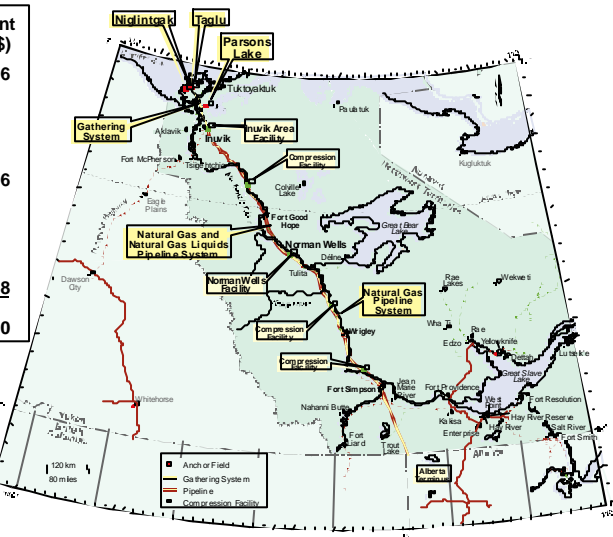


Development Concept Overview

	Initial Investment (billions, 2003\$)
• Three anchor fields - Taglu - Parsons Lake - Niglintgak	1.6
• Gas gathering system - Gathering lines - Inuvik area facility - NGL pipeline	1.6
• Mackenzie Valley pipeline (1.2 BCFD) - Total	3.8 7.0

- Canadian onshore gas
- APG interest in pipeline will be based on non-anchor field gas
- Proven technology
- Mitigate environmental impact
- Open access pipeline
- Utilizes spare capacity in existing pipelines



Key Points

• On the left, you see outlined our projected initial costs for the various components of the project. Costs are stated in Q1 - 2003 Canadian dollars, rounded to the nearest \$100 million.

Fields	- \$1,600
Gas gathering system	- \$1,600
Mackenzie Valley Pipeline	- \$3,800
MGP TOTAL	- \$7,000

• Let me add a word about this cost estimate, as there has been some reporting that this \$7-billion estimate represents a “cost increase” of cost estimates that were previously stated.

• The project we have described in our regulatory applications is a different project than the one we originally envisioned. The scope of the project has changed considerably from a single pipeline that carries both natural gas and liquids together to two individual pipes that carry gas and liquids separately. This provides for more overall capacity -- transmission pipeline capacity is now 50 percent greater -- and is expandable.