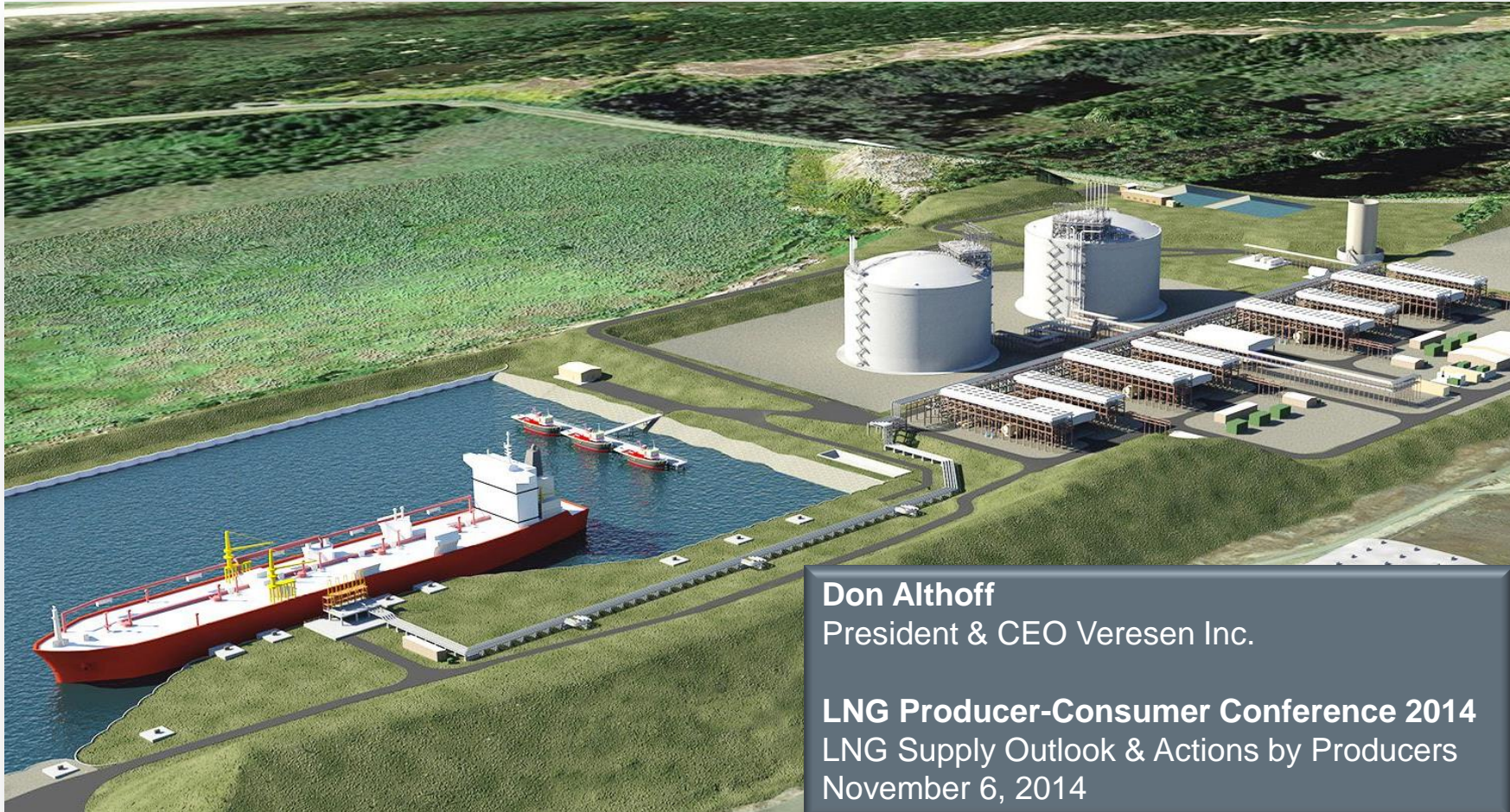


# Jordan Cove LNG: Designed to Meet the Energy Needs of Japan



**Don Althoff**  
President & CEO Veresen Inc.

**LNG Producer-Consumer Conference 2014**  
LNG Supply Outlook & Actions by Producers  
November 6, 2014

**VERESEN**

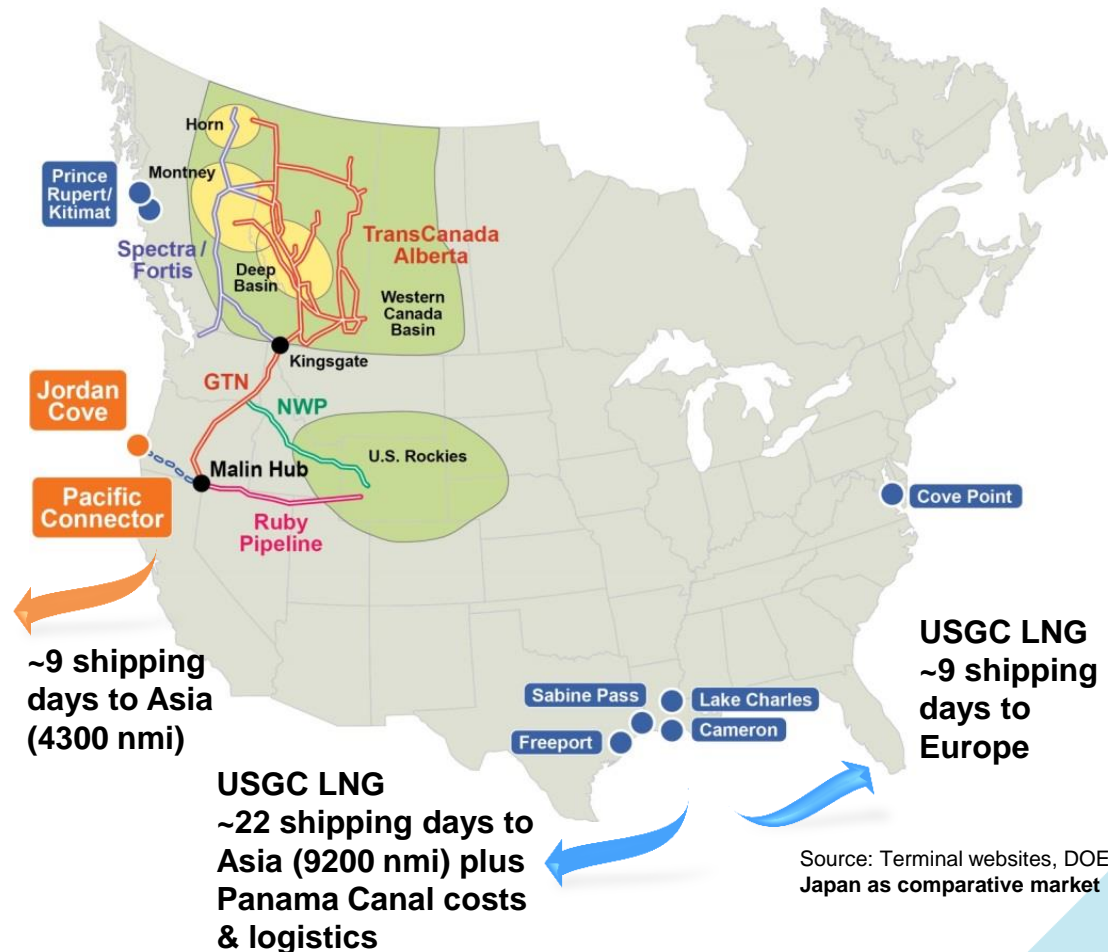
**Jordan Cove LNG<sup>SM</sup>**

**Pacific Connector<sup>SM</sup>**  
GAS PIPELINE

# Jordan Cove LNG: Advanced North American West Coast LNG Facility

Diversified gas supply → Ideal access to Asia → Destination flexibility

- Veresen: established owner, developer and operator of energy infrastructure assets
- Tolling model with gas-linked pricing
- North American gas diversification
- Destination flexibility
  - Received DOE FTA and non-FTA authorizations
- Advanced permitting/regulatory status
  - Expect FERC approval mid 2015
  - Land use permits received
- Advantaged port
- Strong local and political support
- Labour availability
- Experienced and growing team
- Final Investment Decision in 2015



Source: Terminal websites, DOE Japan as comparative market



# Abundant Gas Supply and Purchase Diversification at North American Pricing

## High diversification of gas supply

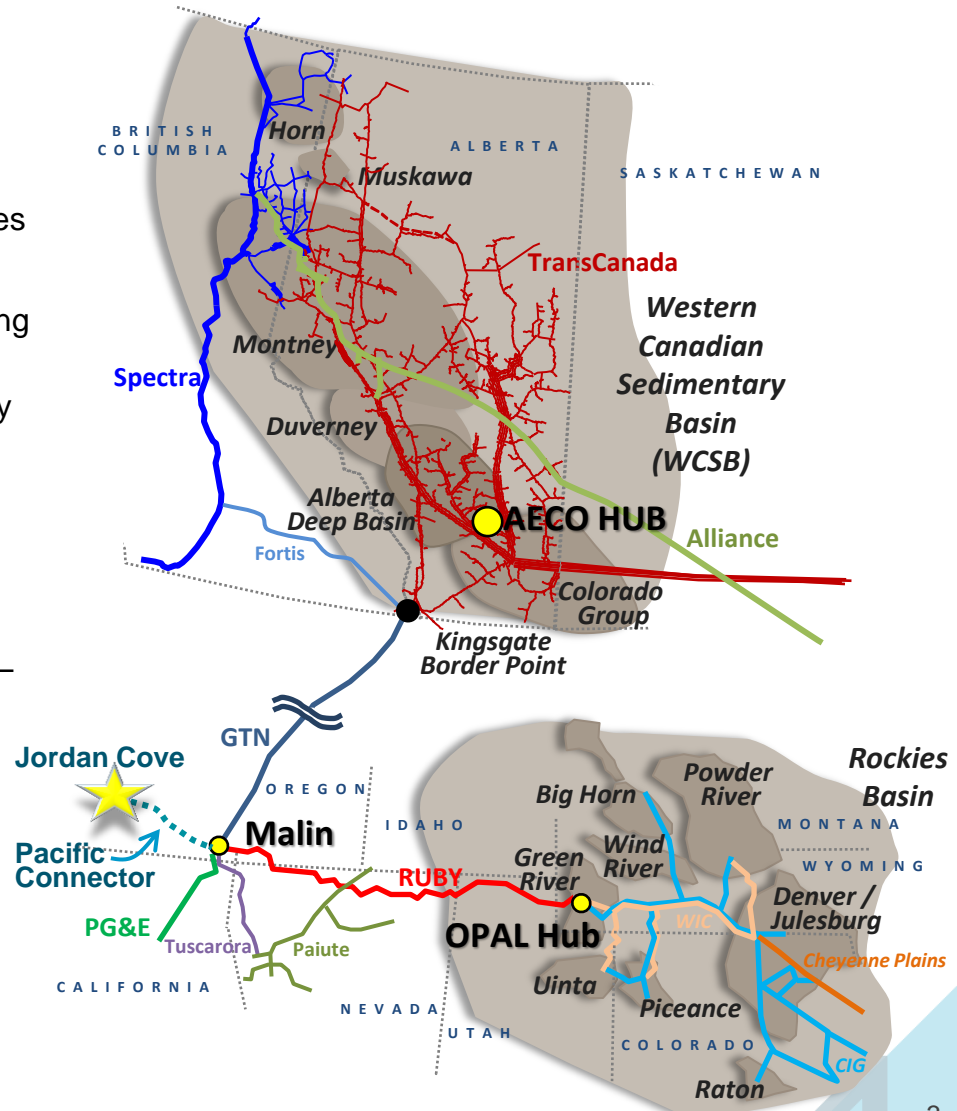
- Canada and United States (WCSB and US Rockies)
- Major producing basins within WCSB and Rockies
- Liquid trading hubs – AECO, Opal and Malin
- Hundreds of gas producers, marketers and trading entities
- Change and alter gas purchases / sources at any time
- Existing pipelines and processing facilities

## Flexibility in gas purchases

- Use of marketing and trading companies
- Self-source through electronic trading platforms – establish trading desk
- Contract purchase with producers
- Joint venture for gas reserves in the ground

## Competitive tolling model

- No restrictions on destination
- Infrastructure fees for LNG terminal and pipeline
- Connection to North American gas pricing



# Attractive West Coast Export Location – International Port of Coos Bay, Oregon

- 1.5 hour tug assisted transit along clear, open 7-mile channel to open sea
- Federally maintained navigation channel
- Mild climate
- Existing amenities
- No First Nations issues
- Project Labour Agreement in place with trades
- Strong working relationship with Port and community





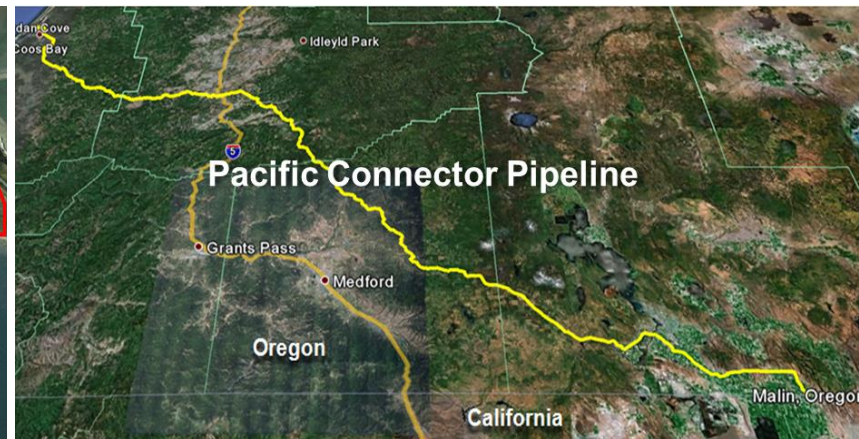
# Highly Reliable Project Components Delivering Security of Supply

## Terminal: **Jordan Cove LNG**

- 6 mtpa facility (phase 1)
  - expandable to 9 mtpa (later date)
- 400-acre site includes:
  - marine facility;
  - two 160,000 m<sup>3</sup> LNG tanks;
  - four – 1.5 mtpa liquefaction plants;
  - two gas treating facilities; and,
  - 420 MW power plant.
- Ownership: 100% Veresen

## Pipeline: **Pacific Connector Gas**

- Design capacity of ~ 1 Bcf/d for 6 mtpa LNG terminal requirements
- 232-mile, 36-inch diameter pipeline (1,440 psig MAOP)
- Ownership: 50% Veresen; 50% Williams



# Thank You.



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**VERESEN**

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