Experienced Natural Gas Storage Terminals Operations Manager
11. Hydro Project Cost Estimator
12. Experienced Hydro Project Operations Manager
13. Liqui-faction Plant Cost Estimator
14. Experienced Liqui-faction Plant Operations Manager
15. Natural Gas Tanker Logistics Expert
16. Natural Gas Electrical Generating Plant Cost Estimator
17. Experienced Natural Gas Electrical Generating Plant Operations Manager
18. Electrical Transmission Line Cost Estimator
19 Experienced Electrical Transmission Line Operations Manager
20. Petroleum Engineer
20. Petro-Chemical Engineer
21. Climatologist

These individuals will be paid market rates for their services.

C. The design, and development of a robust input sensitive financial forecasting model that incorporates substantially all of the necessary inputs, and forecasting algorithms sufficient to properly evaluate each distribution option on its own merits, and in comparison to all others.

The Financial Forecasting Model should be designed and developed by a nationally recognized firm or institution with the requisite skills necessary to substantially complete the task in a Best Practices fashion, in less than a year.

It is in the State's best interests that the lowest cost method of delivery of North Slope natural gas to the Pacific Rim markets be identified. It isn't the intent of the State to own all the means of gas processing and transportation, but it is in its interest to know, regardless of who might own them, what the lowest cost method might be. Therefore the financial model shall, for analysis purposes only, assume the State of Alaska is the sole owner of the non tanker components of the variety of

distribution supply chain options. And results should be calculated on a leveraged and non-leveraged basis.

Therefore the output metrics of various distribution options forecasted performance success, which will include net State revenues emanating from natural gas sales, enhanced oil revenues generated from anticipated gas related infrastructure dependent production increases, energy savings to state residents and businesses, along with traditional Internal Rate of Return and Net Present Value calculations across the option set.

Each member of the distribution option set shall have identified and cost estimated each of its associated natural gas process links within each supply chain option. For example drilling wells, conditioning plants, gathering systems, port terminals, tanker costs, electricity generating plants, transmission lines, and gas pipelines where appropriate.

Each distribution configuration shall be modeled at daily volumes achievable with 24, 36 and 48 inch gas pipelines. **AND SHALL BE STRESS TESTED BY MOVING IN ISOLATION, EACH KEY ASSUMPTION, LIKE GAS PRICES AND VOLUMES, OPERATING EXPENSES, OPERATING EXPENSE INFLATION RATES, OIL PRICES, GAS PRICES, COST OVERFUNS, OUT TO POINTS OF UNREASONABLENESS, IN ORDER TO ENHANCE DECISION CONFIDENCE.**

The following distribution chains and options shall be evaluated within an integrated model:

1. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 24 inch natural gas pipeline from the North Slope of Alaska to Valdez, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With the status quo decentralized community power generation.

2. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 24 inch natural gas pipeline from the North Slope of Alaska to Valdez, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai,

Anchorage, Homer, Seward, Valdez, and Cordova. With North Slope natural gas fed electrical generation, and transmission system.

3. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 24 inch natural gas pipeline from the North Slope of Alaska to Valdez, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With combined North Slope natural gas fed and Watana Dam electrical generation, and transmission system.

4. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 36 inch natural gas pipeline from the North Slope of Alaska to Valdez, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With the status quo decentralized community power generation.

5. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 36 inch natural gas pipeline from the North Slope of Alaska to Valdez, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With North Slope natural gas fed electrical generation, and transmission system.

6. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 36 inch natural gas pipeline from the North Slope of Alaska to Valdez, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With combined North Slope natural gas fed and Watana Dam electrical generation, and transmission system.

7. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 48 inch natural gas pipeline from the North Slope of Alaska to Valdez, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of

Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With the status quo decentralized community power generation.

8. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 48 inch natural gas pipeline from the North Slope of Alaska to Valdez, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With North Slope natural gas fed electrical generation, and transmission system.

9. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 48 inch natural gas pipeline from the North Slope of Alaska to Valdez, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With combined North Slope natural gas fed and Watana Dam electrical generation, and transmission system.

10. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 24 inch natural gas pipeline from the North Slope of Alaska to the Kenai Peninsula, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With the status quo decentralized community power generation.

11. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 24 inch natural gas pipeline from the North Slope of Alaska to the Kenai Peninsula, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With North Slope natural gas fed electrical generation, and transmission system.

12. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 24 inch natural gas pipeline from the North Slope of Alaska to the Kenai Peninsula, along with the costs and benefits or energy savings

associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With combined North Slope natural gas fed and Watana Dam electrical generation, and transmission system.

13. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 36 inch natural gas pipeline from the North Slope of Alaska to the Kenai Peninsula , along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With the status quo decentralized community power generation.

14. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 36 inch natural gas pipeline from the North Slope of Alaska to the Kenai Peninsula, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With North Slope natural gas fed electrical generation, and transmission system.

15. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 36 inch natural gas pipeline from the North Slope of Alaska to the Kenai Peninsula, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With combined North Slope natural gas fed and Watana Dam electrical generation, and transmission system.

16. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 48 inch natural gas pipeline from the North Slope of Alaska to the Kenai Peninsula , along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With the status quo decentralized community power generation.

17. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 48 inch natural gas pipeline from the North Slope of Alaska to , the Kenai Peninsula, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With North Slope natural gas fed electrical generation, and transmission system.

18. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a 48 inch natural gas pipeline from the North Slope of Alaska to the Kenai Peninsula, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With combined North Slope natural gas fed and Watana Dam electrical generation, and transmission system.

19. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with conversion of the Trans Alaska Oil Pipeline to a gas pipeline, with a new 24 inch oil pipeline built to replace it, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With the status quo decentralized community power generation.

20. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with conversion of the Trans Alaska Oil Pipeline to a gas pipeline, with a new 24 inch oil pipeline built to replace it, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With North Slope natural gas fed electrical generation, and transmission system.

21. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with conversion of the Trans Alaska Oil Pipeline to a gas pipeline, with a new 24 inch oil pipeline built to replace it, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel,

Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With combined North Slope natural gas fed and Watana Dam electrical generation, and transmission system.

22. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a North Slope oriented LNG Terminal with companion LNG terminals and storage facilities for winter delivery, located in Dutch Harbor or Adak, sufficient to serve gas volumes equivalent to what can be delivered via a 24 inch natural gas pipeline, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With the status quo decentralized community power generation.

23. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a North Slope oriented LNG Terminal with companion LNG terminals and storage facilities for winter delivery, located in Dutch Harbor or Adak, sufficient to serve gas volumes equivalent to what can be delivered via a 24 inch natural gas pipeline, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With North Slope natural gas fed electrical generation, and transmission system.

24. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a North Slope oriented LNG Terminal with companion LNG terminals and storage facilities for winter delivery, located in Dutch Harbor or Adak, sufficient to serve gas volumes equivalent to what can be delivered via a 24 inch natural gas pipeline, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With combined North Slope natural gas fed and Watana Dam electrical generation, and transmission system.

25. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a North Slope oriented LNG Terminal with companion LNG terminals and storage facilities for winter delivery, located in Dutch Harbor or Adak, sufficient to serve gas volumes equivalent to what can be delivered via a

36 inch natural gas pipeline , along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With the status quo decentralized community power generation.

26. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a North Slope oriented LNG Terminal with companion LNG terminals and storage facilities for winter delivery, located in Dutch Harbor or Adak, sufficient to serve gas volumes equivalent to what can be delivered via a 36 inch natural gas pipeline, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With North Slope natural gas fed electrical generation, and transmission system.

27. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a North Slope oriented LNG Terminal with companion LNG terminals and storage facilities for winter delivery, located in Dutch Harbor or Adak, sufficient to serve gas volumes equivalent to what can be delivered via a 36 inch natural gas pipeline, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With combined North Slope natural gas fed and Watana Dam electrical generation, and transmission system.

28. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a North Slope oriented LNG Terminal with companion LNG terminals and storage facilities for winter delivery, located in Dutch Harbor or Adak, sufficient to serve gas volumes equivalent to what can be delivered via a 48 inch natural gas pipeline, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With the status quo decentralized community power generation.

29. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a North Slope oriented LNG Terminal with companion

LNG terminals and storage facilities for winter delivery, located in Dutch Harbor or Adak, sufficient to serve gas volumes equivalent to what can be delivered via a 48 inch natural gas pipeline, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With North Slope natural gas fed electrical generation, and transmission system.

30. The Gathering Systems, Conditioning Plants, terminals, other related facilities and tankers associated with a North Slope oriented LNG Terminal with companion LNG terminals and storage facilities for winter delivery, located in Dutch Harbor or Adak, sufficient to serve gas volumes equivalent to what can be delivered via a 48 inch natural gas pipeline, along with the costs and benefits or energy savings associated with the delivery of North Slope gas products to Alaska population centers of Barrow, Kotzebue, Nome, Unalakleet, Bethel, Dillingham, Kodiak Island, Kenai, Anchorage, Homer, Seward, Valdez, and Cordova. With combined North Slope natural gas fed and Watana Dam electrical generation, and transmission system.

As part of the deliverable, a website that allows government employees and the public to test the results of the analysis in numerical and graphic forms, the results of the option set analysis, by making changes to all the major inputs, shall be developed.

Large national consulting firms such as Accenture, McKinsey and Company, Computer Science Corporation, and institutions such as Wharton, Stanford, Harvard, among others, shall be invited to participate. As well as the RFP being advertised.

D. The retaining of a world class energy and facility construction company with significant experience able to validate and add quality to the cost estimations across the energy distribution infra-structure complex.

In order to be able to prepare reasonable cost estimates for the variety of development options, the State of Alaska will seek to retain a world class design, engineering, and or construction company with significant experience in the construction of large scale energy projects. This entity will report to the Task Force, and will assist them in determining the best inputs for the financial models.

E. The retaining of an experienced Investment Banking firm familiar with the development and financing of large scale energy projects. This entity will report to the Task Force and will advise them on the management of the overall project.

The Gas Distribution Due Diligence Task Force shall make available to the public, its final product, but shall have the flexibility to conduct the investigation by being bound to confidentiality when the sources of critical information require confidentiality.

FISCAL NOTE

Gas Dist. Due Diligence Task Force	$500,000
Consulting Talent Pool	$1,500,000
Financial Models	$1,000,000
Construction Company Advisor	$500,000
Investment Banker	$1,000,000
Miscellaneous	$500,000
Total	$5,000,000