



The Alaska Highway Pipeline Project

Gathering Momentum

Alaska Highway Pipeline Moves Forward

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ANGTS Route Map





Agenda

- ◆ Progress Report
- ◆ Gas Market Volatility
- ◆ Current Activities





Progress Report

- ◆ Routing Debate
- ◆ Historical Costs
- ◆ Re-Constituted Partnership
- ◆ Commercial Proposal





ANGTS Timing Advantage

- ◆ Best Route
- ◆ Regulatory Approvals
- ◆ Right-of-Way
- ◆ Environmental Approvals





Gas Price Volatility and Demand

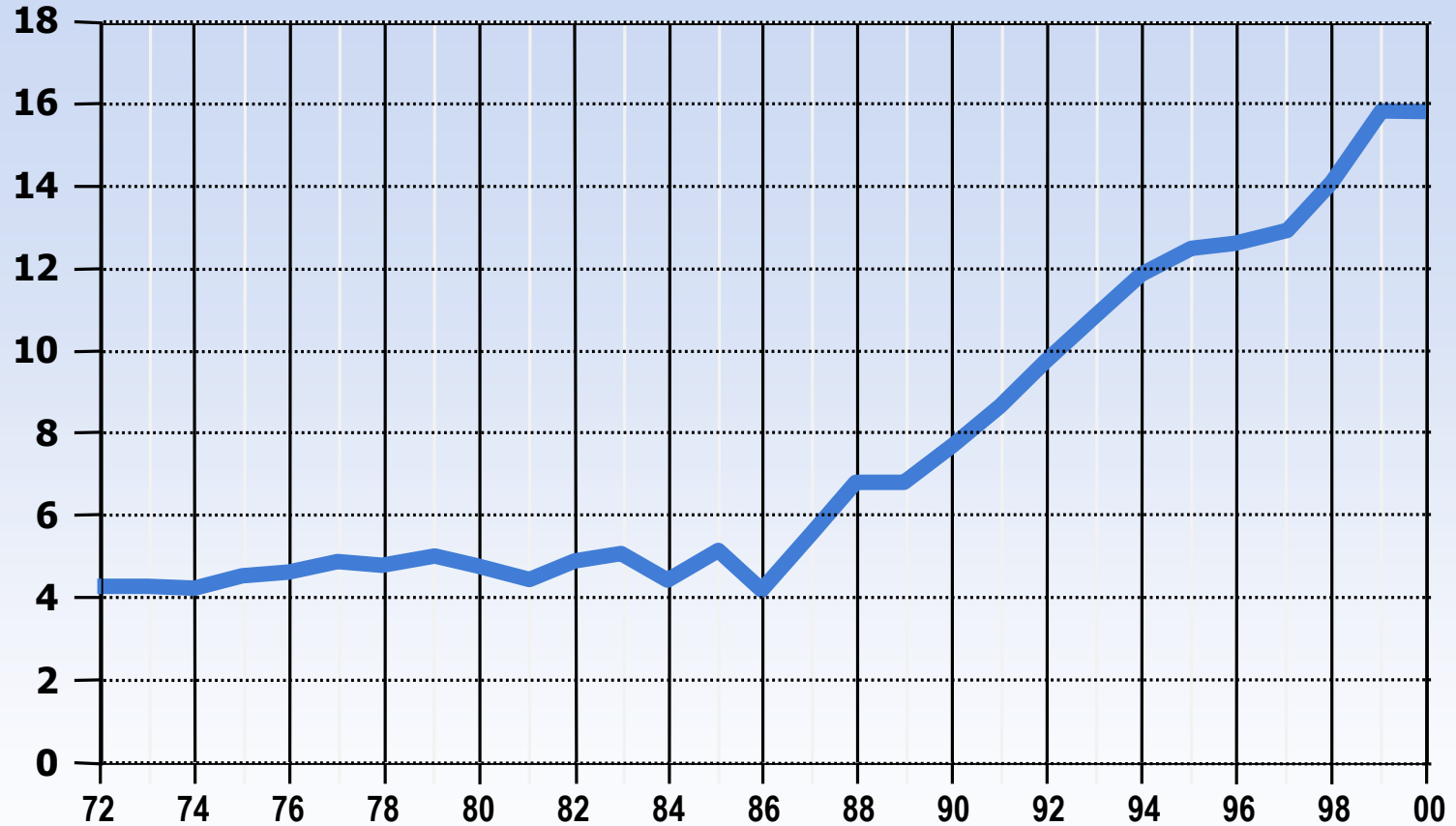
- ◆ Long-term Natural Gas Market Remains Strong
- ◆ Conventional Basins Cannot meet Demand





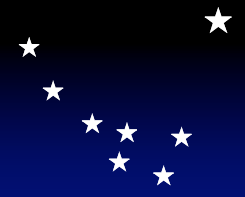
Gas Imports Leveling Off

Percent



Source: Energy Information Administration / Natural Gas Annual 2000





Off-Shore LNG Could Grow Ten-Fold



- | | |
|---|-----------------------------|
|  | Trinidad |
|  | Algeria |
|  | Qatar |
|  | Nigeria |
|  | Oman |
|  | Australia |
|  | Indonesia |
|  | United Arab Emirates |

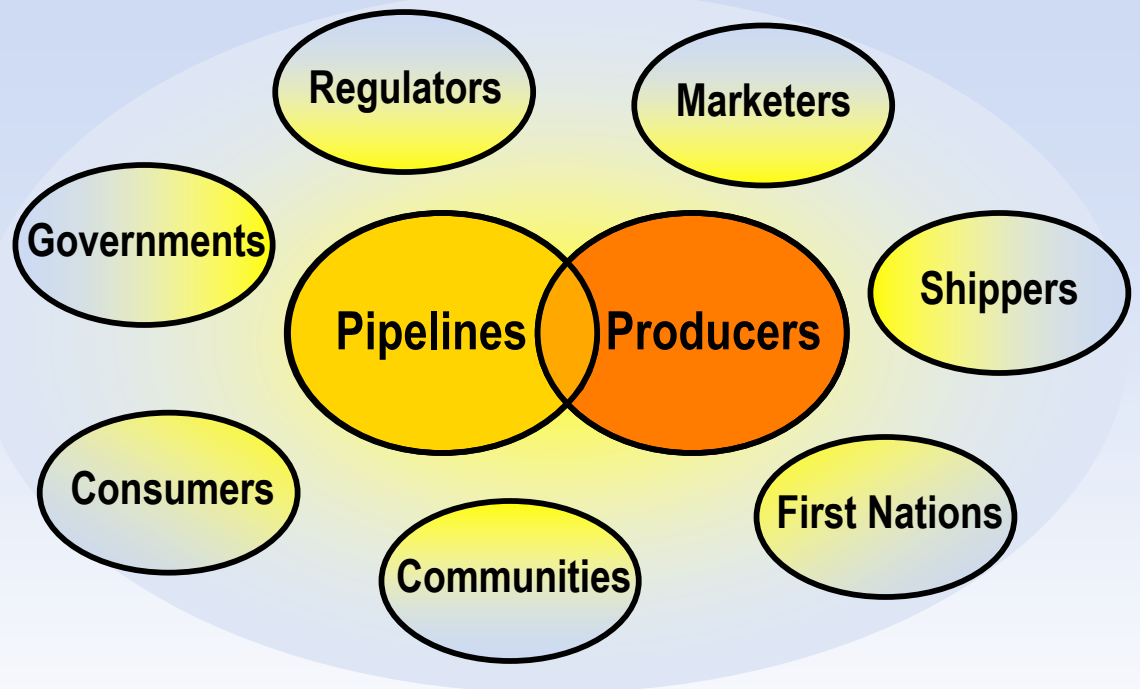
Source:
Energy Information
Administration /
Natural Gas Annual 2000





Next Steps

- ◆ Commercial Proposal
- ◆ Detailed Commercial Negotiations
- ◆ Secure Right-of-Way





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