

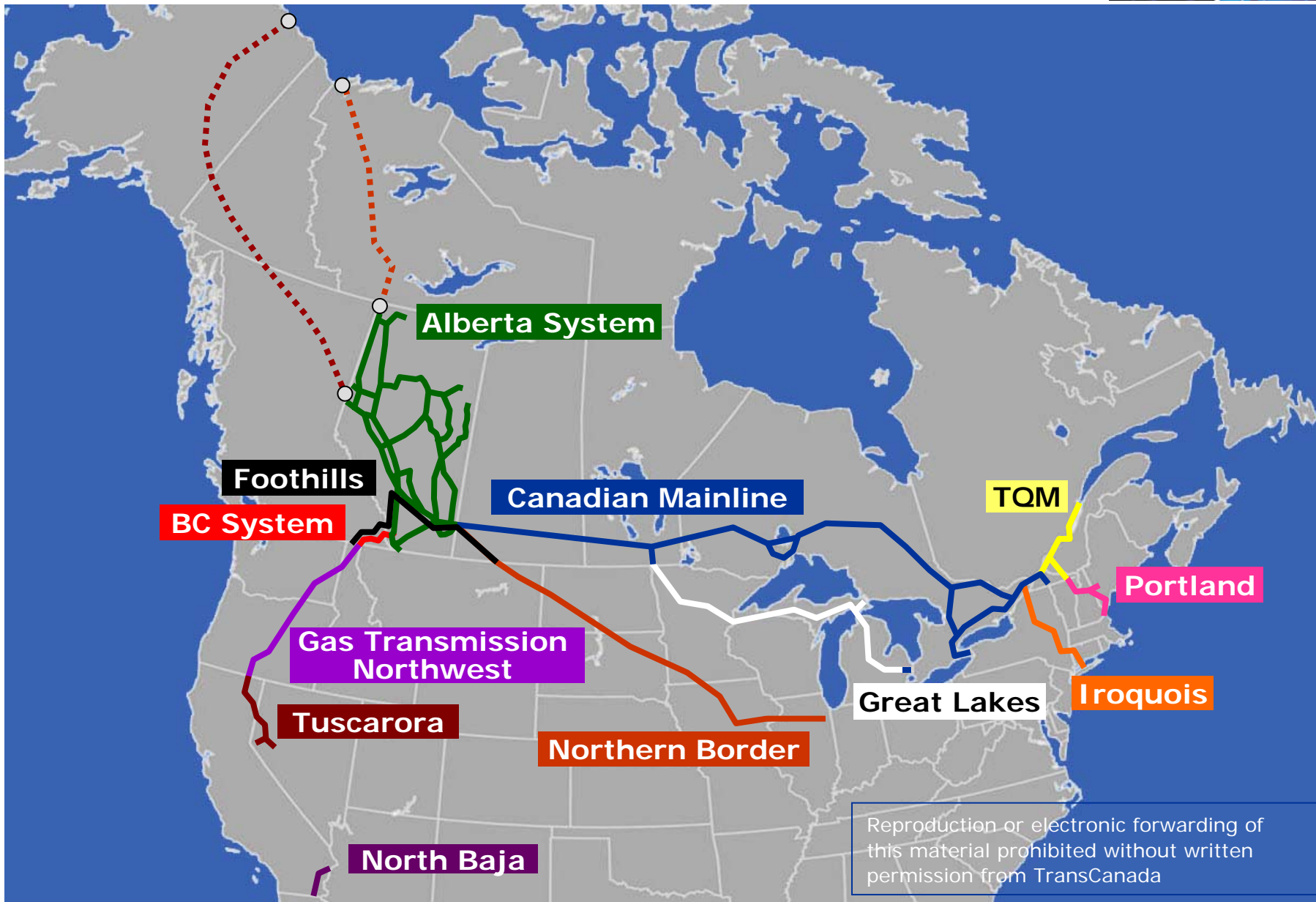
# Alaska Highway Natural Gas Transmission System

Tony Palmer, VP Alaska Business Development  
Lee Gorsuch Public Policy Forum, Anchorage  
November 29, 2005

Reproduction or electronic forwarding of this material prohibited without written permission from TransCanada



# TransCanada's Current Gas Transmission Assets – 11 Bcf/d



Reproduction or electronic forwarding of this material prohibited without written permission from TransCanada

# TransCanada's Role - Historic Rights



- Competitive hearings were held before FERC and NEB.
- Foothills was granted the certificates by the Government of Canada to construct the Canadian section of the project – these certificates do not have a sunset or expiry date.
- Canadian Parliament passed the Northern Pipeline Act (NPA) to enshrine Foothills' rights in legislation.
- Foothills is named Canadian Project Sponsor in Canada/U.S. Treaty.
- Foothills constructed Alaska Highway Prebuild in 1981/82 under NPA, and has expanded five times under NPA (most recent in 1998)
- TransCanada holds the Right-of-Way through the Yukon for the project and has substantial land rights for remainder of route.
- Canada/US Treaty benefits to all stakeholders in U.S. and Canada are not assured under any alternative.
- TransCanada holds significant assets for the project in Alaska.
- TransCanada has been responsive and responsible in its approach within Alaska.

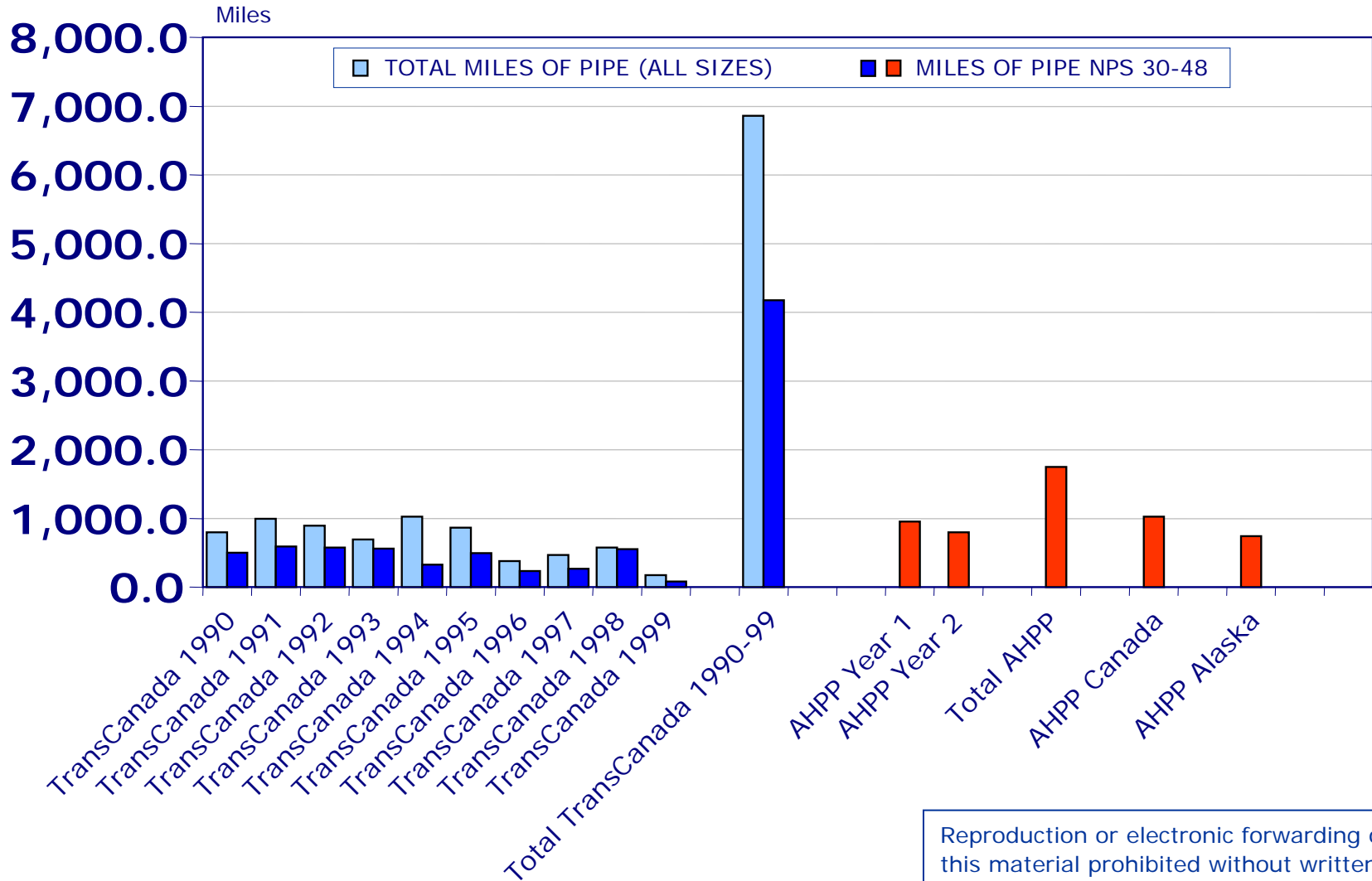
Reproduction or electronic forwarding of this material prohibited without written permission from TransCanada

# TransCanada's Role – Historic Rights (cont'd)



- TransCanada's primary goal is to advance the Alaska Highway Project in Canada in the context of the NPA.
- NPA provides regulatory certainty in Canada
  - Only Canadian statute for the transportation of Alaskan gas through Canada.
  - In full force and effect.
  - "Consummated" by Pre-build.
  - Reaffirmed with letter from PM Chretien in 2003.
  - Remains G of C policy and law.
  - Provides single-window regulator for construction
  - NEB will regulate economic terms

# Our Western Canada Track Record: 1990s Miles Constructed



Reproduction or electronic forwarding of this material prohibited without written permission from TransCanada

# Summary



- North American market needs Alaskan gas.
- TransCanada has historic rights to construct the pipeline in Canada.
- TransCanada has proven expertise and track record.
- Regulatory certainty, integration benefits and project expedition are maximized under Northern Pipeline Act.
- TransCanada is ready, willing and able to deliver the project.
- TransCanada is ready to collaborate with ANS Producers and State of Alaska to advance the Alaska Highway Gas Pipeline Project through Canada.



**Thank You**