



February 15, 2013

Governor Sean Parnell
550 West 7th 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

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

¹ Capacity range reflects seasonal variability

² Does not include inflation