



**New Jersey Highlands Council**  
**April 16, 2009**



# Cautionary Statement Regarding Forward-looking Statements

This presentation includes forward-looking statements and projections, made in reliance on the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The company has made every reasonable effort to ensure that the information and assumptions on which these statements and projections are based are current, reasonable, and complete. However, a variety of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this presentation, including, without limitation, our ability to obtain necessary governmental approvals for proposed pipeline projects and our ability to successfully construct and operate such projects; the regulatory uncertainties associated with pipeline rate cases; changes in commodity prices and basis differentials for oil, natural gas, LNG and power; inability to realize anticipated synergies and cost savings associated with restructurings and divestitures on a timely basis; general economic and weather conditions in geographic regions or markets served by the company and its affiliates, or where operations of the company and its affiliates are located; volatility in, and access to, the capital markets; the uncertainties associated with governmental regulation; competition; and other factors described in the company's (and its affiliates') Securities and Exchange Commission filings. While the company makes these statements and projections in good faith, neither the company nor its management can guarantee that anticipated future results will be achieved. Reference must be made to those filings for additional important factors that may affect actual results. The company assumes no obligation to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by the company, whether as a result of new information, future events, or otherwise.

# Defining Our Purpose



El Paso Corporation provides natural gas and related energy products in a safe, efficient, and dependable manner

**Pipelines**



**Exploration & Production**



**TGP**



**SNG**



**CIG/WIC**



**EPNG**

# Tennessee Background

## Size

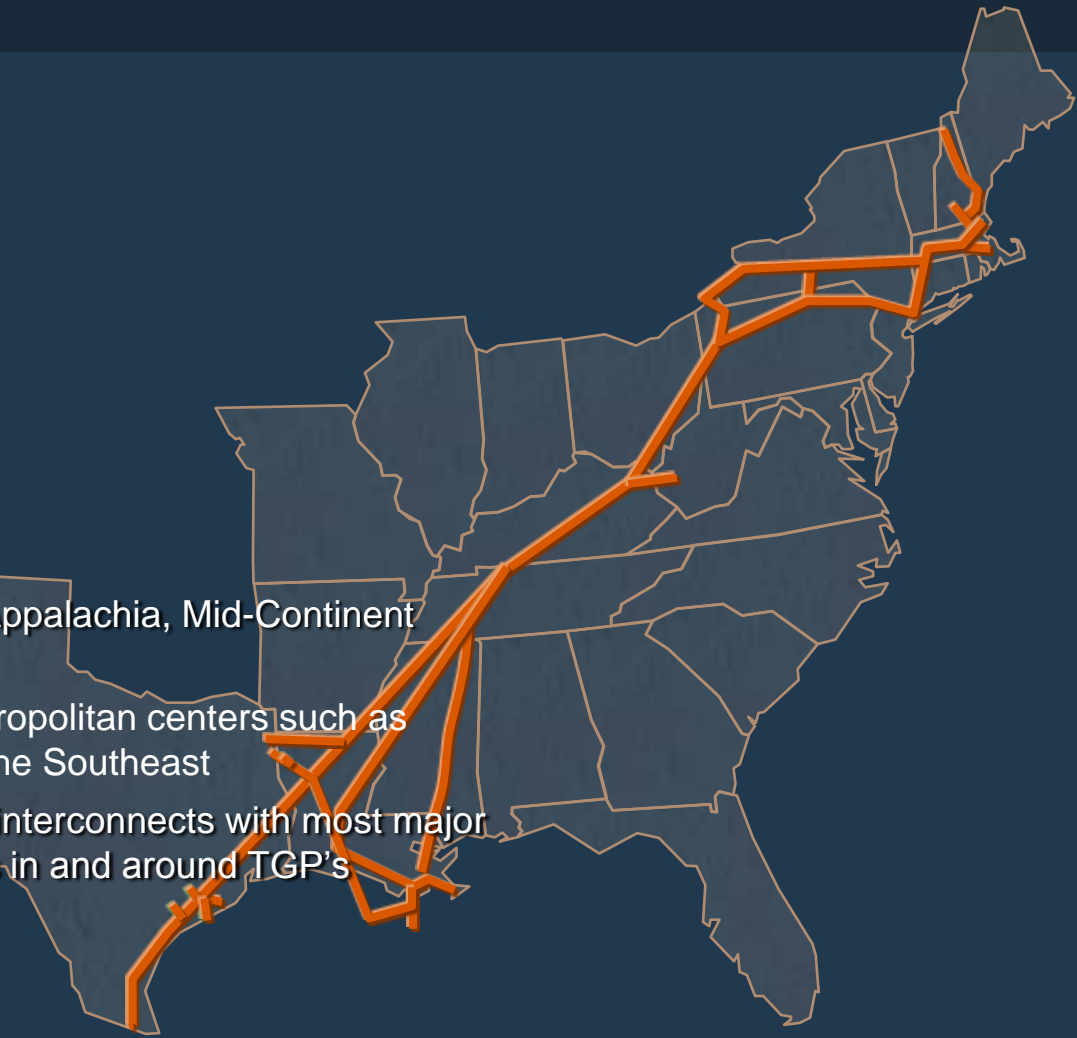
- 13,700 Miles of pipeline
- Over 90 Bcf of Working Gas Storage
- 1.4 million certificated horsepower
- Spans from the Mexican border to the Canadian border

## Growing Markets and Supply

- **Supply** regions: Gulf of Mexico, Texas, Appalachia, Mid-Continent Shale, Rockies and Canada
- **Markets:** Northeast (including major metropolitan centers such as NYC/NJ and Boston), Mid-Atlantic, and the Southeast
- **Pipeline Interconnects:** more than 100 interconnects with most major interstate and intrastate pipeline systems in and around TGP's markets

## Experience and Reliability

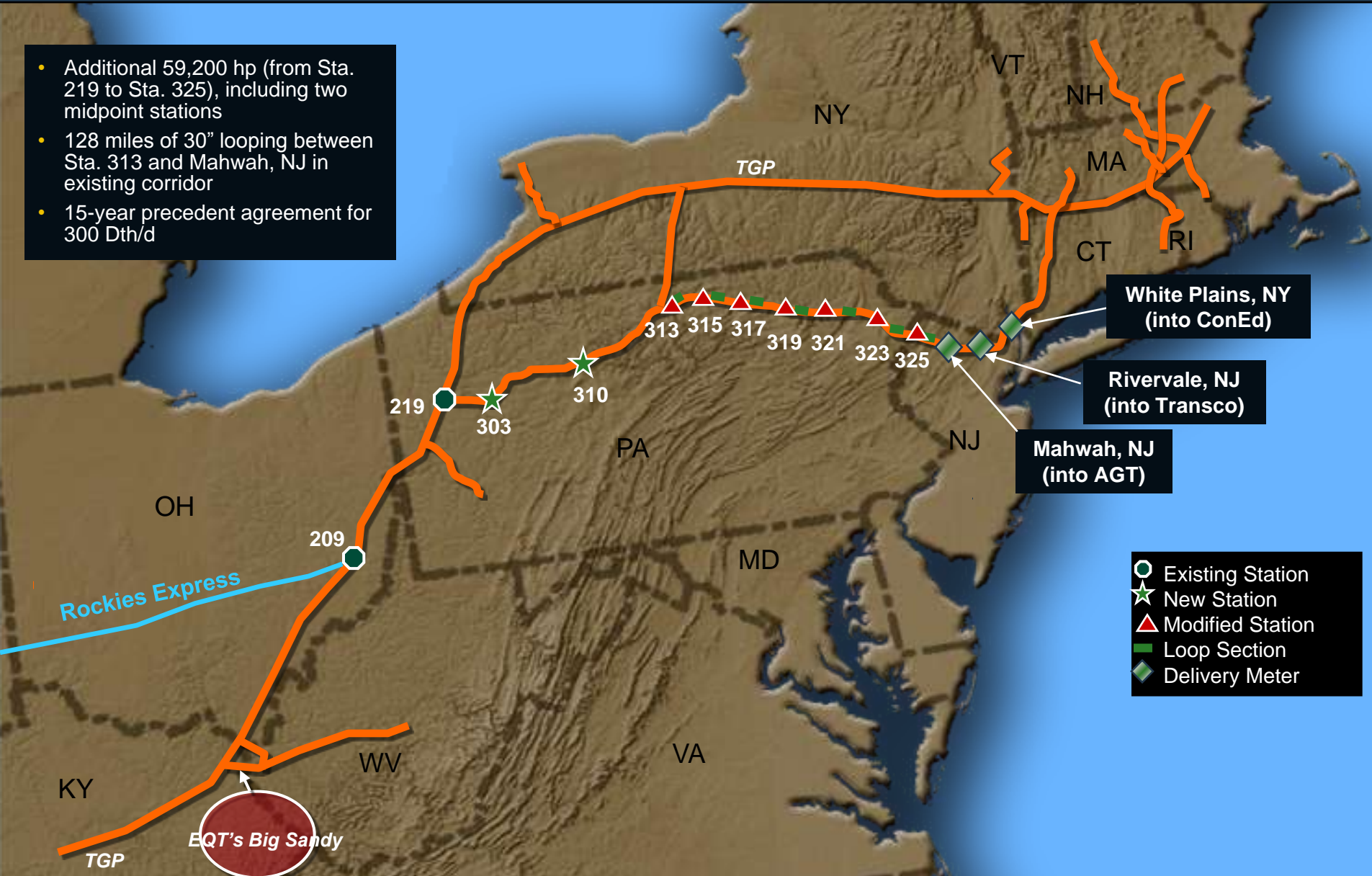
- More than 50 years of experience in pipeline system design, construction, and operation
- Tennessee is prepared to meet the demands of a growing market with the integrity and commitment to service that have made it one of the safest and most reliable pipelines in the United States





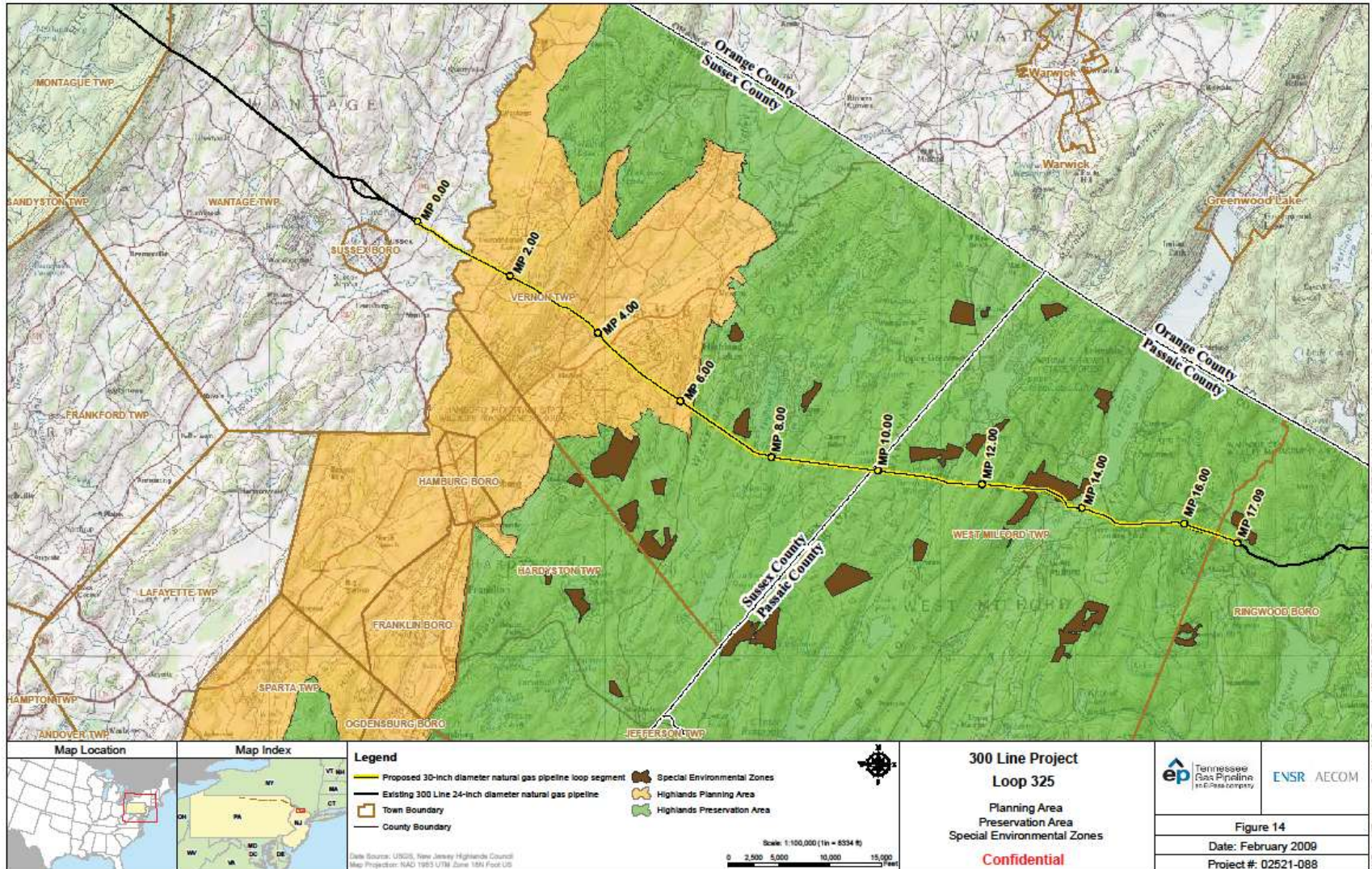
# 300 Line Project

- Additional 59,200 hp (from Sta. 219 to Sta. 325), including two midpoint stations
- 128 miles of 30" looping between Sta. 313 and Mahwah, NJ in existing corridor
- 15-year precedent agreement for 300 Dth/d





# New Jersey Facilities

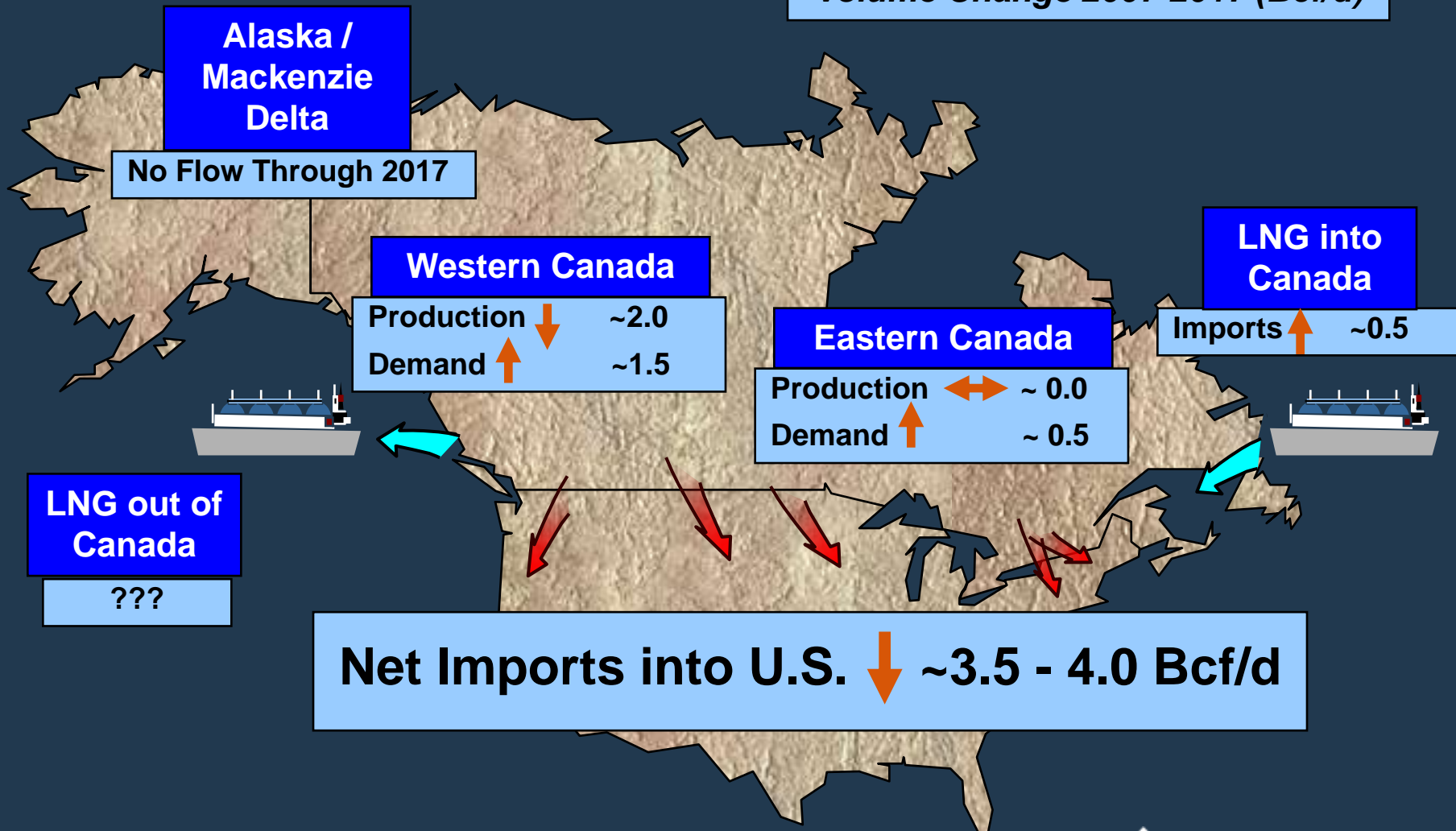


# The Need for Pipeline Capacity

- ⤴ Loss of Supplies from Canada
- ⤴ Need to reduce reliance on imported oil & LNG
- ⤴ Current pipeline constraints restrict supplies
- ⤴ Market growth in the Northeast
- ⤴ Consistency with the New Jersey State Energy Master Plan

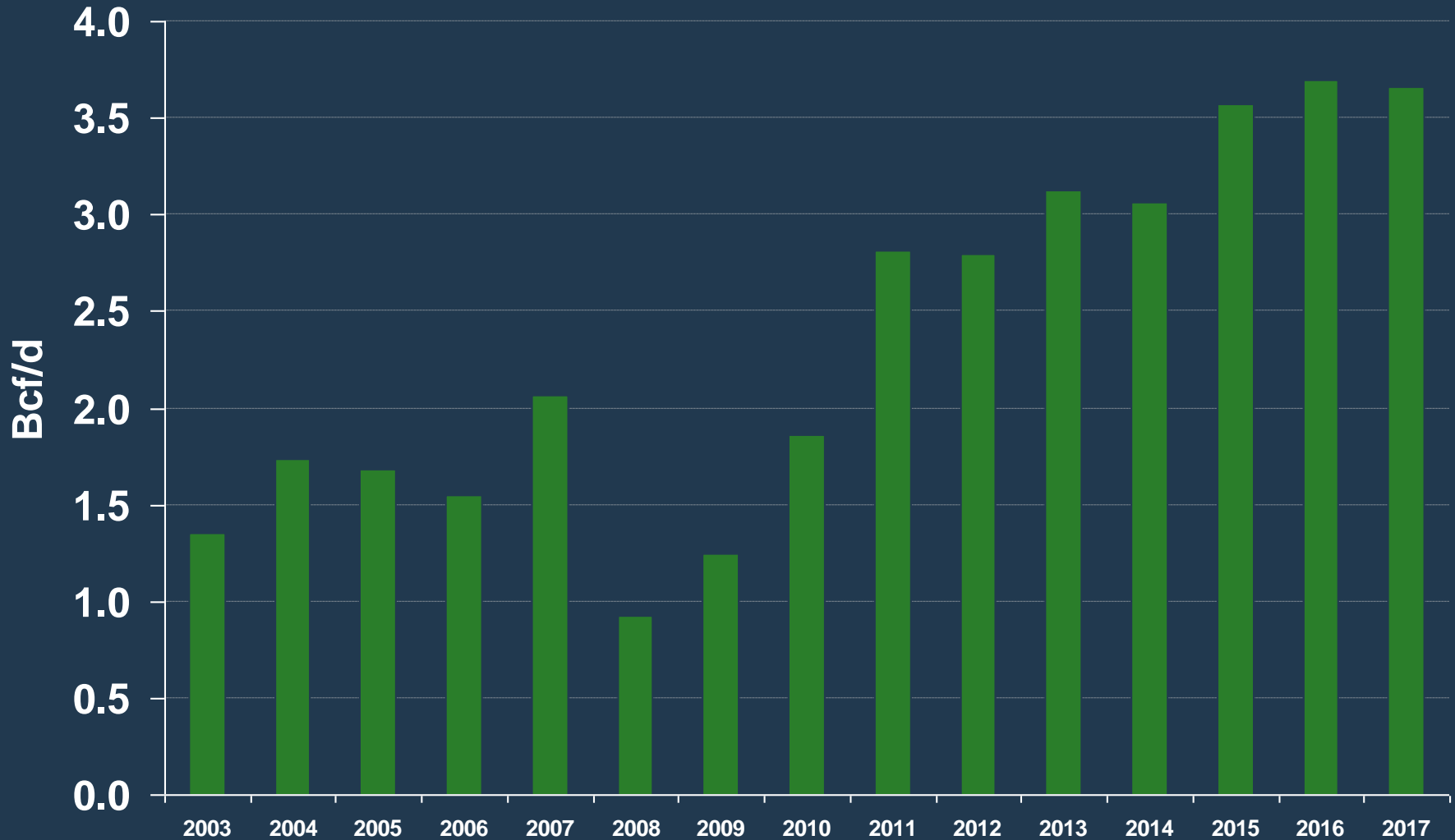
# Gas Available From North is Diminishing

Volume Change 2007-2017 (Bcf/d)



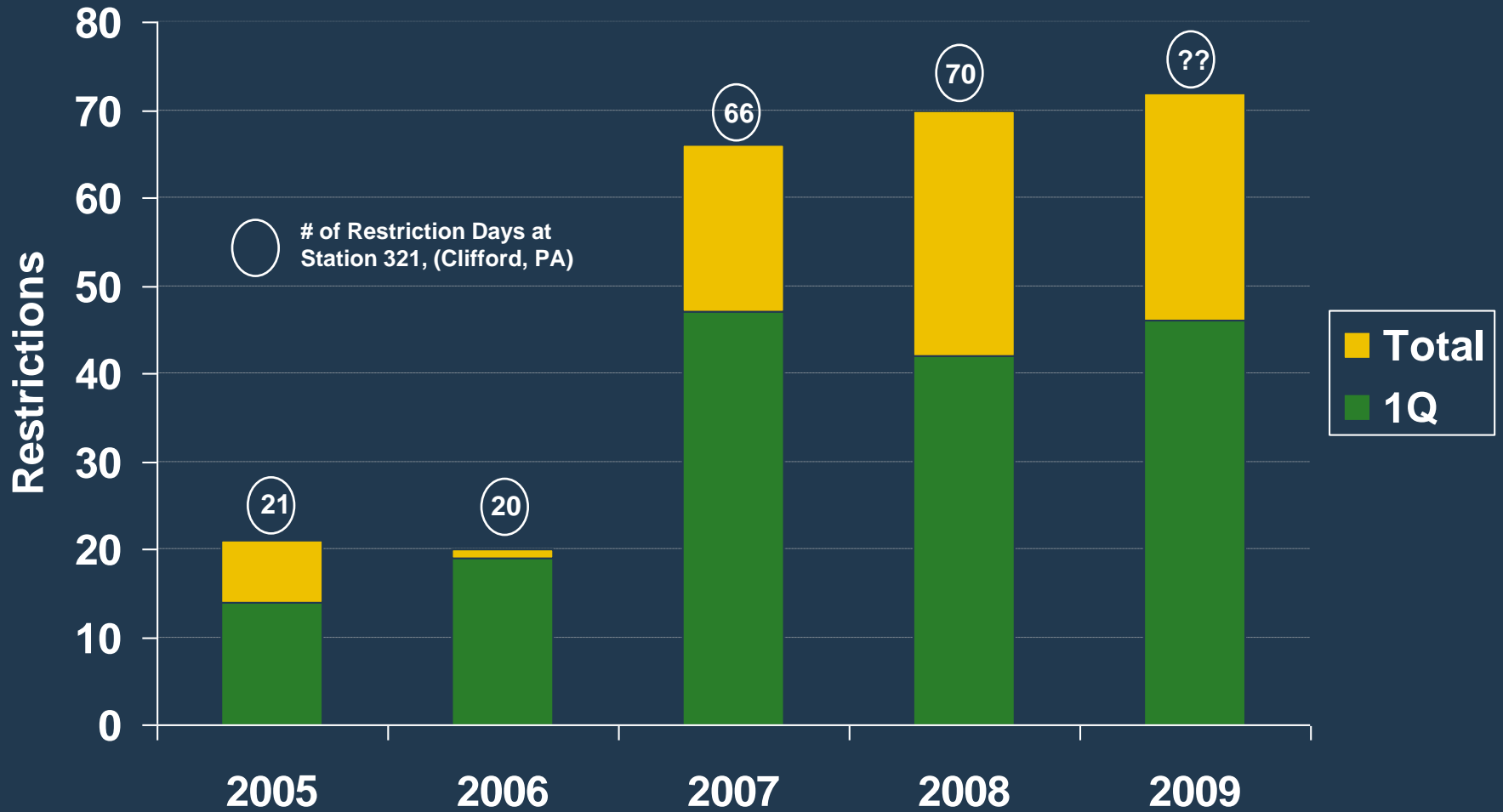


# LNG Imports into U.S.



Data Source: Wood Mackenzie, December 2008

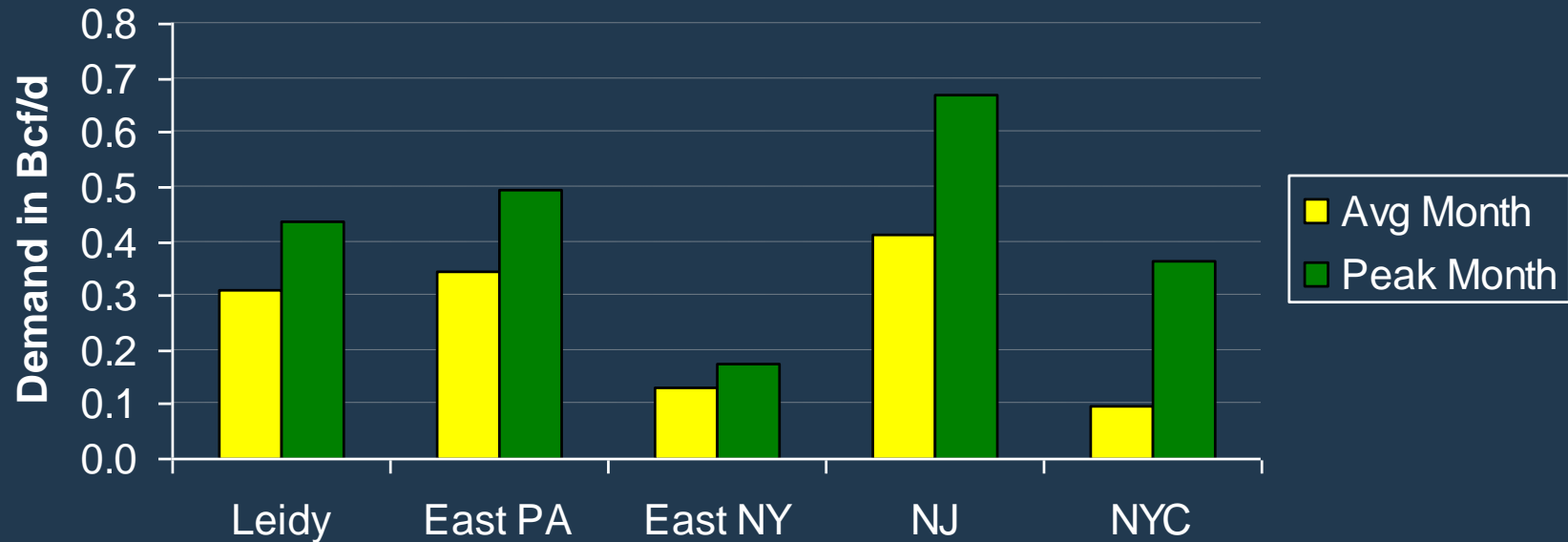
# TGP 300 Line Curtailment History



Source: El Paso Corporation

# Average vs. Peak Month Growth

EEA/ICF Base Case 10 Year Growth Projection  
(2006-2008 Average\* to 2017)



\* Uses average of years 2006-2008 to minimize weather anomalies in the base year



# Project Development Process

- ^ Following FERC pre-filing process
- ^ Early involvement with stakeholders
  - Land agent training conducted
  - Contacts underway
  - Open houses conducted in counties/townships
  - Additional communications via field office, local repositories, web site, etc.
- ^ Various state permits / approvals required
  - Early interaction with State to insure good coordination/communications during process

# Environmental Leadership

- ⤴ El Paso Corp – leader – EPA Natural Gas Star Program
- ⤴ Internal coating of pipe to reduce fuel and GHG emissions
- ⤴ First company to earn Climate Action Leader™
- ⤴ First natural gas company to achieve California Climate Action Registry (CCAR) milestone for submittal of all US GHG emissions
- ⤴ Modernization of plant by replacement of older units combined with new clean expansion capacity

# 300 Line Environmental Progress

- ⤴ Early Agency Pre-filing Participation and Consultation Requests sent out
- ⤴ Follow-up Agency Coordination/Meetings Ongoing
- ⤴ Air emissions anticipated to be below the significant impact level
- ⤴ Preliminary Environmental Field Surveys Conducted
- ⤴ Extensive species specific surveys for Threatened and Endangered Species scheduled for 2009
- ⤴ Coldwater fisheries and State Protected Waters Planning
  - Timeline restrictions for streams w/ protected fishery resources
- ⤴ Environmental Permit Applications Preparation Ongoing
  - Submittals to begin late 2<sup>nd</sup> Qtr of 2009



# Estimated Project Timeline

Open Season/Outreach	July 2008
Initial Surveys	September-December 2008
FERC pre-Filing Request	October 2008
Open Houses/Scoping	Nov. 2008-Jan. 2009
FERC Application	July 2009
Other State/Federal Permit Applications	Various
FERC Certificate Requested	March 2010
Commence Construction	Second Half 2010
In-service	November 2011