



## **Denali Press Release**

April 7<sup>th</sup>, 2010 Anchorage, Alaska

### **Denali Files Open Season Plan for Alaska North Slope Gas Project**

Denali - The Alaska Gas Pipeline filed its open season plan today, April 7<sup>th</sup>, 2010, with the Federal Energy Regulatory Commission (FERC). The filing outlines the commercial terms, technical plans, estimated costs and projected rates for the project.

The Denali Project consists of a gas treatment plant (GTP) on the Alaska North Slope, transmission lines from the Prudhoe Bay and Point Thomson fields to the GTP, and a mainline that will cross Alaska into Canada with its terminus at Blueberry Hill, Alberta. Also included will be delivery points along the route to help meet natural gas demand in Alaska and Canada. Denali's cost estimate for the GTP and mainline is \$35 billion dollars (2009 U.S. dollars). Denali expects the Project to be in service in 2020. The Denali Project is an enormous undertaking with substantial risks and will be one of the largest private investments in the history of North America. "Since its inception in 2008, Denali has invested over \$140 million dollars and over 600,000 man-hours to significantly advance this Project", said Bud Fackrell, President of Denali. "Our commercial offer includes competitive transportation rates and at the same time recognizes the significant risk that both Denali and its customers will take."

The Denali Project has been designed to deliver approximately 4.5 billion standard cubic feet per day of natural gas to North American markets. The GTP at Prudhoe Bay will remove CO<sub>2</sub> and dehydrate, compress and chill the gas in preparation for transport down the mainline. When completed, the GTP will be the largest facility of its kind in the world.

The mainline will consist of a 48" pipeline and 15 compressor stations, 6 of which will be in Alaska. The mainline will run approximately 730 miles through Alaska and 1020 miles through Canada. Customers will be provided with multiple interconnecting pipeline options to transport gas to end markets in North America.

Denali anticipates FERC approval and is planning to start its open season on July 6<sup>th</sup>, 2010. The open season will last a minimum of 90 days. Denali will also hold a simultaneous open season in Canada.

"The Denali commercial offering is based upon a high quality cost estimate and includes terms that will provide customers decision points as the project progresses," said Fackrell. "We believe our technical work and our commercial offer provide the best opportunity for potential customers to evaluate the competitiveness of Alaska North Slope natural gas sales."

Denali - The Alaska Gas Pipeline LLC is owned by subsidiaries of BP and ConocoPhillips.

For additional information, contact Dave MacDowell, Director Media and Communications, Denali – The Alaska Gas Pipeline LLC, at 907-865-4735 or visit Denali's website at [www.denalipipeline.com](http://www.denalipipeline.com). Denali's open season plan can also be found on the FERC website, Docket PF08-26-000.