

THE FAIRBANKS PIPELINE COMPANY

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AN ALASKAN SOLUTION

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1/19/11 Presentation to Alaskan Engineers

Our Goals and Consolidated Objectives

- Lower Interior Alaska's nondiscretionary energy costs by at least half. Install an Alaskan Hub at a strategic location that can help the State control the commercial value of ANS and Cook Inlet gas resources into the next century.
- Improve air quality by 2014 to lower health risks and to circumvent the potential loss of Federal appropriations in PM 2.5 non-attainment areas such as the FNSB .
- Provide the State and Producers a means to monetize ANS gas resources that maximizes the net value for ANS gas per unit produced over time while leaving enough in the ground for future generations.
- Retain a higher proportion of Alaska's resource wealth by retaining ownership of the pipeline and its future earnings in Alaskan hands. We will not only control our future energy costs, but also compound the value of ANS gas by increasing the velocity of monies circulating within our own communities. This will compound the intrinsic value of ANS gas by roughly 1.5.
- Initiate a low risk investment plan for all Alaskans by offering shares in the company that generate a minimum annual return on investment of 11%.
- Lower energy costs, as transported volumes increase, to support future economic growth.

There are Nine Projects Identified for Monetizing ANS Gas Today

Here are the first seven, feasible only through exportation of Alaska's Gas

1. TransCanada Large Diameter Y-Pipeline
 - A Gas through Interior markets, with additional pipeline/s to outside markets
 - B Gas through Interior markets, then LNG Facilities in Valdez to outside LNG markets
2. Denali Large diameter gas pipeline through Interior, then to State border with additional pipeline/s to outside markets
3. AGPA-Valdez Large diameter gas pipeline through Interior markets to LNG facility in Valdez, then to outside LNG markets
4. Gottstein Large diameter gas pipeline to Interior markets, then awaiting outside market interest
5. ANGDA Medium diameter gas pipeline from Beluga to Fairbanks with fractionation facilities located in Interior and CI including future connections to Options 1 , 2, 3 and 4
6. AGDC Medium diameter gas pipeline to Interior & Anchorage with treatment, LNG and fractionation facilities located in Cook Inlet
7. No Action Default Wait for gas prices to rise and gas Producers to construct gas pipeline or GTL plant moving products to markets **through the existing Trans Alaska Pipeline**

The Balance of the Nine Options

The Two Options That Do Not Require Exportations To Be Feasible

8. AGPA, FNG, GVEA

New LNG facilities, with liquid phase deliveries via truck caravan to limited Interior re-gasification markets (GVEA and FNG). The average price of purchased gas utilities from 2007 through 2010 is \$3,232 per customer. FNG's purchase price is \$45,455 per customer. Who profits and who pays?

AGPA's offer to purchase FNG only entails gas distribution, not the North Slope LNG Plant. This capital risk will be placed on the backs of GVEA rate payers.

9. Fairbanks Pipeline Company

A small and cost-efficient 12" diameter pipeline to serve a greater portion of Interior markets including an 18" upsize option to create an Alaskan Gas Hub to supply the entire rail belt with price certainty. As our economy and energy demand grows, this pipeline will reduce, not increase our transportation costs. This company and its future earning will be owned by you

The Facts on Exportation Markets for ANS Gas

The Difficulties With Domestic and Global Exportations

- In December, 2010, the EIA removed Alaska (ANS gas) from their long-term domestic gas supply forecast.
- Domestic shale gas, and Pacific Rim LNG supplies have become highly competitive . With each new announcement comes news of lower prices, increasing reserves, and new tidewater process and exportation facilities in the Eastern Hemisphere built and operated by low-cost labor employed at an average hourly rate of \$1.32/hr .
- In early December of this year, Qatari resource management officials stated their intent to convert their LNG swing markets to base load at a “sustainable” price point of \$5.00/mcf. Recent IMF, WB and Raymond James publications indicate that certain Pacific Rim LNG price points are “sustainable” at far less than \$5.00/mcf waterborne. New LNG vessels are being built today with on-board re-gasification equipment to expedite deliveries in gas-phase, this will translate to less than \$5.00/mcf re-gasified .
- The cost of production of low-cost Shale and LNG are decreasing in the Pacific Rim. At the same time, these cheaper supplies are exceeding pace with both domestic and global demand .

In Summary: There appears to be no feasible gas-phase export market and no competitive LNG market for ANS gas in the foreseeable future. There is, however, critical market need for ANS gas within Interior Alaska, and compelling economic reason to position this resource 418 miles closer to Cook Inlet (CI) to provide an alternate competitive gas supply for South Central markets.

The Facts on Exportation Markets for ANS Gas

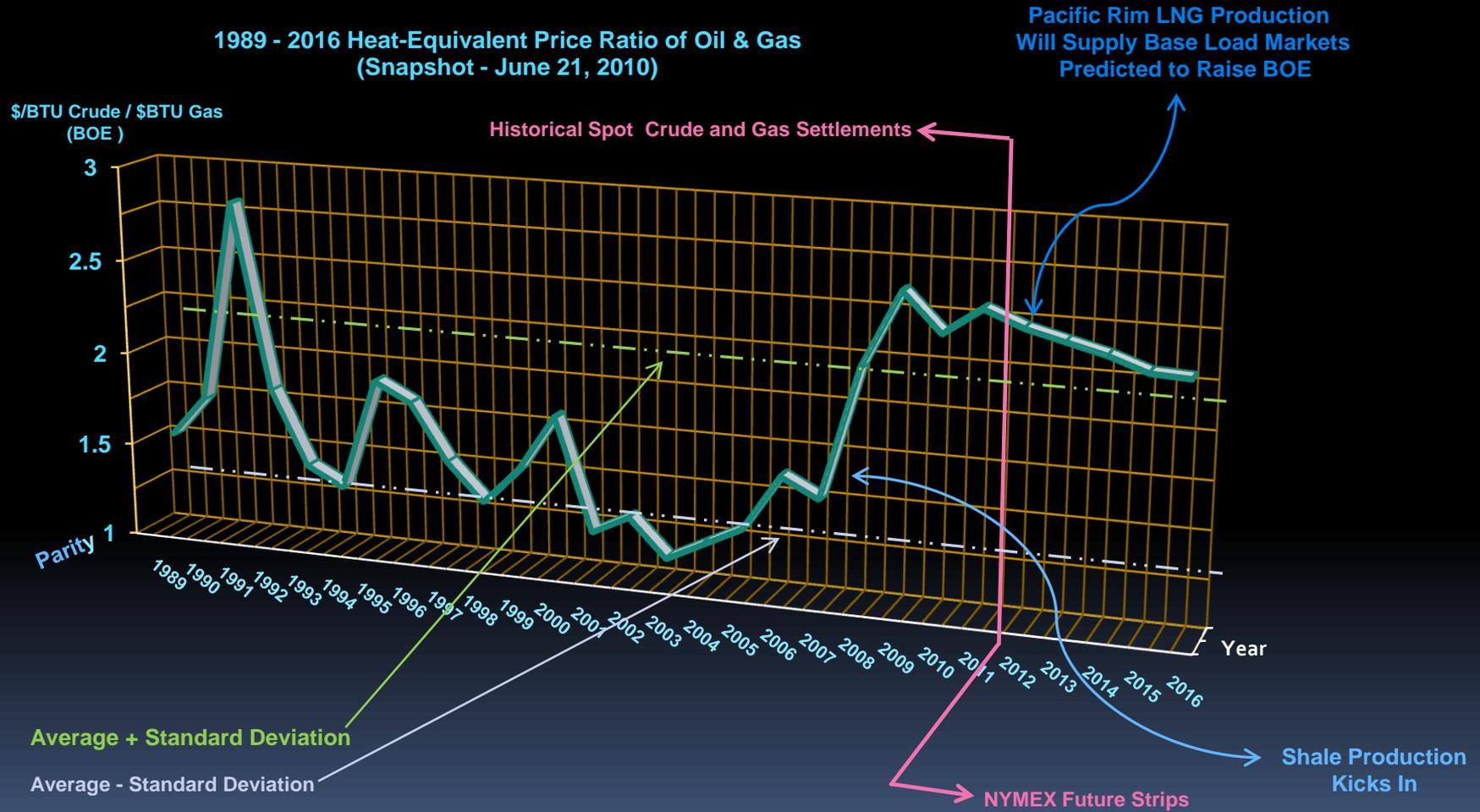
The Opportunities

- First-generation Fischer Tropsch technology GTL plants in Africa have been in commercial operation since 1955, albeit at partially subsidized economies.
- Second-generation Fischer Tropsch technology GTL plants have been in commercial operation for close to a decade. The Bintulu Plant in Malaysia has been commercially producing 14,700 Bbl/day since 1993 in non subsidized economies.
- More efficient third-generation GTL technologies are emerging . The \$20 billion Pearl GTL Plant in Qatar will come on line in 2012. It will be the world's largest source of gas-to-liquids (GTL) products, producing 140,000 barrels of GTL products each day along with 120,000 barrels of oil equivalent per day of natural gas liquids and ethane.

In Summary: Based on these emerging technologies, liquid-phase exportations of ANS gas may become feasible within the next decade. If a GTL plant is installed on the North Slope, ANS gas can be transported through existing infrastructure (TAPS) and be sold in the crude economies which now trade at nearly 4 times intrinsic energy value (or BOE) of gas. Since the vapor pressure and viscosity of synthesized GTL's are controllable, their fungible transfer into the TAPS crude stream will improve the long term outlook for TAPS as volumes continue to decline **and advance the future commercialization of viscous ANS crudes.** The Shell Pearl Plant's economics will become common knowledge by 2014. **This is not long to wait when there are no other feasible alternatives for exporting ANS gas today.**

Problem 6 Issue - The Feasibility of Exporting ANS Gas

The BOE is 3.81 today (1/11/11) – it may soon breach 4



The Facts on the South Central Alaskan Markets

- On March 26, Kevin Banks, Director of ADNR Oil and Gas Division was quoted when speaking of the cost implications for future deep-gas production in the Cook Inlet :

“If you take that progression of costs and apply it to gas prices increased from today’s, it implies prices of \$5/mcf to \$13/mcf over the next decade.”

- With future Cook Inlet gas supplies suffering upside price pressure, there is powerful motivation to increase FPC’s gas line from 12” to 18” down to Livengood (77 miles north of Fairbanks), where a future outtake flange can be installed to firmly collar this price escalation at an additional cost of \$286 million.
- The outtake flange in Livengood moves ANS gas 418 miles closer to Anchorage and caps future Cook Inlet prices at \$8.27/mcf (in 2010 dollars). The flange is sized to serve 100% of Cook Inlet’s demand for gas as it exists today. When ramped against ADNR’s Cook Inlet decline curve, this Alaskan Gas Hub could support Cook Inlet demand well into the next century.
- FPC’s projection on the future median price escalation for Cook Inlet Gas through the next decade is lower than ADNR’s. It estimates the impacts of diminishing supplies from Cook Inlet’s legacy fields along with the increased cost of deep-gas productions will most likely result in prices between \$8.25/mcf to \$10.75/mcf in this decade.
- The State is currently offering significant incentives for new Oil and Gas plays in the Cook Inlet. Incentives and discounted royalties need to be factored into Cook Inlet’s future cost of gas. When doing so, Energia Cura estimates that the price of ANS gas sourced from the Livengood Hub will be at par with Cook Inlet gas perhaps as early as 2016 - 2018. The Livengood Hub can be installed by 2014. If the State chooses, deliveries to Anchorage could start as early as 2016 if implemented through an 18”, 340 mile pipeline from the Livengood Hub to Cook Inlet for \$1.1 billion in 2010 dollars.

The Facts on Interior Alaskan Markets

- The Interior's average per capita income has been lower than the US average for several years. It continues to move downward, slowed only by its high proportion of State and federal employment. Almost 50% of Interior payrolls are federally funded. Military bases are now being scrutinized for down-sizing and/or closure
- The Interior's number of unemployment checks increased by 69% between 2008 and 2009. 2010 numbers have not been released yet, but other socio-economic indicators suggest that we will see another radical increase when released in February, 2011. The global recession may be creeping farther north .
- Our State's largest refinery has cut production and its long term viability is in question. If closed, the price of crude sourced energy will most likely escalate State-wide.
- Interior households pay \$24/mcf for gas, \$23/mcf for heating oil, and their electricity provider GVEA, is paying in excess of \$20/mcf for their naphtha fuel today. On current nominations of 19 Bcf/yr , FPC gas will cost \$9.66/mcf today. If it can secure 30 Bcf prior to closing its open season, FPC gas would cost \$7.65/mcf both assuming that it can secure purchase contracts for treated and compressed gas from North Slope Producers at \$4.22/mcf.
- The need for affordable energy supplies in the Interior is growing ever more critical as crude approaches \$100/Bbl today. FPC's nominated gas volumes are now at 19 Bcf/yr and expected to grow to 30 Bcf.
- Barriers to entry. A power study last summer for a large new mine proposed in Livengood compared the cost of commercial power from GVEA when generated on the basis of their \$19/mcf fuel (at the time) versus self-generating its power on FPC's gas priced at \$7.50/mcf. **The difference was close to \$3/4 billion over twenty years.** If crude climbs to \$130/Bbl as now predicted, the difference will easily surpass **\$1 billion**. Today, FPC gas would cost \$9.66/mcf at 19 Bcf/year and \$7.65 at 30 Bcf/year throughputs.

After 40 Years of Studies, its Time to Reduce the Panoply of Options

We need to select the option that fits the realities of the common markets and our own marketplace where Alaskans are paying more than double what they could be paying while exposing their children to more of the same. The State is spending another \$16 million on yet another study (AGDC). To extricate the highest value from this study, its mission should be focused on selecting the best option so Alaska can move forward.

Decision Criteria – What Option/Project Can:

- Meet Interior Alaska 's entire natural gas demand and if requested, South Central's entire demand?
- Start operations within three to four years?
- Incrementally assume capital risk while providing a price collar for Alaska's largest market (the Cook Inlet)?
- Lower the cost of energy to 1/6th the State by half and contain the future energy cost for 4/6th our population?
- Offer Alaskans a way to earn a 11.1% ROI in a low-risk utility model based on their own consumption?
- Extricate the highest possible value for ANS gas/unit/time to both Producers and the State?
- Retains the highest proportion of our wealth-in-resources within State lines to foster our local economies?
- Retain the ownership of both ANS gas and its transportation infrastructure in Alaskan hands?

For Reference - AGDC Mission Statement: *"The Mission of the Alaska Gasline Development Corporation is to deliver a comprehensive in-state natural gas Pipeline Project Plan to the Legislature by July 1, 2011. The Project Plan will define a preferred route for supplying a reliable source for South Central Alaska, Fairbanks and other communities as practicable by December 31, 2015."*

Summary of ANS Gas Options

Qualifying Characteristics	Trans Canada Denali AGPA -Valdez Gottstein Condominium AGDC Bullet Line	ANGDA Beluga to Interior Pipeline	GVEA/FNG LNG Truck Caravan	FPC 12" Pipeline Case 1	FPC 18" Pipeline Case 2
Feasibly is tied to exportations	Yes	Yes	No	No	No
Competitive in the next 10 to 20 years	No	No	?	Yes	Yes
Capital risk is high (relative)	Yes	Yes	No	No	No
Market based with nominations in hand	?	?	Yes	Yes	?
Serves the broadest Alaska demographic	No	Yes	No	Yes	Yes
Can be In operation in this decade or next	No	No	Yes	Yes	Yes
Can be in operation by 2014	No	No	Yes	Yes	Yes
Reaps highest royalty value for ANS gas/unit	No	No	?	Yes	Yes
Requires production incentives from State	?	?	No	No	No
Requires State Subsidies	Yes & ?	Yes	?	No	Yes
Contains future escalation of CI gas prices	No	No	No	No	Yes
Capital risk based on Alaskan needs	No	No	Yes	Yes	Yes
Lowers Interior energy costs by at least half	?	?	No	Yes	Yes
Pipeline or system owned by Alaskans	No	No	Yes	Yes	Yes
Retains > 85% wealth-in-resources in-State	No	No	Yes	Yes	Yes
Pays dividends to Alaskans at 11% ROI	No	No	No	Yes	Yes

The Details Of The FPC System

FPC is ready, willing, and able to build a pipeline from Prudhoe Bay to Interior Alaska and have it operational by 2014. The FPC plan offers two system configurations:

Case 1 Construct and Operate a stand alone 12” Line from Prudhoe Bay to the Interior

Case 2 Construct and Operate an 18” Line from Prudhoe Bay to Livengood to include an 18” outtake flange to limit future Cook Inlet price risk. A 12” Line would be installed from the Livengood Hub to serve Interior Markets by 2014. When justified by escalating gas prices or supply shortages in the Cook Inlet, the remaining 340 mile, 18” pipeline segment from this Hub to the Cook Inlet could be installed within two years (Case 2-A)

Capital costs for each option are as follows:

Case 1, The 12” Line

This line requires no subsidies from the State because it’s business model is self supporting by deliveries to the Interior priced at half today’s costs (\$9.66/mcf versus \$20/mcf). Cost is \$716 million (2010 dollars)

Case 2, The upsize from a 12” to 18” pipeline

The State contributes the \$287 million differential cost to increase FPC’s 12” line to 18” or pays down FPC’s cost of service (tariff) for that upgrade at \$3.58/mcf over time. This moves ANS gas 418 miles closer to Cook Inlet and creates an Alaskan Gas Hub in Livengood

Case 2-A, The 18”, 328 mile Pipeline from the Livengood Hub to Cook Inlet

If implemented, this segment will cost approximately \$1.1 billion and deliver gas at \$8.27 (2010 dollars)

The Picture of FPC's Two Cases

Case 1 \$716 million capital cost

Moves 19 Bcf /Year through 12" pipeline from PB to the Interior

Total cost of gas to Interior of \$9.66/mcf with \$5.44 COS

Case 2 \$1,002 million capital cost or \$286 more than Case One

Moves 19 Bcf/Year through 18" pipeline from PB to Livengood Hub

Total cost of gas to Interior of \$9.66/mcf with a \$9.02 COS

(Needs \$286 million up front or \$3.58/mcf buy-down over time)

Case 2 A \$1,084 million capital cost

Moves 91 Bcf/year through 418 mile, 18" pipeline from PB through Hub to CI

91 Bcf to Livengood Hub

\$5.90/mcf with a \$1.68/mcf COS

Moves 19 Bcf through 90 mile, 12" pipeline from Hub to Interior

12" at 19 Bcf from Hub to Interior

COS of \$1.14/mcf, this segment

19 Bcf net both segments to Interior

\$7.04/mcf with a \$2.84/mcf COS

Moves 72 Bcf/year through 328 mile, 18" pipeline from Hub to CI

(including compression from the Livengood Hub)

18" at 72 Bcf from Hub to Anchorage

COS of \$2.37/mcf, this segment

72 Bcf net both segments to CI

\$8.27/mcf with a \$4.05 total COS

Case 2 A

Cook Inlet Bundled Price Collar or Deliveries = \$8.27/mcf

Treated and Compressed Prudhoe Bay Gas
\$4.22/mcf

18" Livengood Hub price of bundled gas
Case 2 A - \$5.90/mcf with \$1.68/mcf COS

Fairbanks

12" North Pole Terminus

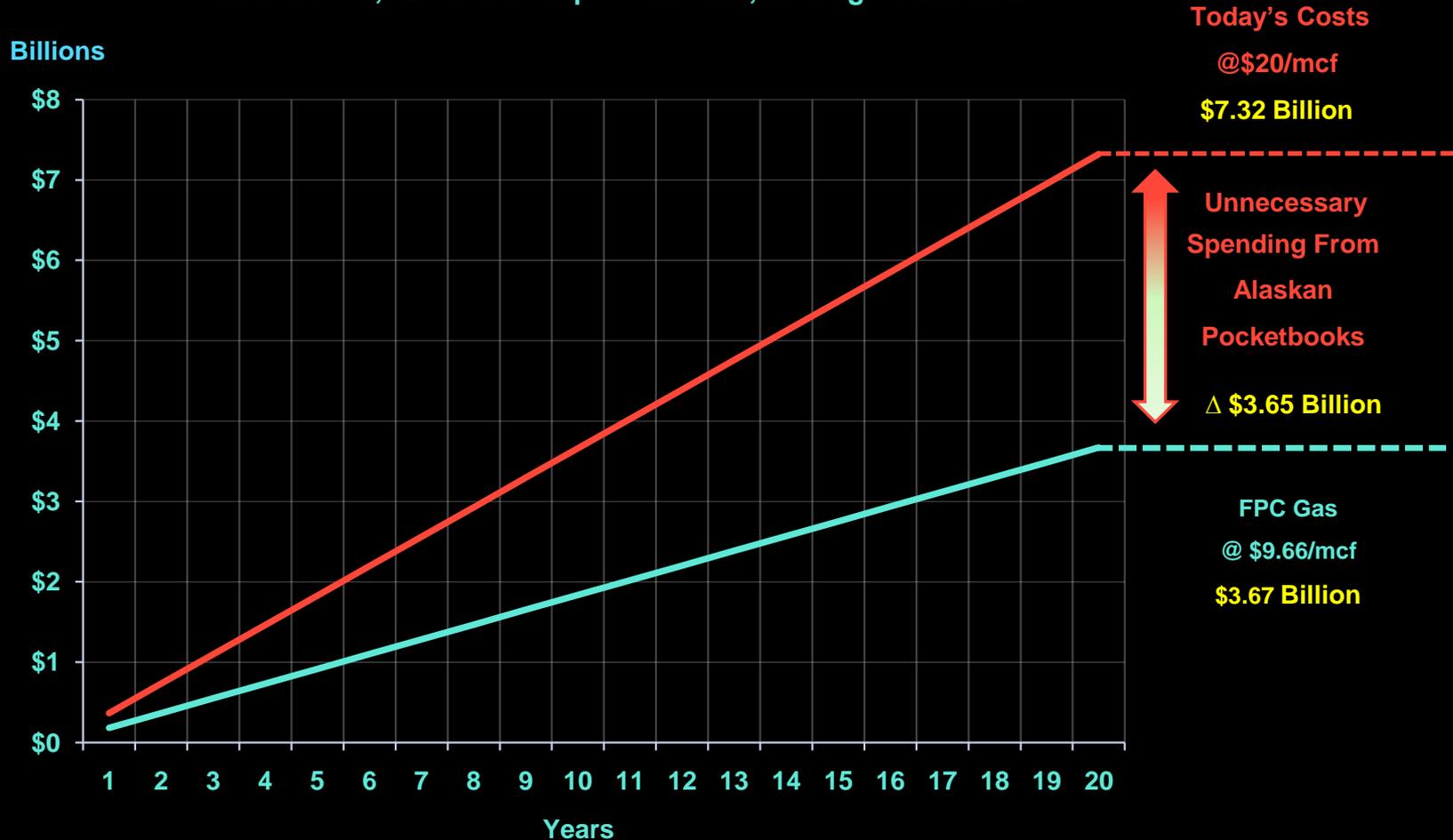
Case 1 - \$9.66/mcf with \$5.44/mcf COS

Case 2 A - \$7.04/mcf with \$2.84 COS

5" Outreach pipelines
(COS dependent on length and volumes nominated)

The Cost of Doing Nothing in the Interior at 19 Bcf/yr

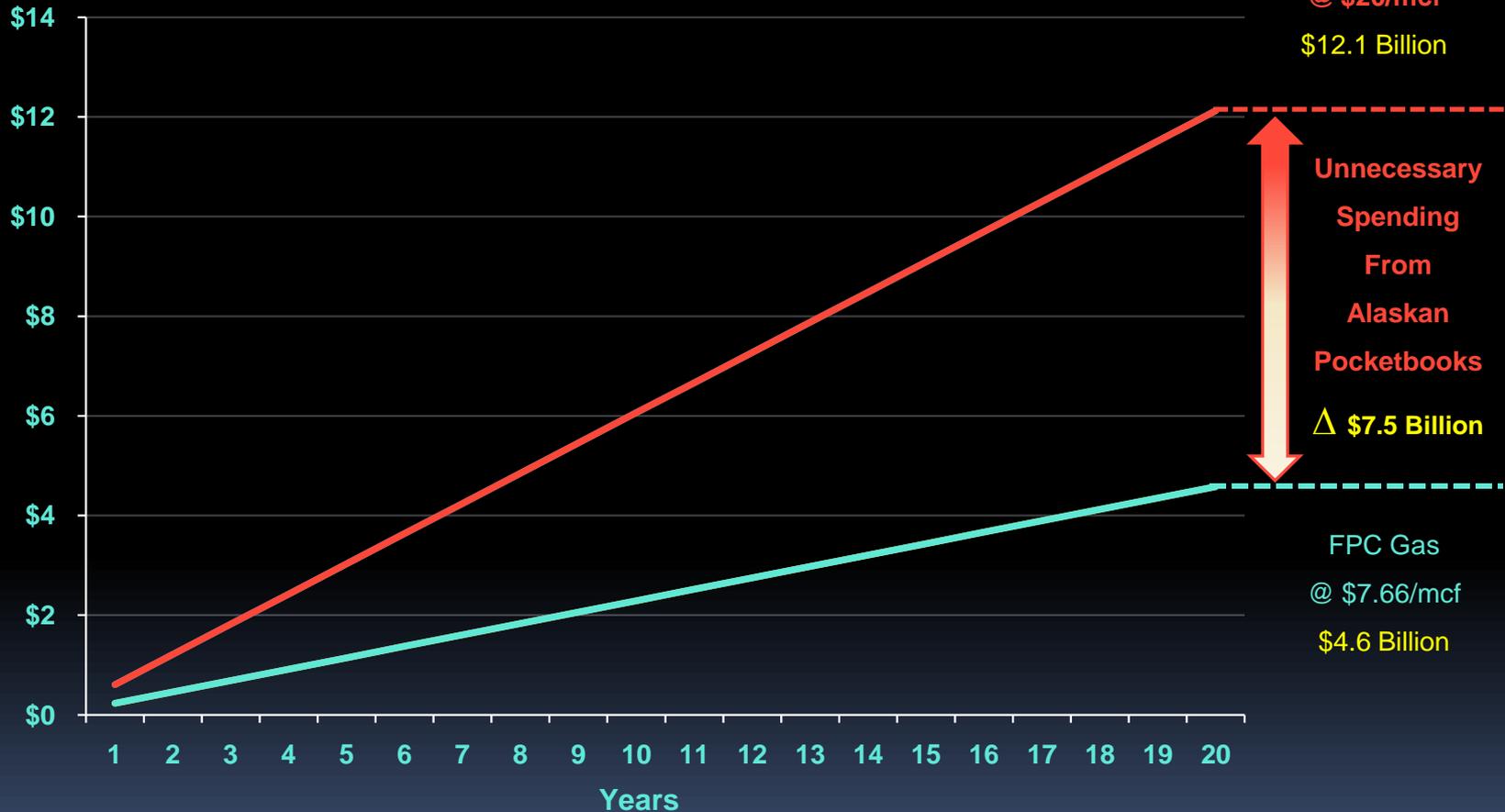
FPC Case 1, 12" North Slope to Interior, Moving 19 Bcf/Year



Savings to the Interior if Load Increases to 30 Bcf/yr

FPC Case 1A, 12" All the Way, Moving 30 Bcf/Year

Billions



Today's Costs

@ \$20/mcf

\$12.1 Billion

Unnecessary
Spending
From
Alaskan
Pocketbooks

△ \$7.5 Billion

FPC Gas

@ \$7.66/mcf

\$4.6 Billion

FPC's Bundled Cost of Gas Breakdown

Bundled Gas = Total Costs Delivered to Load Center, otherwise expressed as:

COS (Cost of service or tariff) Plus GC (Gas & NGL Cost)

COS = Capex (Capital Amortization) Plus Opex (Operating Costs) Plus ROR (Standard Rate of Return)

GC = Avg US Well Head Value Less Quality Less Shared Capex Risk Plus Compression Plus Treatment

Why Has FPC Employed These Basis, Discounts and Premiums on its GC Pricing Structure?

US Avg Well Head Value

It is a published valuation index for gas in the ground

Quality Discount

Raw ANS gas is of poor value, comprised of 12.3% inert CO₂

Shared Capex Risk

AVG. US Gas Well Head Value is based on an average of gas wells located closer to existing transmission networks & markets than ANS gas. Alaska has no transmission network (yet) and its markets are located roughly 508 miles away for Case 1 and/or 836 miles away for Case 2. It stands to reason that sellers of the resources should share in the capital risk to transport them to markets.

FPC's Bundled Cost of Gas Breakdown

Why Has FPC Employed Compression and Treatment Premiums on its GC Pricing?

Compression

To move gas or dense phase products requires compression. Compression costs are a function of Capex repayment, Opex including the energy to run compressors & fair margins (profit) for those undertaking its Capex and Opex risks

Treatment

To remove CO₂ and other contaminants from ANS gas requires treatment facilities. Treatment costs are a function of Capex repayment, Opex including energy to run the facilities and fair margins (profit) for those undertaking its Capex and Opex risks.

Why Not Have FPC Install (Capex) and Operate its Own Compression and Treatment Facilities (Opex) to Save Profits Offered to the Producers?

Capex

FPC has estimated its Capex costs for installing a single compression station and skid-mounted treatment facilities on the North Slope to treat and move 19 Bcf to Interior markets. FPC expects that Producers' ability to modify its existing facilities including new facilities required will cost about the same, if not lower than FPC's because they can leverage their existing physical and human resources on the North Slope to install these facilities .

This leaves the question of margins – read on.

Opex

*FPC has estimated its Opex costs for operating compression and treatment facilities on the North Slope. FPC expects these costs to be significantly higher than Producers' due to their leveraging advantages. They already have the camps, the crews and other facilities to undertake their operation and maintenance far cheaper than FPC. In summary FPC expects **Producers' Capex + Opex + Margins is less than FPC's own Capex + Opex.***

FPC's Negotiation Target for its Final GC - **\$4.22/mcf**

Details of final GC pending completion of negotiations with British Petroleum, ConocoPhillips and ExxonMobil

Review and Summary of FPC's Bundled Gas Price

Assumptions

Current Cook Inlet Gas Demand	72 Bcf/Year
FPC Interior Gas Demand	19 Bcf/Year
FPC and Cook Inlet Gas Demand	91 Bcf/Year

Estimated Cost of Treated and Compressed Gas **\$4.22/mcf**

COS (Cost of Service or Tariff) Delivered		To Interior	To Cook Inlet
Case 1	FPC 12" Pipeline Stands Alone at 19 Bcf/yr	\$5.44/mcf	N/A
Case 1 – A	FPC 12" Pipeline Stands Alone at 30 Bcf/yr	\$3.43/mcf	N/A
Case 2	Install 18" Pipeline & Livengood Hub	\$9.02/mcf	(State buys-down final COS)
Case 2 - A	Install 18" Pipeline to Cook Interior	\$2.82/mcf	\$4.05/mcf
Total Cost of Bundled Gas (COS + Gas)			
Case 1	FPC 12" Pipeline Stands Alone at 19 Bcf/yr	\$9.66/mcf	N/A
Case 1 - A	FPC 12" Pipeline Stands Alone at 30 Bcf/yr	\$7.65/mcf	N/A
Case 2	Install 18" Pipeline & Livengood Hub	\$9.66/mcf	(State buys-down final COS)
Case 2 – A	The Cook Inlet Price Collar or 91 Bcf deliveries	\$7.04/mcf	\$8.27/mcf

Who will Own FPC (The Fairbanks Pipeline Company)?

FPC (the operating company) will be wholly owned by the Alaska Holding Company (the equity company).

Ownership of the Alaska Holding Company's and its future earnings will be assigned to:

- Alaskan Residents
- The State of Alaska Permanent Fund
- Alaskan companies hiring Alaskans and those making in-kind-contributions to the project
- The Fairbanks Pipeline Company's customers

Capital stocks (common shares) in the Alaska Holding Company will be issued at **\$100 par value**.

- No preferred or other classification of shares will be offered
- Par values shares are based on the original capital paid into or invested in the business by its founders
- The Fairbanks Pipeline Company requires **\$716,000,000** to build and start its operations
- This transcribes into **7,160,000** total shares in the Alaska Holding Company at par value

The State of Alaska Permanent Fund will first be given **515,520** (7.2% of total) shares in exchange for the State's in-kind contributions such as pipeline easements, environment al permits, geophysical, survey, and LIDAR data. This leaves **93% or 6,644,480 shares** available to offer Alaskan residents and companies

- The Alaska Holding Company will return dividends of **\$11.07 per year, per share**.
- This is an **11.1% annual ROI (return on investment for case 1)** in a utility company whose sales are guaranteed by its owner's own energy requirements, otherwise a very safe investment.

Summary - Equity Distribution in AHC/FPC

Share Volumes Based on Case 1 or 1A, the Stand Alone 12" Pipeline

- AHC/FPC will employ a tiered capitalization and equity acquisition model aimed at maximizing Alaskan ownership of the companies to improve our State's economy by adding monies into local circulation
- The model integrates the characteristics of both a publicly owned private company and a cooperative company owned by its direct customers . Again, the company = **\$716 ,000,000 or 7,160,000 shares**

Tier 1 Comprised of Alaskan residents and companies hiring Alaskans (the publicly owned private Co.) **Estimated at 4,983,360 shares** (see Tier 2) available for purchase. *In-kind-contributions from qualified Alaskan engineering, logistic and construction is being evaluated using shares instead of cash for issue of payments. FPC expects to release its detailed sweat-equity plan in April, 2011.*

Comprised of the State of Alaska Permanent Fund for Transfer of Existing Assets

*The Permanent Fund will be given **515,520 shares** . This 7.2% share limit may grow if ADOT offers to install additional pits along the Dalton and Elliot Corridors to sell gravels to the project*

Tier 2 Comprised of Companies Purchasing FPC Gas (the cooperative side of the company) *Purchase Limit = the proportion of specific gas volumes nominated by each customer relative to FPC's entire total nominated gas volumes times **6,644, 480 shares** (7,160,000 shares less the State's **515,520 shares**). FPC estimates that only about 30% of total available equity (6,644,480 shares) will be purchased by these companies, leaving the bulk of equity (**4,983,360 shares**) available to Alaskan residents and Alaskan companies*

All shares issued will return yearly dividends paying an 11.1% annual return on investment

What's in it for the ANS Gas Producers?

Assumptions

Possible Cook Inlet Market	72 Bcf/Year
FPC's Interior Market	19 to 30 Bcf/Year
FPC and Cook Inlet Gas Demand	91 to 102 Bcf/Year
Estimated Price Point for Treated and Compressed gas <i>(All treated, but compressed only to the Livengood Hub)</i>	\$4.22/mcf

Sales on 20-Year Contract *(Will increase/decrease based on US Average Well Head Value Index)*

Case 1 at 19 Bcf/yr	\$1.6 Billion	\$80,180,000 per year
Case 1A at 30 Bcf/yr	\$2.53 Billion	\$126,600,000 per year
Case 2A at 92 Bcf/yr	\$7.77 Billion	\$388,240,000 per year
Case 2 A at 102 Bcf/yr	\$8.61 Billion	\$430,440,000 per year

Estimated Profits Net Back to Producers' Costs

Information pending completion of negotiations with British Petroleum, ConocoPhillips, and ExxonMobil. Energia has concluded introductory meetings and is planning on concluding its negotiations in March with 20 year contract/s in hand.

The Cost of Time

- The US State Department is considering the levy of 133% import duties on pipe from China. Should this transpire, it will seriously increase FPC's capital requirements
- Under the current Administration's Quantitative Easing policies, all commodities are rising sharply, also posing escalating pressure on FPC's capital requirements
- To construct and commission the FPC Pipeline by 2014, detailed design and procurement need to commence by June of this year. Every year that passes unnecessarily costs Alaskans:
 - An additional \$183 million for their energy requirements at today's 19 Bcf /yr nominations
 - An additional \$375 million for their energy requirements if nominations increase to 30 Bcf/yr
 - \$ 95.9 million in lost dividend earnings per year in Case 1 or 1A
 - \$ 610.2 million in lost dividend earnings per year in Case 2A
 - The loss of construction jobs for constructing the FPC Pipeline from 2012 through 2014:
1,588 jobs on average for 3 concurrent construction spreads peaking to 4,494 in winter
FPC's average construction wage used in its cost estimates is \$50.13/hr

FPC's Request to Alaska's Engineering Community

FPC is proposing that vital infrastructure be installed to benefit our community. In progressive cultures, communities participate in the development of public projects. Communities rely on your technical expertise to meaningfully engage in the process of public review

The role of engineering economics is to assess the appropriateness of projects, estimating their value, and their justification from an engineering standpoint. When assessing public infrastructure projects, the public relies on the ability of their engineers to translate their technical evaluations into simple socio-economic metrics

Thus, our request to you:

- Review our information and arrive at your own conclusions. If so inspired, work with us by submitting questions, comments, and suggestions to Energia Cura.
- If your final analysis warrants, advocate that the Administration perform a review of FPC's project to determine whether they will support the project. Time is of the essence given the need to make the decision on upsizing from 12" to 18", or remaining with the stand-alone 12" pipeline, and the State's decision regarding participation and/or ownership in the project
- **Be proactive and express your opinions to the community. They are waiting to hear from you!**