

# MOVING FORWARD...



## *Alaska Natural Gas Pipeline Project*

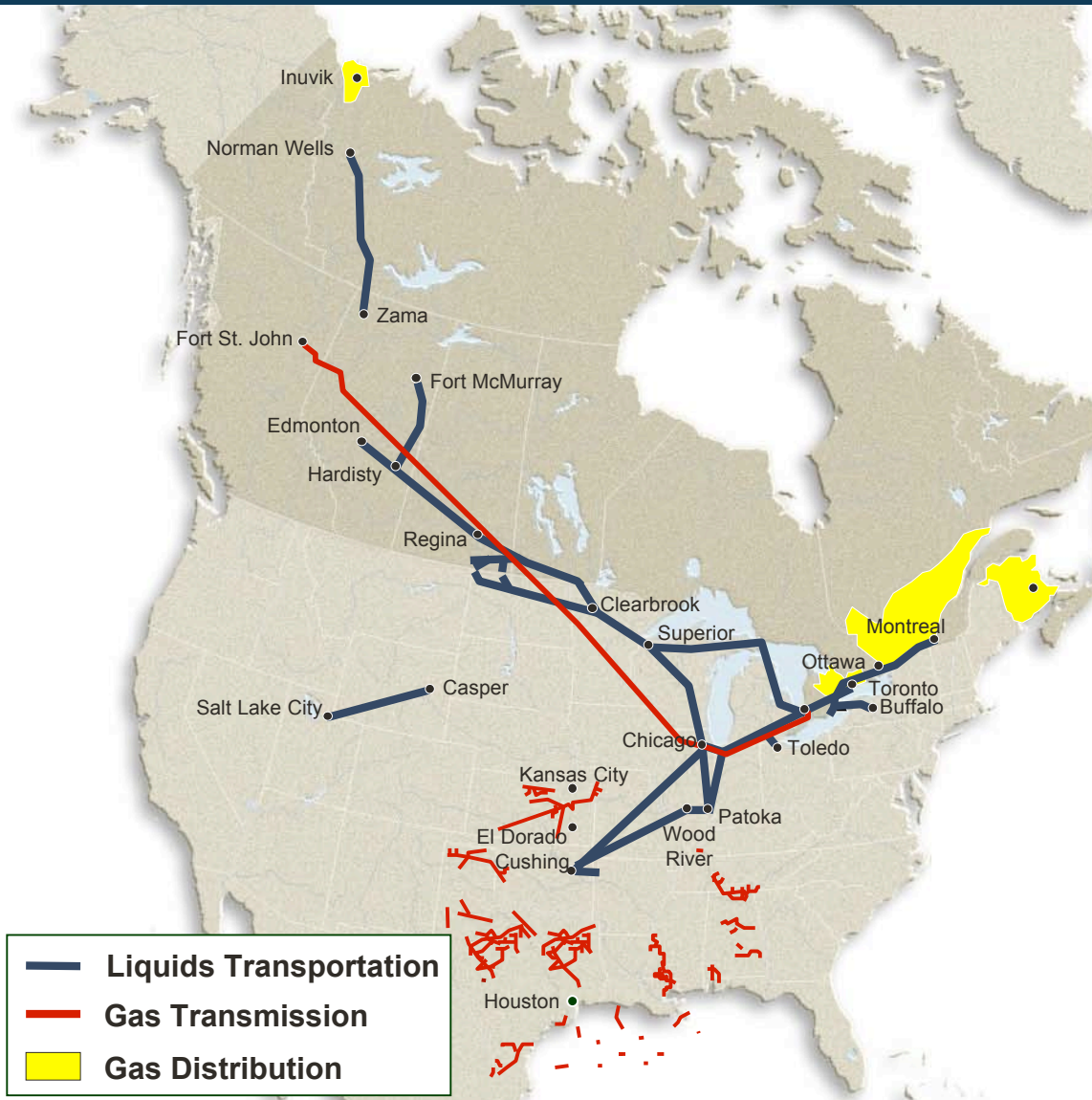
*John Carruthers*

*VP, Gas Development*

*November 18, 2004*



# Uniquely Qualified...



**Natural Gas Business:** Handle approximately 11 bcf/d through pipeline, processing, marketing and trucking operations.

2.5 bcf/d through Alliance and Vector.

Acquisition of Shell GOM assets.

## **Natural Gas Distribution:**

Canada's largest LDC, serving 1.7 million customers in US and Canada

**Liquids Transportation:** Operate world's longest liquids pipeline, delivering over 2 million barrels per day

# “Measured Approach” ...

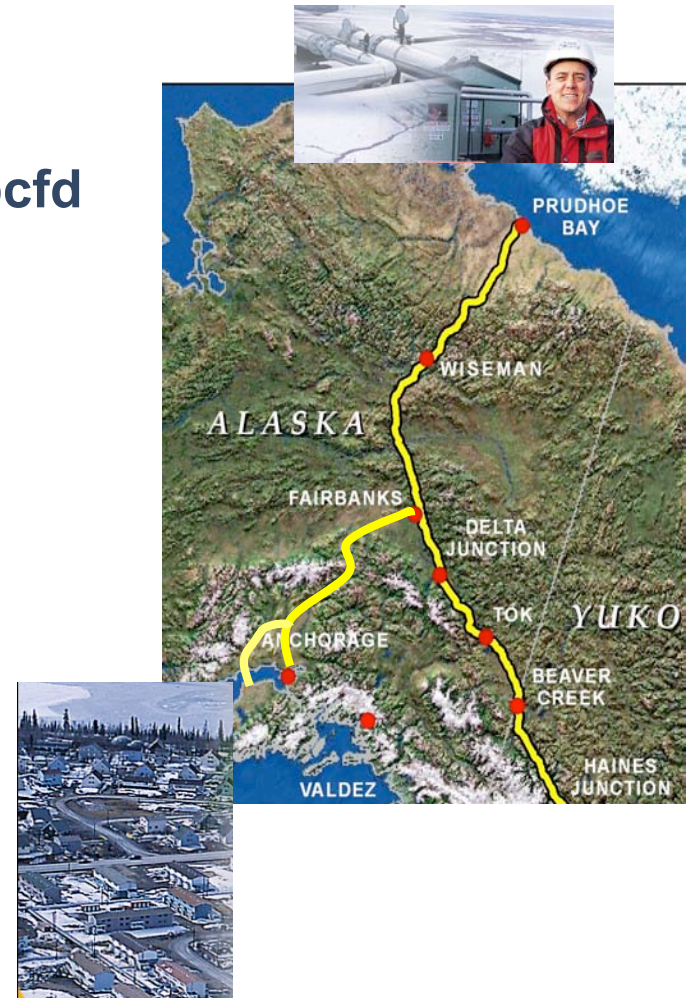


- Design driven by shipping commitments
- 36-inch, 2500 psi, 2.6 bcf/d
- Reduced magnitude
- Lower project risk
- Gas one year earlier
- Better match with take with takeaway capacity
- Expandable to 6+ bcf/d based on exploration

# Off takes and Additional Supplies...



- Ongoing evaluation
- Alaska
  - Anchorage Spur Line: 0.25 bcf/d to 1.2 bcf/d
  - NGL extraction cost minimization
  - Options for smaller volumes
- Yukon
  - Locations / options
- Tariff structuring



# Market Participation...



- Preliminary meetings held with some of the larger MidWest / Ontario LDCs
- Positive reaction to potential longer term capacity and supply commitments
  - Seeking dialogue with producers / state
- Willingness to overcome regulatory challenges
  - Enbridge & Duke submission to Ontario Energy Board
  - Facilitating broader coordination / cooperation
- Potential to be significant
  - Combined with producer and state commitments will define initial size of line required



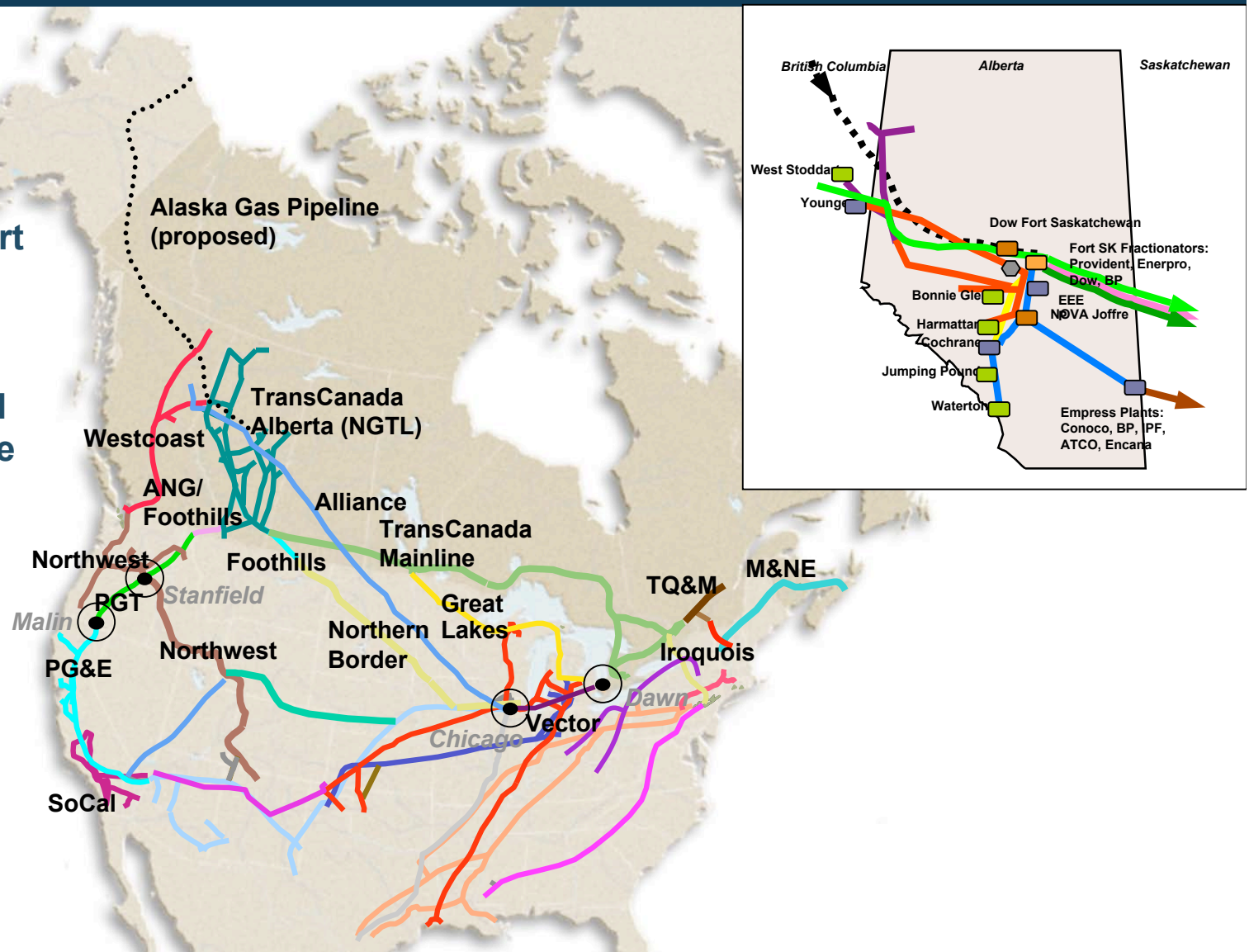
# Alberta to Market...



- Extension to Fort Saskatchewan

- Expect 2.5+ bcf/d of excess pipeline capacity

- Significant NGL processing capacity / value enhancement



# Native / Aboriginal Support Creation...



- Positive early dialogue
- Effective participation
  - Respect for their culture
  - Care for the environment
  - Consultation process
  - Capacity development
  - Economic participation



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## ...CREATING VALUE

