



Pacific Connector Gas Pipeline
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2008 PACIFIC CONNECTOR GAS PIPELINE



project update

September 2008

FERC Schedule for the Environmental Review of the Project

The Pacific Connector Gas Pipeline, along with the Jordan Cove LNG Terminal, is currently in the midst of the Federal Energy Regulatory Commission (FERC) permitting process. This process involves conducting environmental reviews, pipeline routing and mitigation measures for both projects. The FERC issued a Scheduling Notice in June 2008 that indicates the Final Environmental Impact Statement (FEIS) will be available in the first quarter 2009. On August 29, 2008, the Draft DEIS for both projects was issued by the FERC. Approval of the FEIS would then lead to FERC certificates for the pipeline and LNG terminal in the second quarter 2009. The respective projects are concurrently working towards securing all necessary permits by the summer of 2009.



Public Involvement in the DEIS Process

Landowners and the public can become involved in the EIS process. Now that the Draft EIS has been issued, the public will have until December 4, 2008 to review and provide comments to the FERC. Public comment meetings on the Draft EIS will be held by the FERC during the comment period. We will keep you informed on the date and location of these meetings, and we urge you to become involved in the process. In addition

For Landowners

Pacific Connector is committed to being a good neighbor and developing positive relationships with the landowners living along the proposed pipeline route. We have developed the preliminary route based on constructability, customer needs, landowner input and avoidance (where possible) of known sensitive resources. We're interested in your feedback—your comments and suggestions are important to us. If you have concerns about the proposed pipeline route on your property, please contact one of our land agents at our Roseburg office at the numbers listed below.

Pacific Connector Gas Pipeline Land Office

161 NE Garden Valley Boulevard
Suite 101
Roseburg, OR 97470
Phone: 541-673-5108

For more general questions:

E-mail: pacificconnector@williams.com
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to the FERC meetings, Pacific Connector and Jordan Cove will host a series of public meetings along the proposed pipeline route during the week of September 22, 2008. The purpose of these meetings is to provide the public with a brief update of the status of the proposed project and to inform the public how to participate in the DEIS process. The project briefing will be followed by a moderated open question-and-answer session that will enable the public to ask questions about the project. Copies of the Draft EIS will be available on the FERC's Web site at <https://ferconline.ferc.gov/>, and at public libraries in Coos, Douglas, Jackson and Klamath counties. The FEIS will include responses to questions and comments received during the Draft EIS comment period.

Pacific Connector and the Environment

Since late summer of 2007, Pacific Connector has been participating in a multi-disciplinary, Inter-agency Task Force Working Group (Task Force) in an effort to mitigate effects of the project on endangered wildlife and their habitats. Members of the Task Force met on a regular basis for several months to identify and solve difficult issues as a group.

Through the collaborative approach of the Task Force, Pacific Connector has been able to identify and implement numerous mitigation measures into the overall project design. The mitigation measures include adjustments in the pipeline alignment to avoid sensitive habitat, shifting of the construction schedule out of nesting or spawning periods and selection of appropriate construction techniques.



Pacific Connector's involvement in the Task Force underscores our commitment to the environment and willingness to work with government agencies, elected officials, landowners, interest groups, Indian tribes, and other interested parties.

Need for the Project

The demand for energy in the U.S. will continue to increase, and additional gas resources will be needed for the Pacific Northwest and surrounding regions. A vital source to meet this demand will be found in the form of liquefied natural gas (LNG) imports, which is why the proposed Jordan Cove LNG Terminal makes sense in providing a cost effective way to meet the existing and growing natural gas demands in the region.

Benefits

The proposed project will provide significant benefits to the Pacific Northwest including:

- A proposed LNG terminal and pipeline will provide an additional source of natural gas supply to the region to supplement existing Canadian and Rocky Mountain supplies.

- Natural gas is the cleanest fossil fuel and is poised to bridge the gap as the shift to renewable energy sources becomes commercially viable.
- Natural gas is important in filling the growing need for generating electricity, particularly as the U.S. reduces the use of coal and environmental conflicts impede further development of hydropower.
- A reliable source of LNG supply may help dampen price increases as Canadian supplies shrink and demand increases.

About the Project

The Pacific Connector project is a 230-mile, 36-inch diameter pipeline designed to transport up to 1 billion cubic feet of natural gas per day from the Jordan Cove LNG import terminal to markets in the region.

The Pacific Connector project includes interconnects to Northwest Pipeline GP near Myrtle Creek, Ore., Avista Corporation's distribution system near Shady Cove, Ore., Pacific Gas and Electric Company's gas transmission system, Tuscarora Gas Transmission's system and Gas Transmission Northwest's system, all located near Malin, Ore.

Project Timeline

FERC & NEPA* Milestones	Anticipated Date
FERC Certificate Applications filed	September 2007
DEIS issued by FERC	August 2008
FERC DEIS Public Comment Meetings	Fall 2008
Final EIS issued by FERC	February 2009
Project receives FERC Certificate Order	Spring 2009

* National Environmental Policy Act