

**Energia Cura Press Release No. 4 - Expanded version for editorial review**  
**October 15, 2010**  
**Fairbanks, Alaska**

Energia Cura announced today that it has received non-binding nominations for natural gas volumes in excess of those required to make the Fairbanks Pipeline Company's small-bore gas pipeline project feasible. The non-binding open season was extended from October 1 to October 15 at the request of three load centers requiring additional time to submit nominations. Volumes tallied today already surpass the 12 Bcf/year flows required to deliver natural gas to the Interior at less than half its current cost. Energia Cura officials stated that due to the successful results of its preliminary open season, it plans to commence the second phase of its project development on October 18. Second phase tasks include:

- Completion of hydraulic and economic simulations based on actual nominated volumes to develop the final design criteria for both primary and secondary transmission segments. Completion of a capital requirements review based on final design criteria and development of a preliminary Statement of Work for the project required to solicit proposals from design and construction firms.
- Further discussions with ANS gas Producers to secure natural gas, NGLs (natural gas liquids), and a compression agreement with the Prudhoe Bay Central Gas Compression Facility. This compression agreement will eliminate the need FPC to construct compressor stations along its primary transmission system. Energia Cura already participated in a preliminary meeting with BP's upstream asset managers, three weeks ahead of FPC's Phase II schedule. A meeting with ConocoPhillips is scheduled for next week with another to follow when Exxon Mobil submits its proposed schedule.
- Determination of final bundled gas offerings (cost of transportation and gas) for each nominating load center as required to commence FPC's Binding Open Season.
- Continued organizational development of the Fairbanks Pipeline Company including interviews with local qualified applicants who responded to last month's employment advertisements posted by Energia Cura in Alaskan newspapers.
- Completion of introductory meetings with relevant state agencies to review FPC's small bore pipeline project including the results of its non-binding open season volume nominations. Some meetings were held two weeks ago, ahead of the Phase II schedule with:
  - Marcia R. Davis, Deputy Commissioner, Department of Revenue
  - Ian Laing, Special Assistant, Department of Revenue
  - Kevin R. Banks, Director, Department of Natural Resources
  - Kurtis K. Gibson, Deputy Director, Department of Natural Resources
  - Susan K. Bell, Commissioner, Department of Commerce
  - Curtis W. Thayer, Deputy Commissioner, Department of Commerce
  - Timothy Sullivan Jr., Business Development Officer, Department of Commerce
  - Bob Picket, Chairman, Regulatory Commission of Alaska - Department of Commerce
  - Steven J. Haagenson, Executive Director, Alaska Energy Authority
  - Dave Haugen, Alaska Gas Line Development Corporation – Alaska Housing & Finance Corp.

Further meetings are scheduled with:

- Joe Balash, Special assistant to the Governor
- Commissioner Leo von Scheben of the Alaska Department of Transportation
- Dan Fauske, CEO Alaska Housing and Finance Corporation & AGDC
- Tom Irwin, Commissioner, Department of Natural Resources.
- Harold Heinze and Alaska Natural Gas Development Authority staff
- The Fairbanks Borough Assembly
- Cities of Fairbanks and North Pole

- Fairbanks Economic Development Corp.
  - Alaska Gasline Port Authority
- Formation of a non-partisan coalition of Alaskan Legislators to draft a bill that will enable state agencies to participate in the project in exchange for a equity share in FPC commensurate with the state's in-kind contributions. As stated in prior press releases, such agency participation would include putting its resources to work to secure required project permits and easements along the Dalton and Elliot Highway Corridors. Most of the geophysical and statistical data required to acquire the small-bore pipeline's permits and define its final design are already in place, through prior state expenditures on other gas-developments.

Energia Cura's proposal includes a suggestion to state officials that these equity positions are deposited within the Alaska Permanent Fund since it is already empowered to accept and manage equity instruments. Doing so is not only in keeping with the purpose of the constitutional amendment which created the fund, but also practical given the State's large budget reserves. As noted by Governor Parnell in this year's State of the State Address, Alaska can afford to suspend the gas tax for two years given the State has budget reserves large enough last for a decade. Energia Cura believes the people of Alaska likewise deserve to benefit from these reserves. Energia Cura wants all Alaskans, including those not residing in the Interior, to receive tangible benefit from ANS gas resources. If this concept comes to fruition, both the principle value of the State's equity assignments and its future earnings from the pipeline's 14.3% standard rate of return will enrich the Permanent Fund for Alaskans today and into posterity.

- Phase II slack/float: Possible early completion of Phase III tasks

One of FPC's Phase III assignments includes the organization of project investors into the ranks of the Fairbanks Holding Company. The Fairbanks Pipeline Company will be a wholly owned subsidiary of the Fairbanks Holding Company and will operate under the guidance and control of the Fairbanks Holding Company's Board of Directors. Various organizational options are now being identified to characterize the statement of work for this Phase IV task ranging from simple limited liability partnerships to more complex public models issuing equity assignments through common stock.

Energia Cura has met with four large Alaskan firms showing early interest in securing project equity positions. Three more introductory meetings are planned to occur through the end of October.

As a matter of courtesy, FPC does not plan to release the identity of prospective investors other than the first-tier equity assignments that the Interior's load centers may elect to secure. Energia Cura has requested that all second-tier investors issue their own press releases indicating any prospective interest in FPC's Project.