



February 15, 2013

Governor Sean Parnell  
550 West 7<sup>th</sup> Avenue, Suite 1790  
Anchorage, Alaska 99501

Dear Governor Parnell,

On October 1, 2012 we updated you on the progress ExxonMobil, ConocoPhillips, BP and TransCanada had made to advance North Slope natural gas development. At that time, we described our plans for progressing concept selection. Today, we are pleased to inform you we have completed the concept selection phase.

Attached is a summary of the major project components, including the gas pipeline, gas treatment facilities and the liquefaction, storage and terminal facilities. The project design also includes five off-take points along the pipeline route to ensure Alaskans access to a cleaner-burning and dependable energy source. Capacity ranges reflect the expected seasonal variability. The conceptual design reflects the integrated teamwork of over 300 people on behalf of our companies.

Our companies are now working toward the next decision points. As outlined in our letter of October 1, 2012, a competitive, predictable and durable oil and gas fiscal environment will be required for a project of this unprecedented scale, complexity and cost, to compete in global energy markets.

A successful Alaska LNG project would result in thousands of jobs and the opportunity for decades of domestically-produced natural gas for homes and businesses in Alaska. We remain committed to responsibly developing the State's considerable resources and will keep you advised of our progress. We also have plans to update the Legislature at a Lunch and Learn on February 19.

Sincerely,

Randy Broiles  
ExxonMobil Production  
Company

Trond-Erik Johansen  
ConocoPhillips Alaska, Inc.

Janet Weiss  
BP Exploration Alaska

Tony Palmer  
TransCanada

Attachment

## Proposed Alaska LNG Project Concept

<b>Pipeline</b>	<b>Diameter:</b> 42"
	<b>Design Rate</b> <sup>1</sup> : 3 – 3.5 billion cubic feet
	<b>Length:</b> ~800 miles (primarily underground)
	<b>Compressor Stations:</b> up to 8
<b>Gas Treatment Plant</b>	<b>Location:</b> North Slope, near Prudhoe Bay
	<b>Footprint:</b> 150 – 250 acres
<b>Liquefaction Plant</b>	<b>Capacity</b> <sup>1</sup> : 15 – 18 million tons per annum (MTA)
	<b>Facility:</b> 3 trains
	<b>Footprint:</b> 400 – 600 acres
<b>Storage and Loading</b>	<b>LNG Storage Tanks:</b> 2 tanks @ 160,000 cubic meters per tank
	<b>Terminal:</b> 1 loading jetty with 2 berths
<b>State Off-takes</b>	<b>Off-takes:</b> 5 points along pipeline route
	<b>Design Rate:</b> 250 – 500 million standard cubic feet per day, based on demand
<b>Capital Investment</b>	<b>Estimate</b> <sup>2</sup> : \$45 – \$65 USD-Billion

<sup>1</sup> Capacity range reflects seasonal variability

<sup>2</sup> Does not include inflation