

# ENERGIA CURA

## Option Evaluation

- Case One** - FPC Stand Alone 12"
- Case Two** - Installation of 18" Arbitrable Flange in Livengood
- Case Three** - Market-Sized Pipeline to Cook Inlet and the Interior

	<u>Bcf/yr</u>					
<b>Assumptions</b>						
Current Cook Inlet Gas Demand	72					
Interior FPC Demand	19					
Interior FPC demand + Current Cook Inlet Demand	91					
Cost of Treated and Compressed Gas on the North Slope	\$4.22					
	<u>COS (Cost of Service) To Meet Interior Demand of 19 Bcf/Year \$/mcf</u>	<u>COS (Cost of Service) To Meet Interior and Cook Inlet Demand of 91 Bcf/Year \$/mcf</u>	<u>Total Bundled Price of Gas COS (Transportation) Plus Estimated CC (Cost of Gas) Interior (19 Bcf) \$/mcf</u>	<u>Total Bundled Price of Gas COS (Transportation) Plus Estimated CC (Cost of Gas) Interior &amp; Cook Inlet (91 Bcf) \$/mcf</u>	<u>Capex \$/Project</u>	<u>Capex Differential Or Cost of Cook Inlet Price Collar \$</u>
<b>Case One - FPC Pipeline Stands Alone</b> 12" Line from North Slope to to North Pole, Compression & Treatment in Cost of Gas	\$5.44		\$9.66		\$716,000,000	
<b>Case Two - 18" Arbitrable Flange Installed in Livengood</b> 18" Line Segment to Livengood, less compression 12" FPC Line Segment from Livengood to North Pole, less compression	\$7.88 \$1.14				\$1,000,230,000	\$284,230,000
<b>Case Three - Entire 18" Pipeline Installed to the Cook Inlet</b> A - 18" Line Segment from North Slope To Livengood, Alaska, less compression B - 18" Line Segment from Livengood, Alaska to the Cook Inlet, with compression C - 12" FPC Line Segment from Livengood to North Pole, Alaska	\$1.68 \$1.14 \$2.82	\$1.68 \$2.37 \$4.05	Net Gas Price in Interior \$7.04	Net Gas Price in Cook Inlet \$8.27	\$2,083,952,400	
						<u>\$/mcf over 20-years</u> \$0.19738194

Cost of Price Collar for ANS gas sold in the Cook Inlet per mcf over twenty-years on 72Bcf/yr basis: