



Press Release
FOR IMMEDIATE RELEASE
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AGIA COORDINATOR'S OFFICE

AGIA Coordinator Releases Alaska Pipeline Project Report:
Progress under TransCanada/ExxonMobil joint project remains on target

(Anchorage, AK) – TransCanada Alaska (TC Alaska) remains on target to complete an initial Open Season by the end of July 2010, with a significant boost in pre-Open Season investment, according to a recent Alaska Pipeline Project Report submitted to the Alaska Legislature on October 31, 2009 by AGIA Coordinator Mark Myers.

Efforts to advance Alaska's natural gas pipeline received a significant boost over the summer with the announcement that TransCanada and ExxonMobil reached an agreement to jointly progress the "Alaska Pipeline Project" (APP).

"This is exactly the type of commercial alignment which AGIA was developed to encourage," said Myers. "ExxonMobil brings upstream development expertise, the wherewithal to design a gas treatment facility and invaluable technical data of the gasline route as an owner of TAPS."

In addition to the synergies that these two entities bring to the project, ExxonMobil's participation immediately started to pay out through its financial investment into the project.

"In my perception ExxonMobil commits itself financially to the front end of any activity it pursues to maximize success," said DNR Commissioner Tom Irwin. "We are seeing a joint effort by these companies that will result in increased pre-Open Season spending from \$83 to \$150 million. This is an encouraging."

TC Alaska has continued to make progress heading into the upcoming Open Season with substantial progress on several fronts, including:

- Expanding the project management team to include 100 full-time employees (50% from TC Alaska and 50% from ExxonMobil)

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- Establishing and staffing a new project office in Anchorage
- Acquiring both LiDAR and immersive video along the majority of the route for both the mainline and LNG alternatives
- Preparing to complete an instate demand study, and
- Working with 24 Alaska-based service providers as part of the project participants' commitment to the Alaska business and local hiring provisions of AGIA.

“Alaskans should be encouraged by the progress which TransCanada and ExxonMobil have demonstrated in moving the APP forward,” Myers concluded.

“A large capacity natural gas pipeline is the single most important project to the economic future of Alaska,” said Department of Revenue Commissioner Pat Galvin. “It is critical to Alaska that we keep this project moving forward. The advancement of Alaska’s gas pipeline cannot be dictated by short-term market fluctuations. We must continue to shorten the time to get to the actual project go-ahead decision, or `project sanction.’ The Open Season is an important step, but continuing to the project sanctioning decision is the key.”

Additional information on the Alaska Pipeline Project, including copies of the October 31, 2009 Progress Report and Coordinator’s letter, is available online at: www.gov.state.ak.us/agia/.

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