

## **Alaska's Initial Priority Infrastructure Projects: Detailed Project Summaries**

1. **King Cove Road:** The final 12 miles of a 28-mile access road connecting the City of King Cove with the City of Cold Bay and its all-weather airport.
  - Federal request: Expedited land exchange process
  - Total project cost estimate, funding source: \$22.0 million, State of Alaska
  - Investment to date: State \$2.1 million
  - Current status: Actively working with U.S. Department of Interior for land access and regulatory approval
  - Benefit: Access for isolated King Cove residents to the airport at Cold Bay in all weather conditions, enabling access to health services and movement of goods and people between King Cove and Cold Bay
  - Website:  
[http://www.alutianseast.org/index.asp?Type=B\\_BASIC&SEC={F01C70F6-028E-4181-83DD-90BC0F27E9FE}](http://www.alutianseast.org/index.asp?Type=B_BASIC&SEC={F01C70F6-028E-4181-83DD-90BC0F27E9FE})
  - Direct Project Contact: Commissioner Marc Luiken, Alaska Department of Transportation, [Marc.Luiken@Alaska.Gov](mailto:Marc.Luiken@Alaska.Gov)
2. **Relocate Newtok Village to Metarvik:** The village of Newtok is threatened by advancing erosion caused by the Ninglick River, permafrost degradation, and flooding during seasonal storms.
  - Federal Request: \$124 million grant funding through 2021 with immediate need for \$3.1 million
  - Total project cost estimate, funding source: \$146.0 million, federal funds
  - Investment to date: \$22 million from State of Alaska and multiple federal agencies
  - Current Status: Design and construction teams meet on a regular basis and are coordinating immediate and near-term deliverables to meet the Newtok-Metarvik Village Relocation Schedule
  - Benefit: Protection of life, health, and safety of citizens, long-term cost savings relative to alternative mitigation strategies
  - Website:  
<https://www.commerce.alaska.gov/web/dcra/PlanningLandManagement/NewtokPlanningGroup.aspx>
  - Direct Project Contact: Commissioner Chris Hladick, Alaska Department of Commerce, Community and Economic Development, [Chris.Hladick@Alaska.Gov](mailto:Chris.Hladick@Alaska.Gov)
3. **Alaska Liquefied Natural Gas Project (AKLNG):** Natural gas pipeline and liquefaction facilities to improve the balance of trade through exporting up to 2.7 billion cubic feet of gas per day and provide 0.5 billion cubic feet of gas per day for in-state markets.
  - Federal request:
    - Amend Alaska Natural Gas Pipeline Act (ANGPA) of 2004 to allow federal loan guarantee for Alaska LNG project
    - Expedite and rationalize environmental permitting
    - Provide first-loss federal equity investment

- Provide EXIM Bank support
  - Support securitization of depreciation allowance
  - Allow direct export to China, Korea, Japan and other markets
  - Total project cost estimate, funding source: \$43 billion (in 2017 dollars), State of Alaska, industry, and market financing
  - Investment to date: \$600 million by State of Alaska, BP, ConocoPhillips, and ExxonMobil
  - Benefits: U.S. energy security, improve balance of trade, export product, 10,000 direct construction jobs, up to 70,000 direct and indirect jobs during construction, 1,000 long-term jobs, royalty revenue
  - Current status: Under National Environmental Policy Act (NEPA) regulatory review by FERC.
  - Website: <http://alaska-lng.com/>
  - Direct Project Contact: Keith Meyer, President, Alaska Gasline Development Corporation, [KMeyer@agdc.us](mailto:KMeyer@agdc.us)
4. Arctic Strategic Transportation and Resources (ASTAR) Project: Provide a transportation corridor from Utqiagvik (Barrow) to an area near Nuiqsut as the first phase of several transportation access routes to connect communities and access stranded resources in the resource-rich North Slope.
- Federal request:
    - Expedited and rationalized environmental permitting
    - Support in federal land planning documents
    - Grant funding and/or federal cost share through low-interest loans
  - Total project cost estimate, funding source: \$10 million for phase one planning, \$300+ million for road construction within transportation corridor and subsequent phase planning. Potential funders include state, local municipality port authority, and industry partners.
  - Investment to date: \$7.8 million in state funding pending in current legislative budget
  - Current status: Concept development/planning, community engagement, funding design
  - Benefits:
    - Connection and cost of living reduction for communities
    - Enhanced access for development and economic activity
    - Improved value and federal and state royalty opportunities
  - Website: <http://dnr.alaska.gov/mlw/astar/index.cfm>
  - Direct Project Contact: Commissioner Andy Mack, Alaska Department of Natural Resources, [Andy.Mack@Alaska.Gov](mailto:Andy.Mack@Alaska.Gov)
5. Port Mackenzie Rail Extension: Provides efficient rail transportation for minerals and other natural resources, an alternative for transporting materials and equipment for large construction projects, and critical back-up in the event the Port of Anchorage is unavailable.
- Federal request: \$125 million grant funding
  - Total project cost estimate, funding source: \$309 million, State of Alaska and federal
  - Investment to date: \$184 million from State of Alaska

- Current status: Construction of segment 1 is complete and segment 2 design is 90 percent complete with right-of-way activities 100 percent complete. This funding request addresses the remaining segments, 3-5, which are “shovel ready.”
  - Benefit: Improve the efficiency and lower the cost of shipping goods to and from Interior Alaska, facilitate export of natural resources. Website: <http://portmacrail.com/index.html>
  - Direct Project Contact: William O’Leary, President, Alaska Railroad, [OLEaryb@akrr.com](mailto:OLEaryb@akrr.com)
6. Port of Anchorage Modernization: This is a necessary reconstruction project, as the Port’s aging infrastructure has far exceeded its economic and design life. It is vital to the state’s economy. Every year the Port handles more than 3.5 million tons of food, building materials, cars, clothing, cement, fuel and other goods. Nearly half of the cargo is bound for destinations beyond Anchorage. The Port serves deep-water vessels operating year round to transport cargo faster, cheaper and more reliably than any other means. The Port is Alaska’s only U.S. Commercial Strategic Seaport, one of 16 nationwide.
- Federal request:
    - Timely resolution of the lawsuit between the Municipality of Anchorage and the Federal Department of Transportation Maritime Administration (MARAD)
    - Grant funding and/or federal cost share through low-interest loans
  - Total Project Cost Estimate, funding source: \$556 million, municipal, federal backed project revenue financing
  - Investment to date: State and municipal contributions total \$127 million, leaving an additional need of \$429 million
  - Current status: Phase one construction is scheduled to begin in 2017, while future phases are “shovel ready” awaiting funding
  - Benefit: Peak of 300 employees during construction, access to the Port of Anchorage will ensure goods are moved throughout the state in an efficient and cost effective manner
  - Website: <http://www.portofanc.com/>
  - Direct Project Contact: Ethan Berkowitz, Mayor, Municipality of Anchorage, [mayor@muni.org](mailto:mayor@muni.org)
7. Alaska Naval Base: Develop a naval base and expanded Coast Guard presence in Alaska to protect national security in the opening Arctic arena. Alaska has 6,600 miles of coastline while the rest of the United States has 6,000 miles. Yet Alaska has no naval capability and limited Coast Guard capability. Immediate attention is required for national security, given Alaska’s proximity to Russia (2.3 miles), China (1,300 miles) and North Korea (1,600 miles), geopolitical tension in the Pacific region, and Russian Arctic military build-up. The Department of Defense (DOD) designation of one or more Strategic Arctic Ports and related development is a critical first step in the process.
- Federal Request:
    - Timely delivery of DOD report containing an assessment of future security requirements for one or more strategic ports in the Arctic.
    - Timely designation of one or more Strategic Arctic Ports in Alaska by the Secretary of Defense

- Total Project Cost: To be determined based on Strategic Arctic Port site designation, first phase expected to be in the range of \$15 to \$30 billion
- Current status: Department of Defense is completing Fiscal Year 2017 National Defense Authorization Act required reports
- Benefit: National security, improve and protect balance of trade
- Direct Project Contact: Major General Laurel Hummel, Adjutant General and Commissioner, Alaska Department of Military and Veterans Affairs,  
[Laurie.Hummel@Alaska.Gov](mailto:Laurie.Hummel@Alaska.Gov)