Jordan Cove Energy LNG Terminal

and

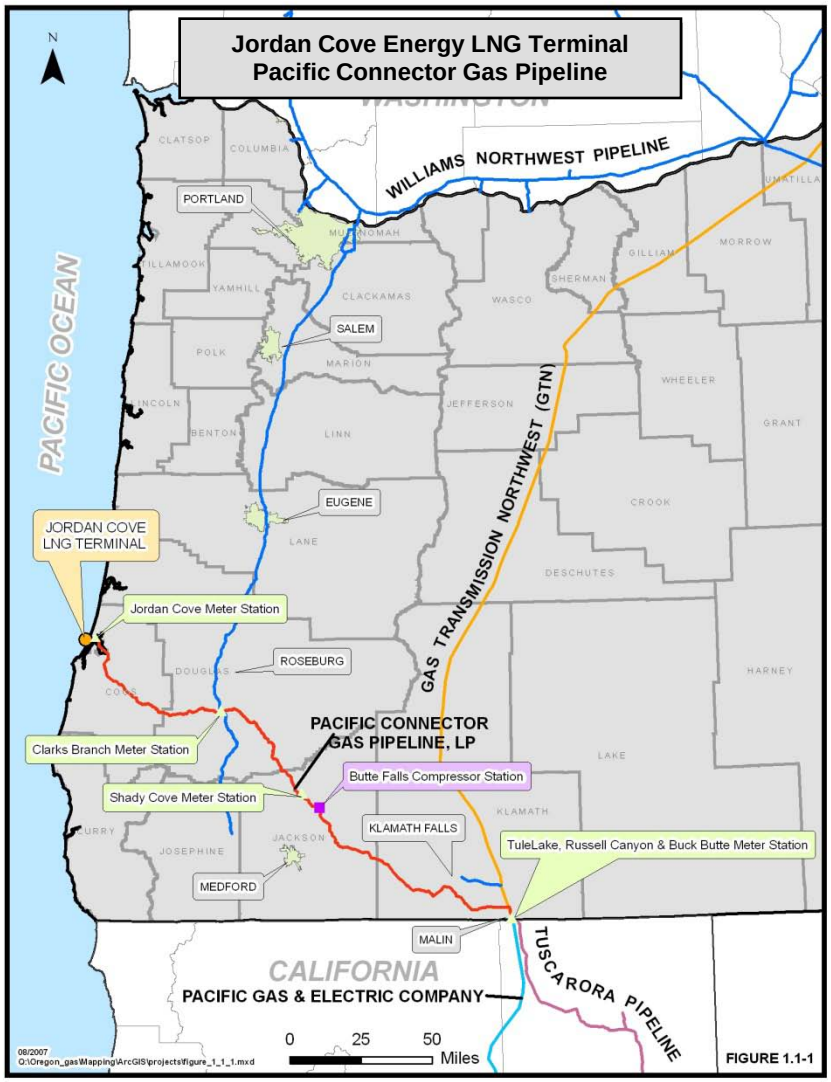
Pacific Connector Gas Pipeline

LNG Gateway to Western North America

Jordan Cove Energy Project, L.P.

Pacific Connector GAS PIPELINE

Jordan Cove and Pacific Connector Gas Pipeline Project Summary



- 1 BCFD LNG receiving terminal and pipeline
- Direct access to the Malin Hub serving California, Northern Nevada and the Pacific Northwest
- Integrated power generation and NGL extraction

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Strong Partners with Proven Experience

Jordan Cove Energy Project

- **Fort Chicago Energy Partners L.P.**
  - Enterprise value in excess of $3.4 billion
  - Pipeline transportation:
    - Alliance (2,400 mile, rich gas pipeline)
    - AEGS (900 mile, ethane pipeline)
  - Natural gas liquids:
    - Aux Sable (70,000 bbls/d)
  - Power Generation:
    - Facilities in California & Canada
  - Energy infrastructure development
  - Fort Chicago is funding 100% of Jordan Cove terminal development and controls project governance
- **Energy Projects Development, LLC**
  - Original developer of Jordan Cove Project
  - Experienced team responsible for management of ongoing development activities and subsequent construction

Pacific Connector Gas Pipeline

Each Partner holds a 1/3 Interest

- **Fort Chicago Energy Partners L.P.**
- **PG&E Corporation**
  - Pipeline development through PG&E Strategic Capital, Inc., a wholly owned subsidiary
  - Parent of Pacific Gas and Electric Company, which serves 15 million customers throughout northern and central California and operates an extensive network of gas and electric transmission and distribution facilities, as well as hydro, nuclear and gas-fired generation
- **Williams**
  - EPCM Contractor and operator of Pacific Connector
  - Primarily finds, produces, gathers, processes and transports natural gas
  - Delivers approximately 12% of the natural gas consumed in the United States
  - Owner and Operator of Northwest Pipeline GP

Market Review

Portland, Oregon

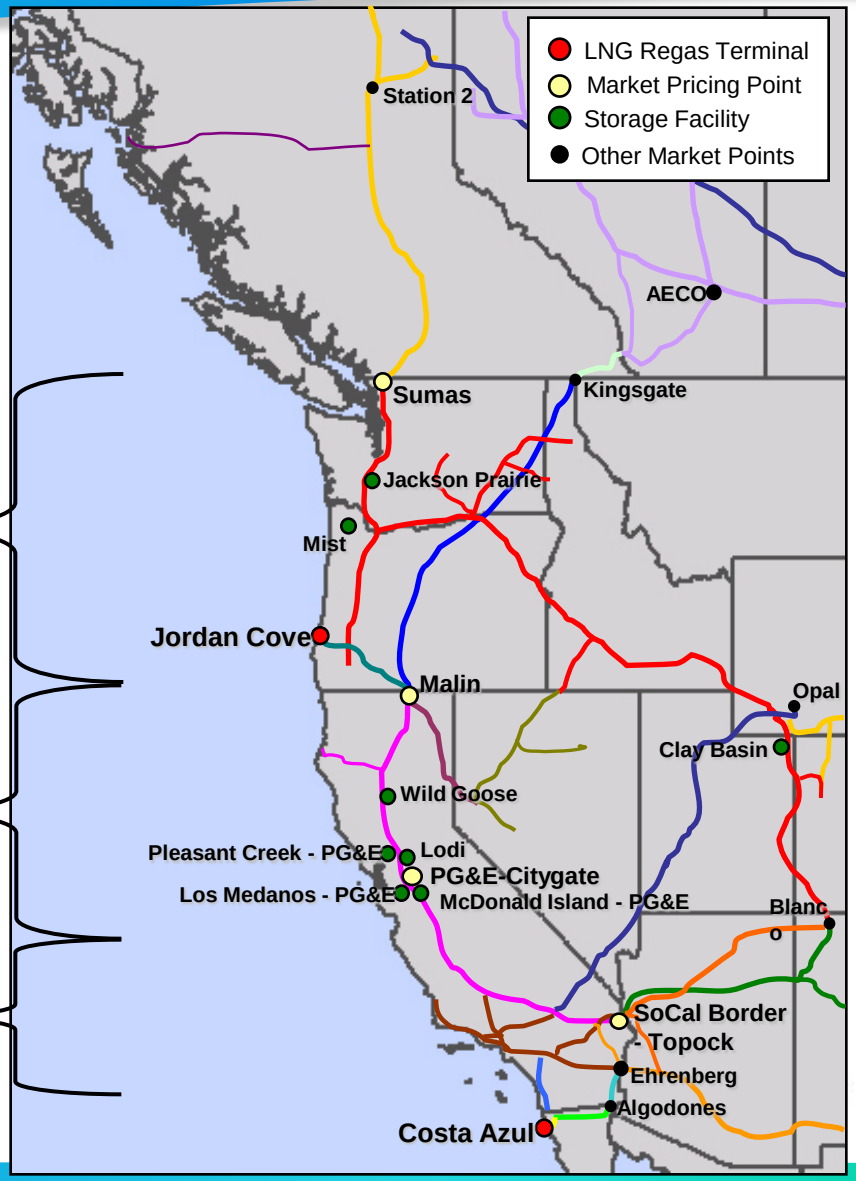
Seattle, Washington

San Francisco, California

US West Coast has Three Distinct Gas Markets

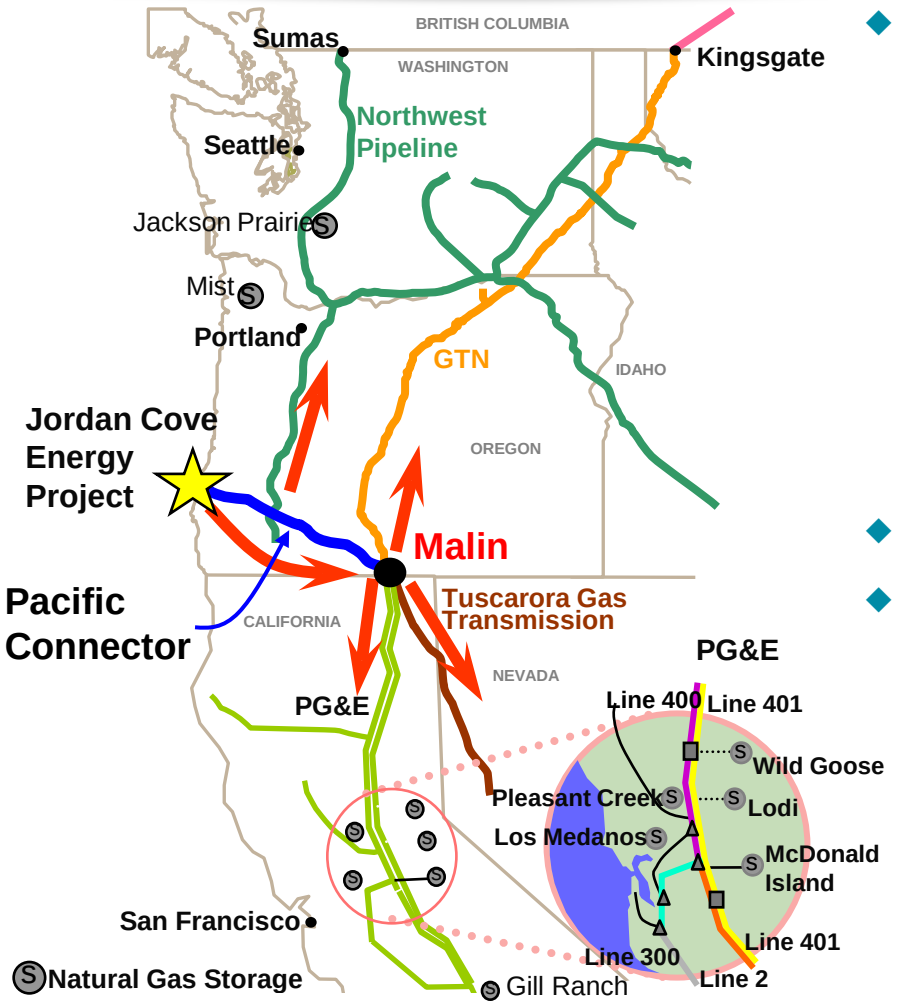
Supplied primarily from two regions: Western Canadian Sedimentary Basin and the South/West Domestic Basins (Rockies, San Juan and Permian)

- Pacific Northwest 695 Bcf/yr*
  - 5 Local Distribution Companies
- Northern California 901 Bcf/yr*
  - Pacific Gas & Electric (PG&E)
- Southern California 1,493 Bcf/yr*
  - SoCal Gas, SDG&E (Sempra), Other



** 2008 Annual Demand*

Jordan Cove Market Access via Pacific Connector



Pacific Connector complements the existing pipeline network

- Access to west coast market:
  - Pacific Northwest via interconnects with Williams' Northwest Pipeline, Avista Utilities and GTN
  - Northern/Central California via interconnect with Pacific Gas & Electric Company – feeds California via existing north to south infrastructure
  - Northern Nevada via interconnect with Tuscarora Gas Transmission
  - Southern California via deliveries off PG&E system
- 2.2+ Bcf/d of takeaway capacity at Malin
- Access to 180+ Bcf of existing underground storage
  - PG&E (CA): 42 Bcf
  - Wild Goose (CA): 29 Bcf
  - Lodi (CA): 22 Bcf
  - Gill Ranch (CA): 20 Bcf (In-service Fall 2010)
  - Jackson Prairie (WA): 24 Bcf
  - MIST (OR): 12 Bcf
  - Clay Basin (UT): 52 Bcf

Power Generation Growth

- Several Requests for Proposals (RFPs) are in progress to serve the western energy grid
  - Puget Sound Energy up to 2453 MW by 2020 to replace expiring deals and support new growth
  - Idaho Power 300 MW (plant in-service Dec. 2012)
  - Portland General Electric up to 500 MW Base Load and up to 200 MW Peaker
  - PacifiCorp up to 1500 MW (2014-2016)
- Northern California added in excess of 1200 MW of gas fired generation in 2009 and will add an additional 600 MW in 2010
- Renewable Portfolio standards and Greenhouse Gas Initiatives will largely require natural gas fired generation as a back-up
  - California proposed 33% renewables by 2020
  - Washington proposed 15% by 2020
  - Oregon proposed 25% by 2025
  - Nevada proposed 20% by 2015
  - Western Climate Initiative Partners (currently comprised of Arizona, British Columbia, California, Manitoba, Montana, New Mexico, Oregon, Quebec, Utah, and Washington) have proposed greenhouse gas reductions of 15% below 2005 levels by 2020

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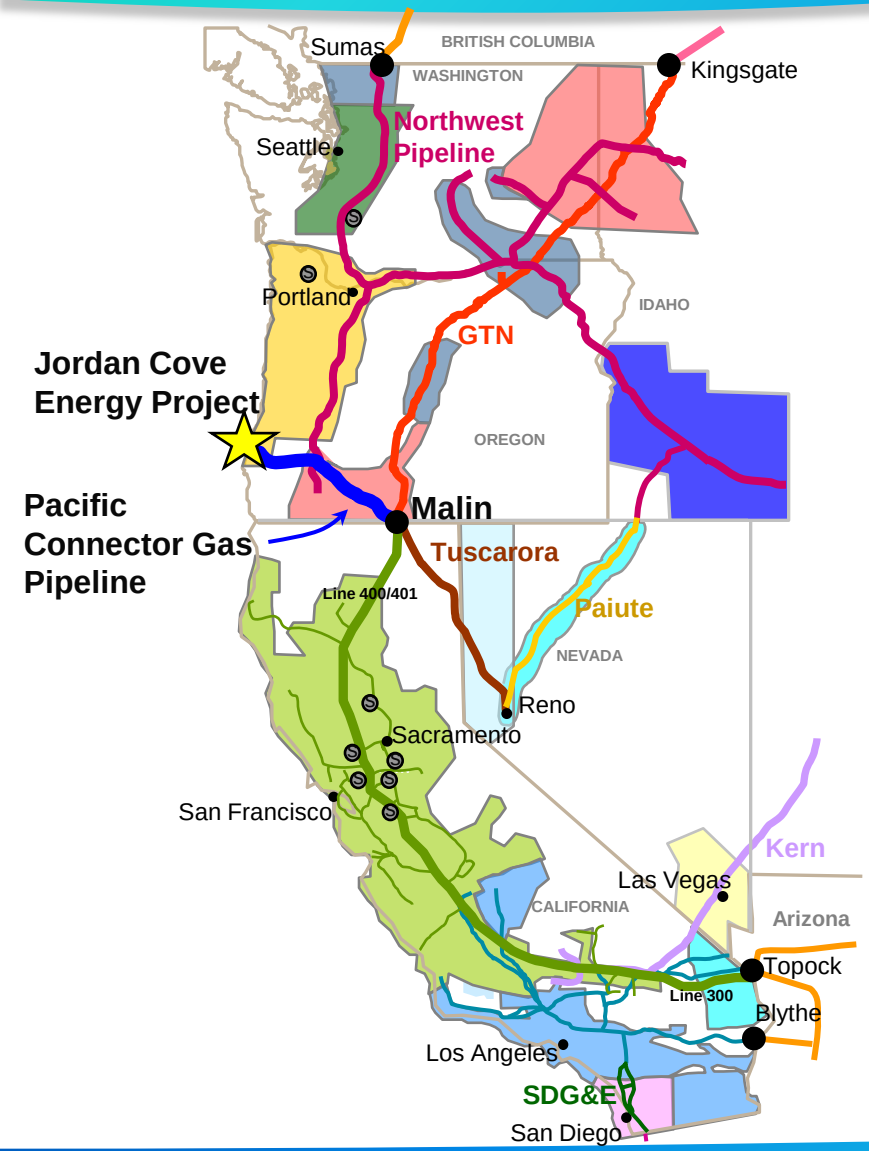
JCEP and PCGP provide an economic LNG reach to west coast natural gas utilities, power generation, industrial and commercial markets



Utility Markets	
Cascade Natural Gas	
Puget Sound Energy	
Northwest Natural	
Avista	
Pacific Gas & Electric	
Sierra Pacific	
SoCal Gas	
San Diego Gas & Electric	
Southwest Gas	
Nevada Power	
Intermountain Gas	

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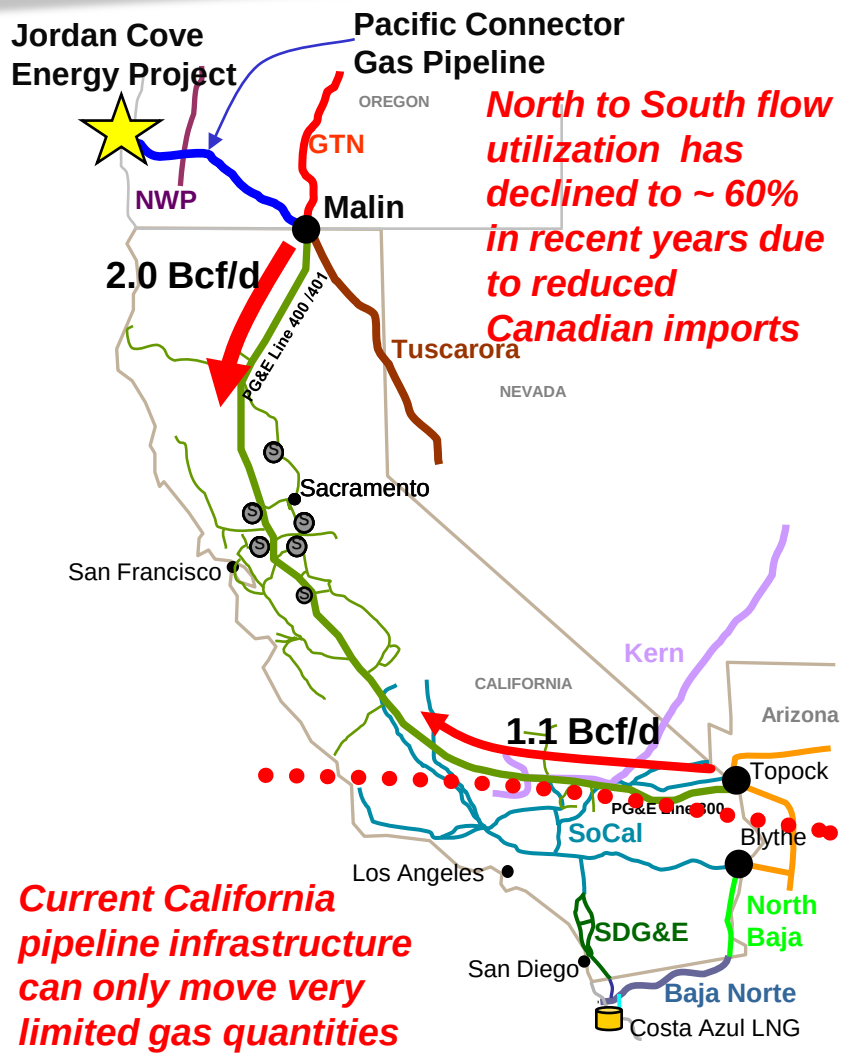
Northern/Central California Market

- The northern/central California market is served by PG&E
  - PG&E system is fed from both North (Canada) and South (Rockies, San Juan and Permian Basins)
  - PG&E Lines 400/401 (north to south flow) currently underutilized
  - Expansion of PG&E Line 300 (south to north flow) is costly
    - 0.4 Bcf/d expansion estimated at $674 Million (2008$)
- Currently no active proposed LNG projects in Southern California
- Limited infrastructure between Blythe and Topock restricts Costa Azul LNG to southern markets



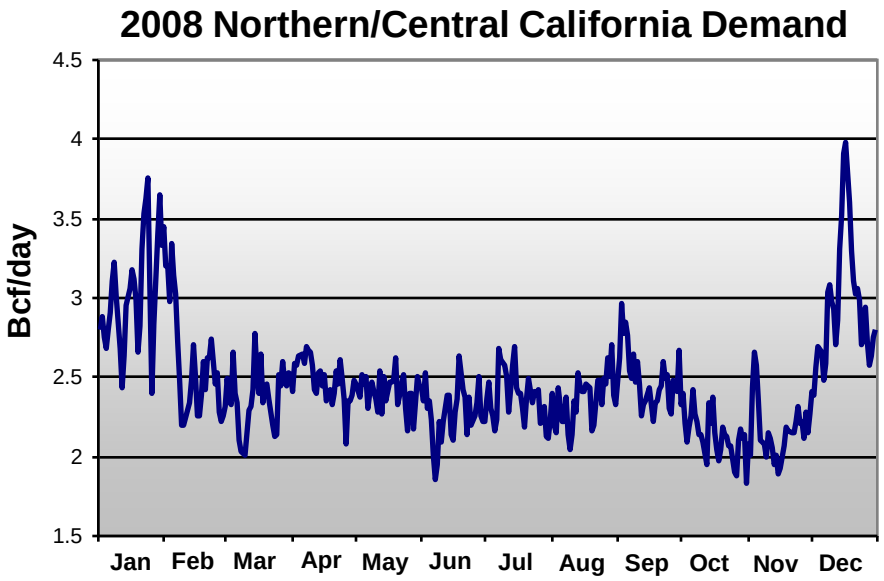
North to South flow utilization has declined to ~ 60% in recent years due to reduced Canadian imports

Current California pipeline infrastructure can only move very limited gas quantities from southern California to northern California

Sources: 2008 California Gas Report and PG&E CGT Pipe Ranger

Northern/Central California Market – continued

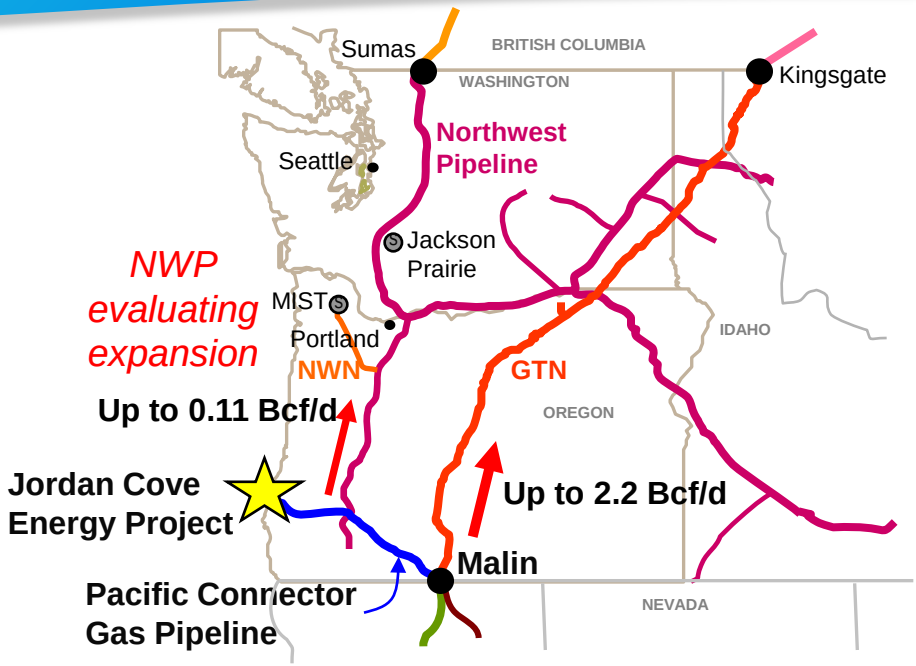
- Northern/central California had a 2008 annual gas demand of 901 Bcf
- Annual growth forecasted at 0.2% through 2020
  - Results in incremental requirement of 24 Bcf of annual gas demand by 2020
- 2008 peak day demand was 4.0 Bcf
  - PG&E, Wild Goose and Lodi storage fields used to help serve peak day demands
- Northern/central California has two strong gas demand periods
  - Winter: Large residential demand
  - Summer: Large gas-fired generation load and storage injections



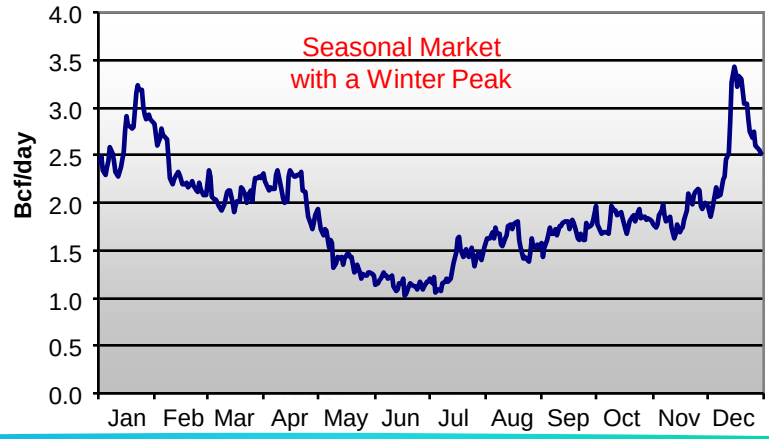
Sources: 2008 California Gas Report and PG&E CGT Pipe Ranger

Pacific Northwest Market

- The Pacific Northwest (Washington, Oregon & Idaho) is a seasonal market that had a 2008 annual gas demand of 695 Bcf
- Annual growth forecasted at 1% through 2019
  - Results in incremental annual gas demand requirement of 62 Bcf by 2019
- 2008 peak day demand was 3.43 Bcf
  - Jackson Prairie, MIST and Clay Basin storage fields used to help handle peak day demands
- Gas-fired power generation load varies depending on hydro power availability



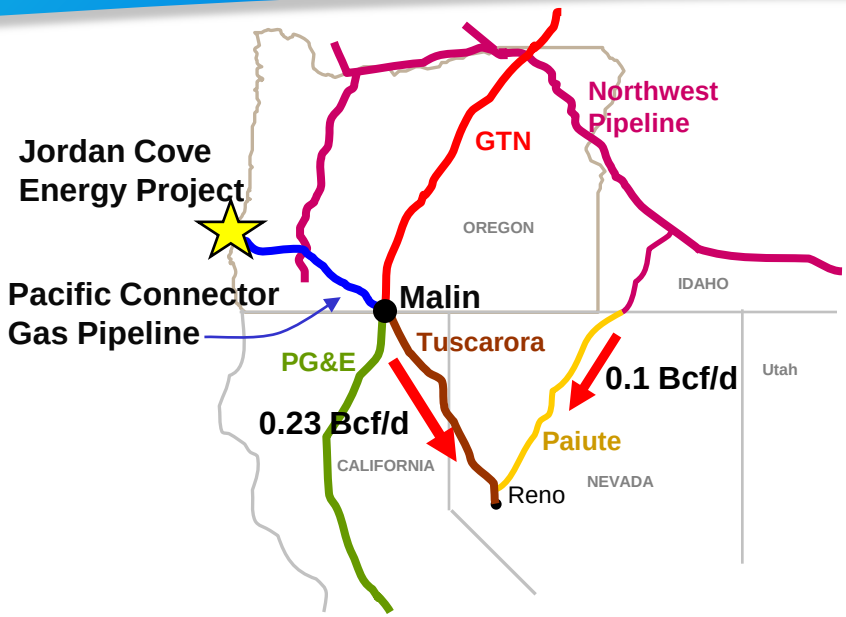
2008 Pacific Northwest Demand

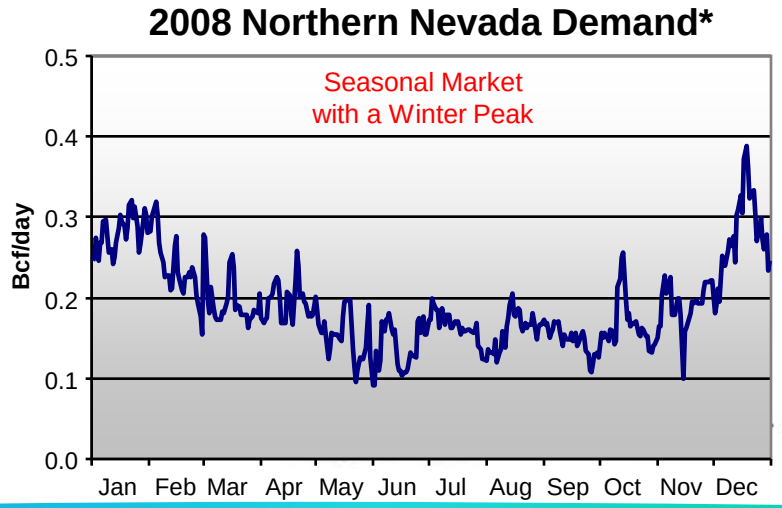


Sources: NWGA 2010 Gas Outlook and Northwest Pipeline and GTN Scheduled Volumes

Northern Nevada Market

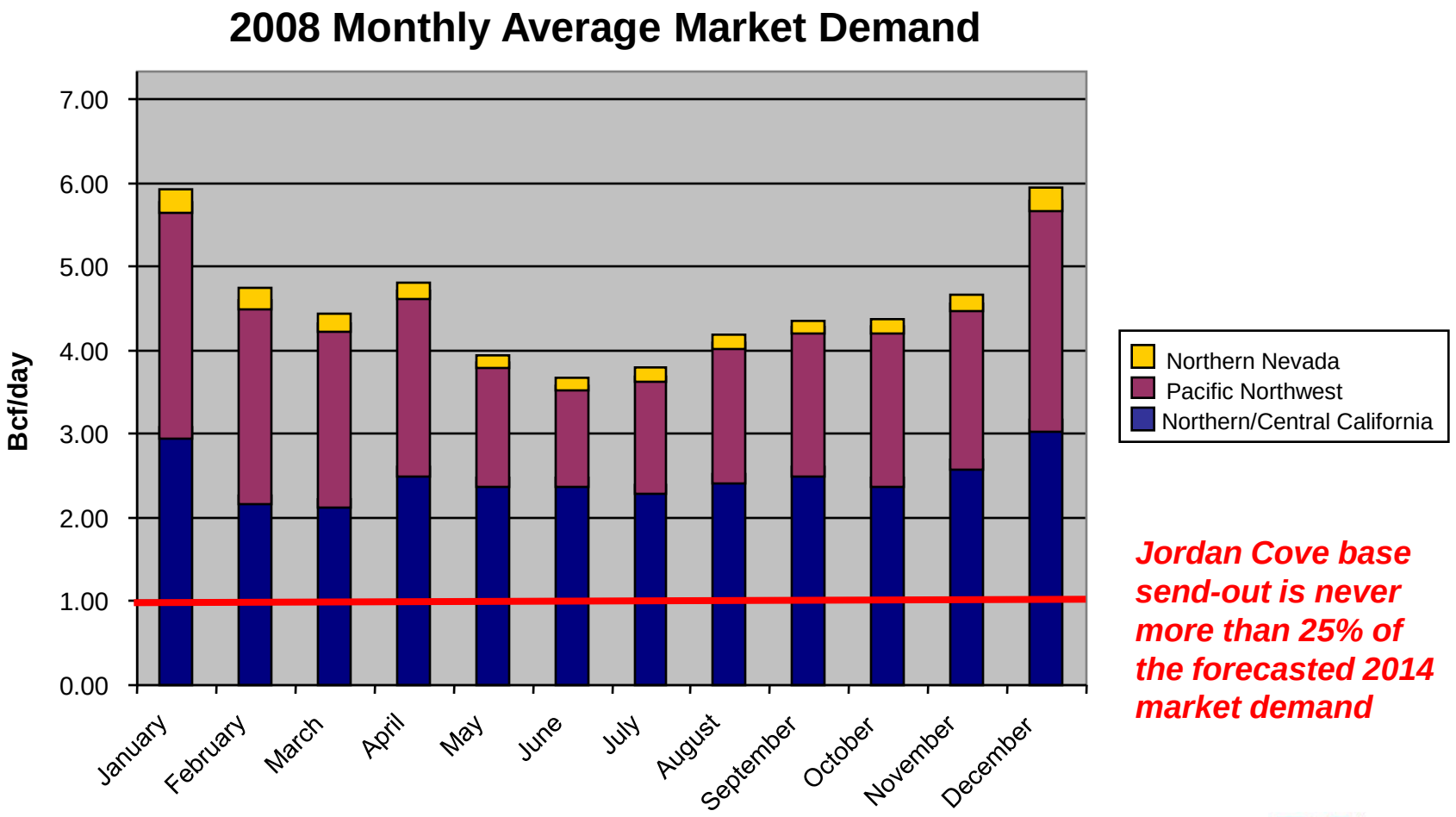
- Northern Nevada is a seasonal market currently served via two pipelines (Tuscarora and Paiute) and had a 2008 annual gas demand of 70.4 Bcf*
- Annual growth forecasted at 1.0% through 2014**
  - Results in incremental requirement of 4 Bcf of annual gas demand by 2014
- 2008 Peak day demand was 0.39 Bcf*
  - Lovelock LNG storage (1.0 Bcf) located near Reno, NV used to help handle peak day demands





*Sources: * Northwest Pipeline and GTN Scheduled* Volumes
** Sierra *Pacific Power and Southwest Gas 1Q 2009*

Market Summary



Jordan Cove base send-out is never more than 25% of the forecasted 2014 market demand

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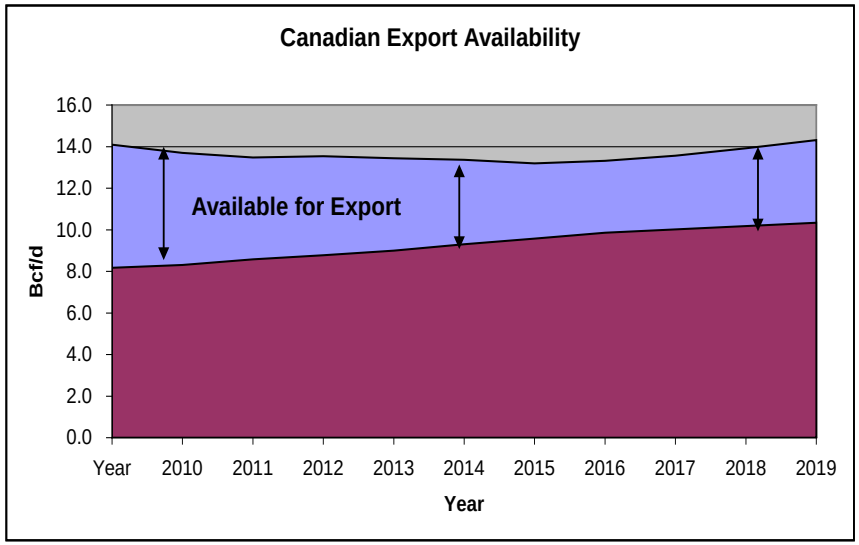
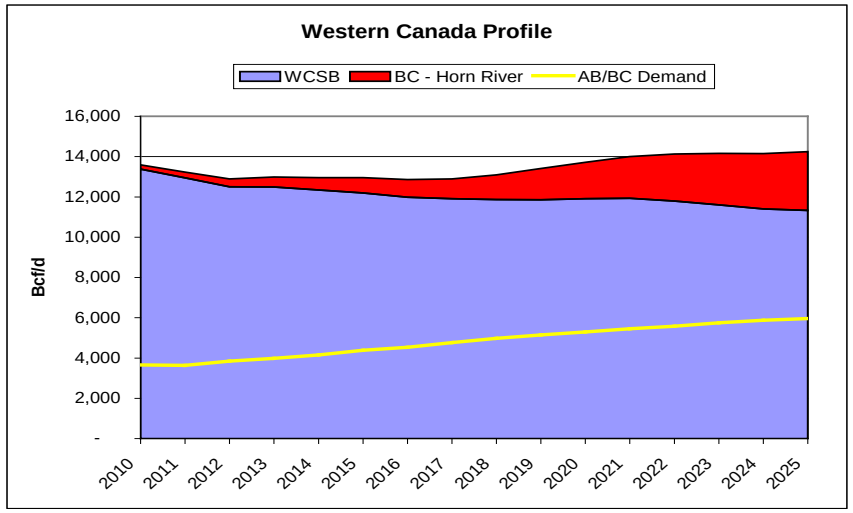
U.S. Imports from Canada on Steady Decline





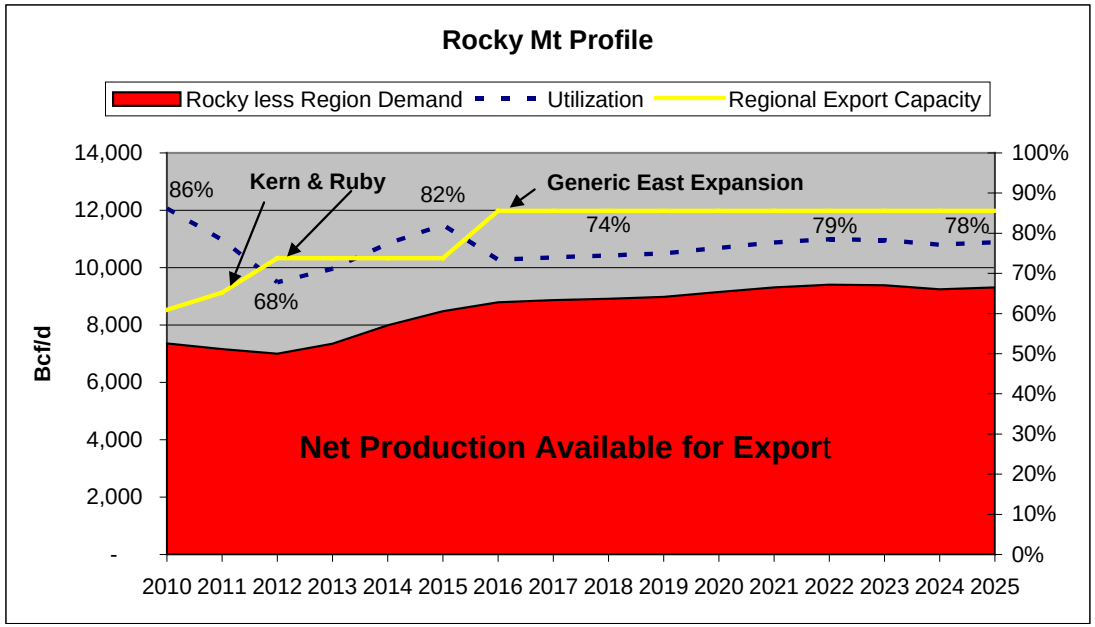
Canadian exports to U.S. forecasted to steadily decline as demand grows and production declines in traditional supply sources are offset by shale production growth for a near net zero effect

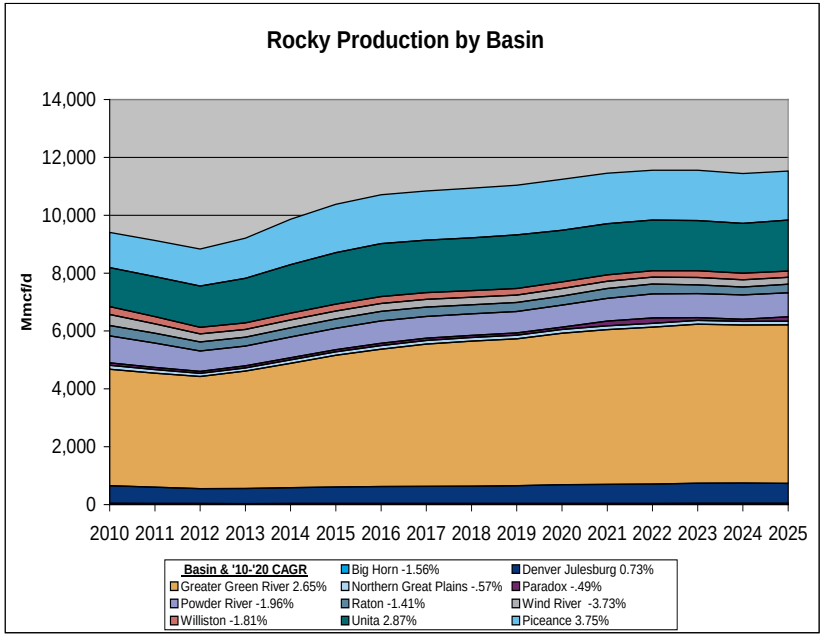
- 2010 Supply of 14.1 Bcf/d 2020 Supply of 14.3 Bcf/d
- Approximate 4% export reduction per year over next 10 years
- Assumes 2023 Alaskan Supply

Source: Wood Mackenzie – Long Term North America Fundamentals December 2009

Rockies Supply Analysis

- The Rockies supply basin is currently producing 9.4 Bcf/d and is anticipated to reach 11.2 Bcf/d by 2020 before it starts to level off*
- Ruby Pipeline - based on short term declining production in the Rockies and increased take away capacity to eastern markets Ruby will run at a low load factor into Malin

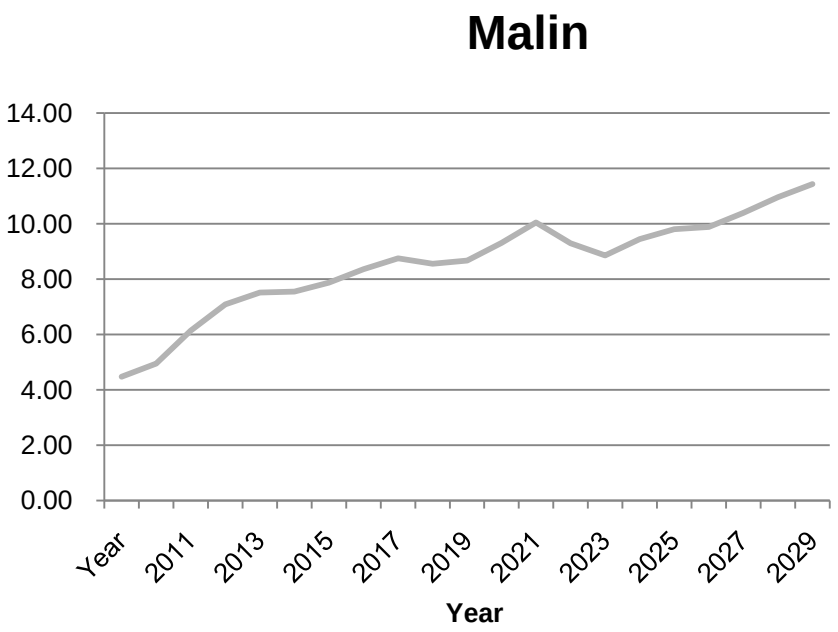




** Sources: Wood Mackenzie Winter December 2009 Base Case*

Malin Pricing

- Malin prices forecasted to steadily increase
- Malin basis to Henry Hub forecasted to stay in the -$0.14 to even range
  - Assumes 1.2 Bcf/day pipeline expansion from the Rockies to Malin in 2011 and 2023 Alaskan Supply
  - If these projects don't materialize, basis will tighten or go positive



Source: Wood Mackenzie December 2009

Jordan Cove Energy LNG Terminal

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Artist rendering of Jordan Cove Energy LNG terminal located on the North Spit of Coos Bay

Jordan Cove Facility Location

- Terminal is located within the Oregon International Port of Coos Bay on an undeveloped 200-acre site (including berth) site zoned for industrial development
- Site is approximately 7 nautical miles from the entrance to the federally controlled and maintained navigation channel
- Land acquisition arranged with International Port of Coos Bay and State of Oregon funding agreement

Jordan Cove Project Specifications

- LNG Storage Capacity
  - Two 160,000 m^3 net capacity full containment tanks
- Sendout capacity
  - 1 Million Dth/d
- Integrated electric co-generation plant (32 MW) for reliability and NGL extraction for gas quality management
- Initial Design range of LNG carriers: 89,000 m^3 to 217,000 m^3
- Single berth in dredged slip off Coos Bay navigational channel suitable for LNG carriers with a maximum loaded draft of 39.4 feet (12 m)
- On December 17, 2009 FERC issued the order that will allow JCEP to construct and operate the LNG re-gasification facility at Coos Bay.

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Pacific Connector Gas Pipeline Specifications

- 234-mile, 36-inch diameter pipeline (1440 psig MAOP)
- One compressor station – 2 Taurus 70 turbines (20,620HP – ISO)
  - Estimated Fuel Usage rate of 0.3% at 100% Load Factor
  - Pipeline can free flow up to 720,000 Dth/d to Malin
- Initial Design Capacity: 1 Million Dth/d
  - Easily expanded to 1.5 Million Dth/d with addition of two compressor stations
- December 17, 2009 FERC issued a certificate to allow PCGP to construct and operate the pipeline associated with the Jordan Cove re-gasification facilities

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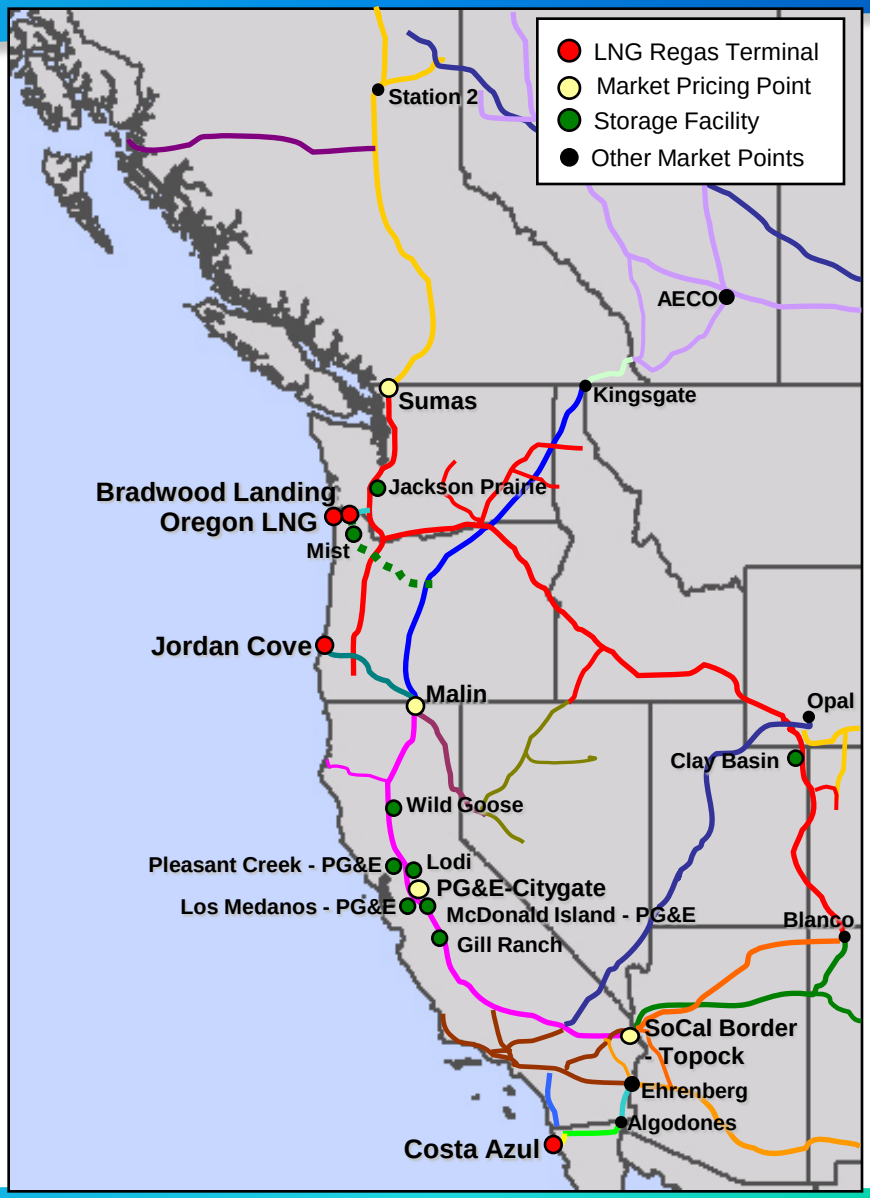
Competition Comparison

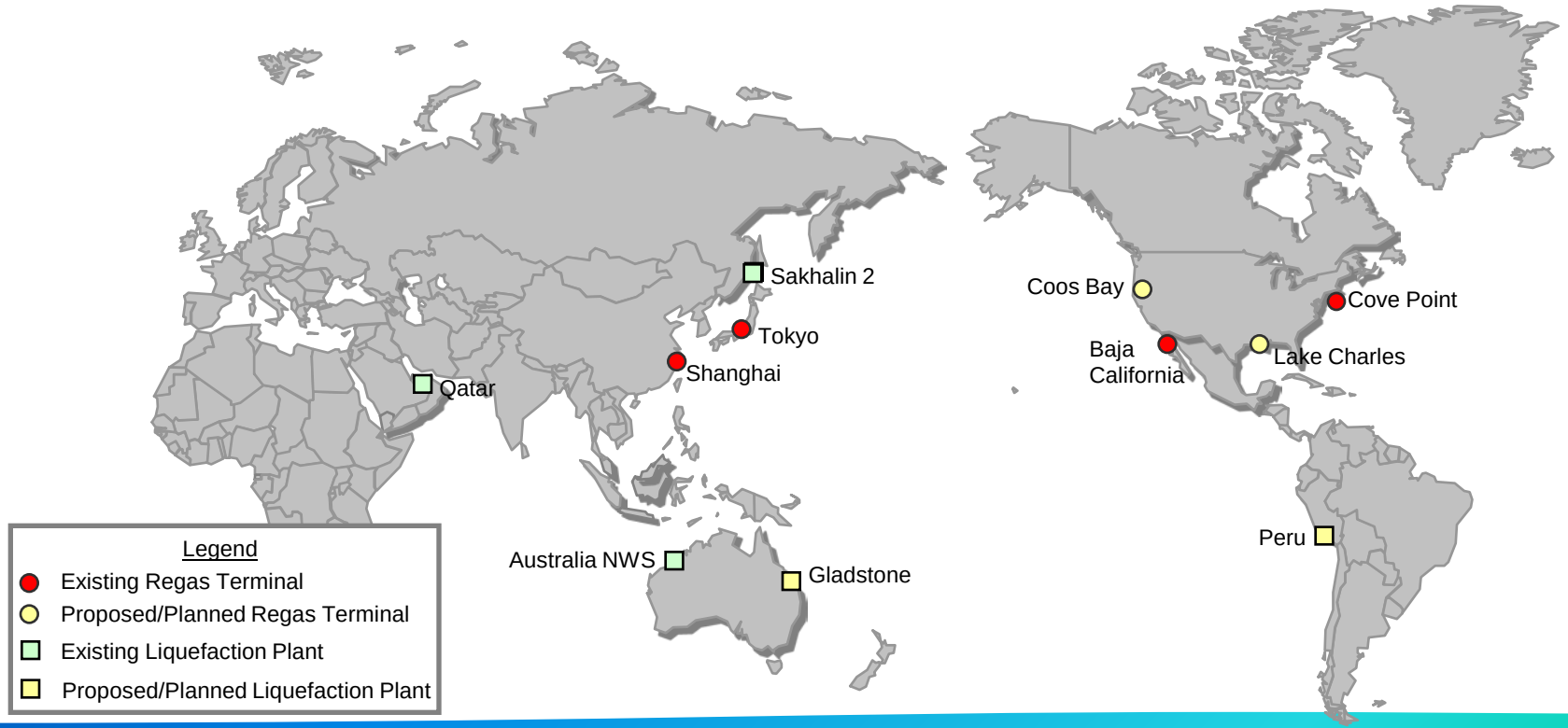
- **Jordan Cove**
  - Through Pacific Connector Gas Pipeline, Jordan Cove has direct access to the premium west coast markets
    - Pacific Northwest via direct connect to Avista and all other utility interconnects via Northwest Pipeline and Gas Transmission Northwest
    - Nevada via interconnection with Tuscarora Gas Transmission
    - California via PG&E interconnect at Malin
  - Terminal and Pipeline on integrated permitting schedule
- **Bradwood Landing LNG**
  - Land Use permit approval overturned by Oregon Land Use Board of Appeals
  - Limited access to California markets without Palomar Pipeline
    - Pacific Northwest market is not large enough to support an LNG terminal on its own
    - Palomar Pipeline is in FERC permitting process
- **Oregon LNG**
  - Very early in permitting process
  - No clear pipeline takeaway plan
- **Costa Azul Expansion**
  - Sendout limited to Mexican markets, Southern California and Arizona
  - Breakwater expansion required



Shipping Advantage

Distance (Nautical-miles)	Sakhalin Russia	Gladstone Australia	NWS Australia	Qatar	Peru
Coos Bay, Oregon	3,804	6,215	7,544	10,704	4,342
Baja California, Mexico	4,725	6,240	8,142	11,567	3,265
Lake Charles, Louisiana	17,368	13,540	12,559	9,662	10,357
Cove Point, Maryland	15,709	12,774	11,335	7,991	9,540
Tokyo, Japan	928	3,703	3,625	6,492	8,422
Shanghai, China	1,393	3,848	3,178	5,759	9,283

The Jordan Cove LNG Terminal enjoys a shipping distance advantage when compared to other North American terminal locations from most Asia-Pacific supply sources.



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