



## **Project Updates – TransCanada and Denali – January 26 2009**

Alaska's North Slope is home to natural gas reserves plentiful enough to meet six to eight percent of US daily energy consumption needs. At this time, two companies are competing to build a pipeline to bring that gas to market. In August, TransCanada received an *Alaska Gas Inducement Act* (AGIA) license granting the company preferred status in Alaska. TransCanada is joined in the pursuit of the pipeline by Denali, a partnership of major North Slope natural gas leaseholders ConocoPhillips and BP. Denali is pursuing the project outside AGIA. Updates on both companies' project activities and work plans are provided below.

### **TransCanada**

Having received its *Alaska Gasline Inducement Act* license, TransCanada has undertaken project planning in both Alaska and Canada. This project planning phase will last until July 2010, providing the project and expense information necessary for an Open Season. The Open Season calls for shippers, now informed about the project's viability and cost, to commit to using the proposed pipeline; the shipper response will determine if TransCanada proceeds to build the pipeline. TransCanada's Open Season Phase work plan to 2010 includes continued project planning; engineering studies; regulatory work including US Federal Energy Regulatory Commission approval of an Open Season Plan and Canadian *Northern Pipeline Act* activities; commercial work to finalize the tolls and terms of service for potential gas shippers; and continued stakeholder engagement in both countries. More specifically, TransCanada anticipates work in Canada to involve reconnaissance, including aerial photography, along the intended pipeline route and validation of data already on hand.

In 2009, TransCanada will be stepping up community level engagement in Yukon and northeast British Columbia. As well, the company will initiate negotiations of participation agreements with Yukon and northeast British Columbia First Nations along the pipeline's route.

### **Denali**

Since the company's formation in April, 2008, Denali has established project offices and teams, successfully entered the US Federal Energy Regulatory Commission pre-filing process, and applied for a right-of-way for federally-managed lands in Alaska. The company has also undertaken stakeholder engagement, including with Yukon First Nations, and completed preliminary pipeline route mapping. This preliminary routing, distributed to Yukon First Nation governments last month, will be supplemented with knowledge gleaned from Denali's Winter 2009 Stream Survey Program and ongoing dialogue with First Nations.

### **Stream Crossing Fieldwork**



During March 2009, Denali will be completing hydrology surveys of twenty-nine likely Yukon stream crossings. These surveys will include about ten percent of the estimated three-hundred necessary water crossings, and the knowledge gained will inform engineering plans for all the pipeline's water crossings. Informed design, combined with good operating practices once the pipeline is in place, mitigate risks to environmental damage at stream crossings. A complete listing of the crossings to be reviewed has been provided to each First Nation along the proposed pipeline route. First Nation Traditional Knowledge and land use advice is requested identifying traditional territories, settlement lands, and areas of community importance.

These surveys will be non-invasive and involve photographing the site, measuring the stream's depth, flow, and slope, and noting any ice or snow. It is expected that the survey team will fully complete two locations a day. Eventual construction of these crossings will also take place in winter, as the pipe is best laid in frozen soil. The survey team welcomes First Nations representatives to accompany them, and the final survey report will be provided to First Nations.

#### **Wildlife Monitors: Training and Hiring**

Denali is also preparing to call on local knowledge for Wildlife Monitors. Up to twenty Wildlife Monitors will be employed during summer fieldwork as safety officers responsible for protecting workers from wildlife attacks. Denali has met with Yukon College with respect to developing a training program for these monitors. It is expected that Wildlife Monitors will also meet requirements for first aid and firearm proficiency and drug and alcohol testing.