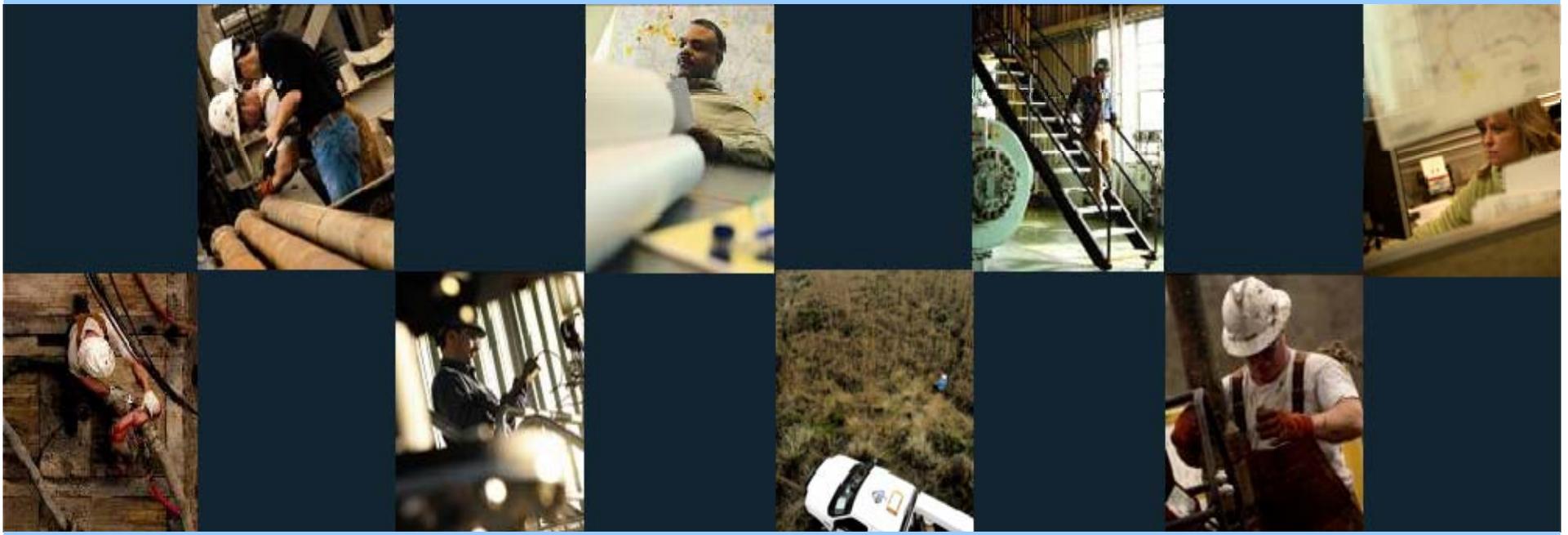


# El Paso Western Pipelines



a meaningful company  
doing meaningful work  
delivering meaningful results

**Ruby Project Update**  
**Ed Miller**  
Manager, Business Development

**California Energy Commission**



March 4, 2010

# Cautionary Statement Regarding Forward-looking Statements

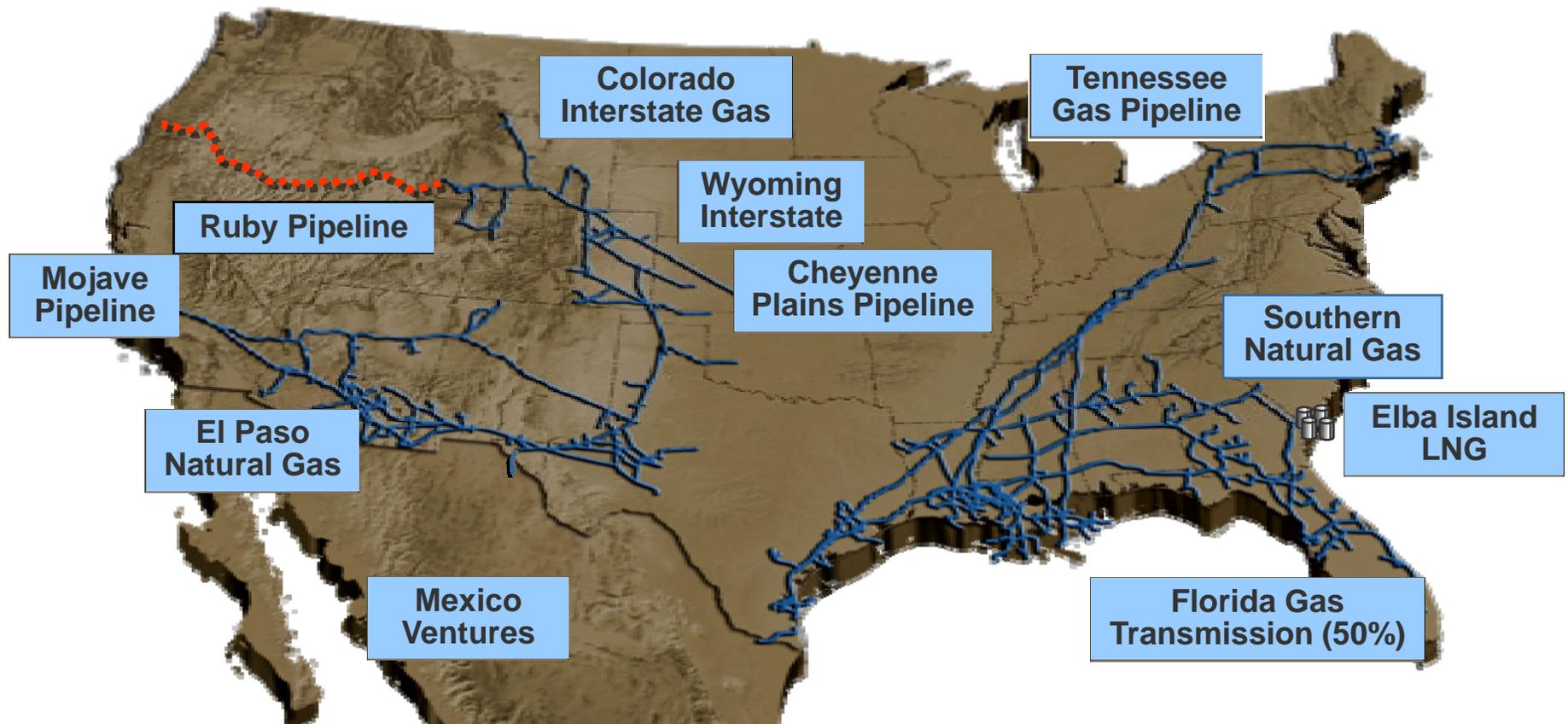
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This presentation includes forward-looking statements and projections, made in reliance on the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The company has made every reasonable effort to ensure that the information 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 successfully contract, build and operate the pipeline projects described in this presentation; changes in supply of natural gas; general economic and weather conditions in geographic regions or markets served by El Paso Corporation and its affiliates, or where operations of the company and its affiliates are located; 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.

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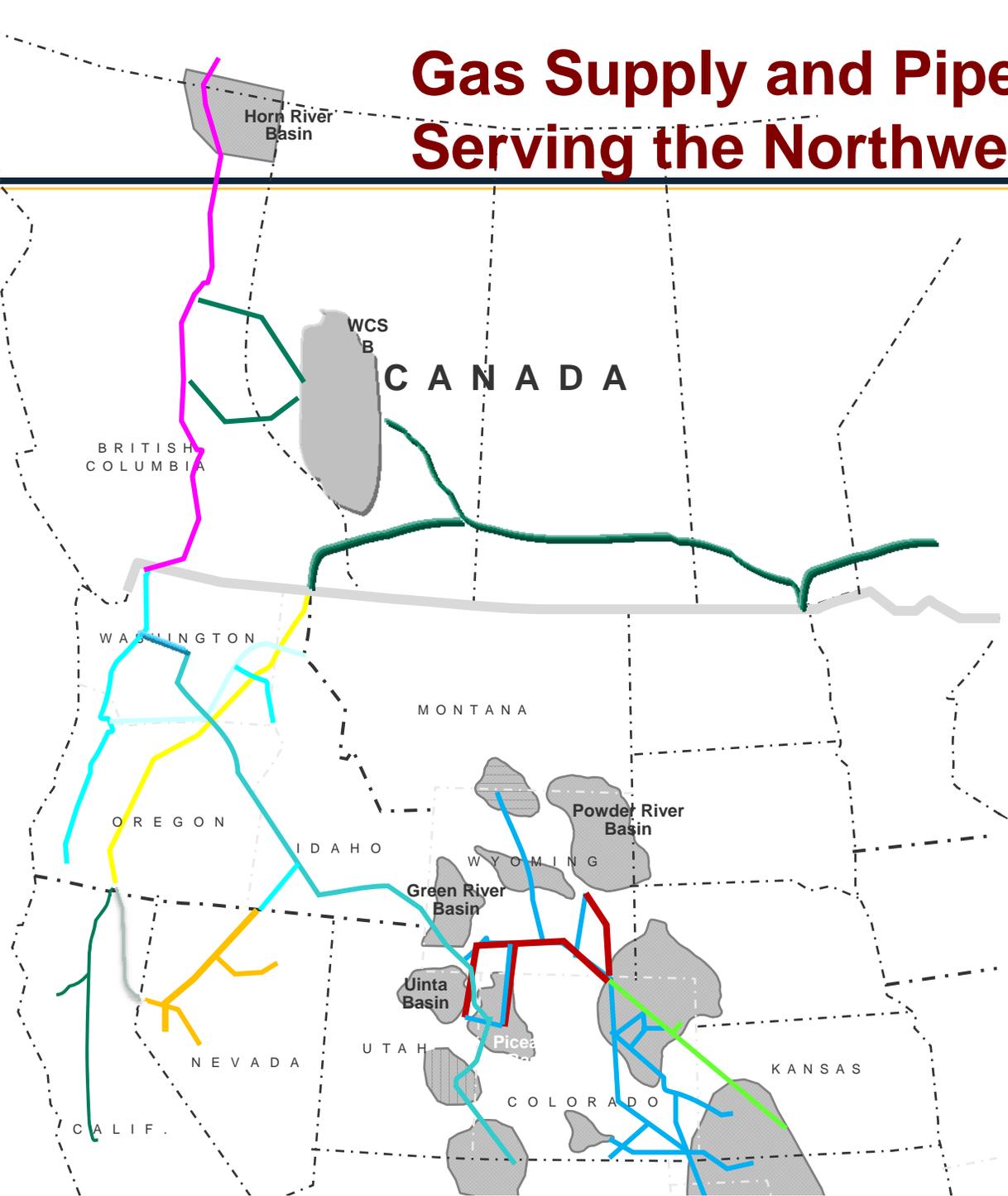
# Ruby Update

# El Paso Pipeline System

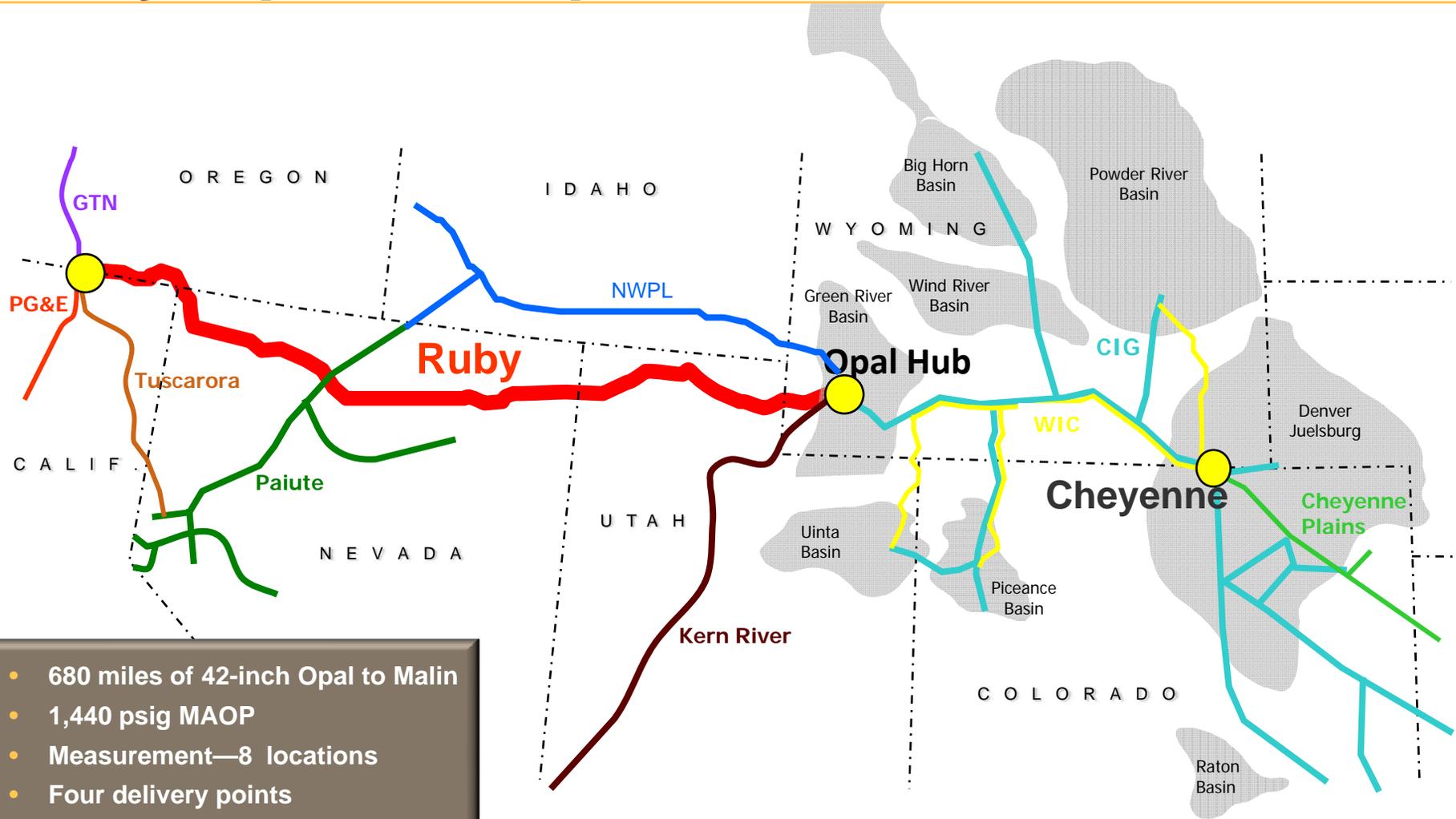


- 19% of total U.S. interstate pipeline mileage
- 26 Bcf/d capacity (15% of total U.S.)
- 19 Bcf/d throughput (30% of gas delivered to U.S. consumers)

# Gas Supply and Pipelines Serving the Northwestern US



# Ruby Pipeline Map



- 680 miles of 42-inch Opal to Malin
- 1,440 psig MAOP
- Measurement—8 locations
- Four delivery points
- Receipts from the major Rocky Mountain producing basins

# Ruby Stats

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- 1.098 Bcf/d of firm transportation service agreements with customers
- Letters of support from California, Colorado, Nevada, Utah and Wyoming Governors
- Initial capacity will be 1.25 to 1.5 Bcf/d
  - Final sizing will be based on market support
- Estimated cost \$2.96 Billion
- Rates:
  - Filed recourse rate of \$1.02
  - \$0.95 less than 200 MDth/d; 10-year contract term
  - \$0.87; 20-year contract term
  - \$0.85; 30-year contract term
- Begin service in March 2011

# Ruby: The First Carbon Neutral Pipeline

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- Collaborative effort between Project Developer and Shippers
- Compressors to be powered by both gas and electricity
- Purchase renewable power (e-tags) to run e-motors
- Internal coating of the pipeline
- Apply Best (methane) Management Practices (BMPs)
- Leadership in Energy and Environmental Design (LEED)
- Reforestation along Ruby route and other locations
- Purchase Voluntary Emissions Reduction (VER) credits
- On-going GHG mitigation costs recovered as part of tariff fuel charge

# Ruby Pipeline Milestones

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CPUC Approves PG&E Contract	November 2008
Draft EIS	June 2009
Partnership with GIP Announced	July 2009
Preliminary Determination	September 2009
Final EIS	January 2010
<b>FERC Certificate</b>	<b>March 2010</b>
<b>BLM Record of Decision</b>	<b>April 2010</b>
<b>Start Construction</b>	<b>May 2010</b>
<b>In-Service</b>	<b>March 1, 2011</b>

FERC Certificate Docket No. CP09-54

Website: [www.rubypipeline.com](http://www.rubypipeline.com)

# Ruby Pipeline – A Reality

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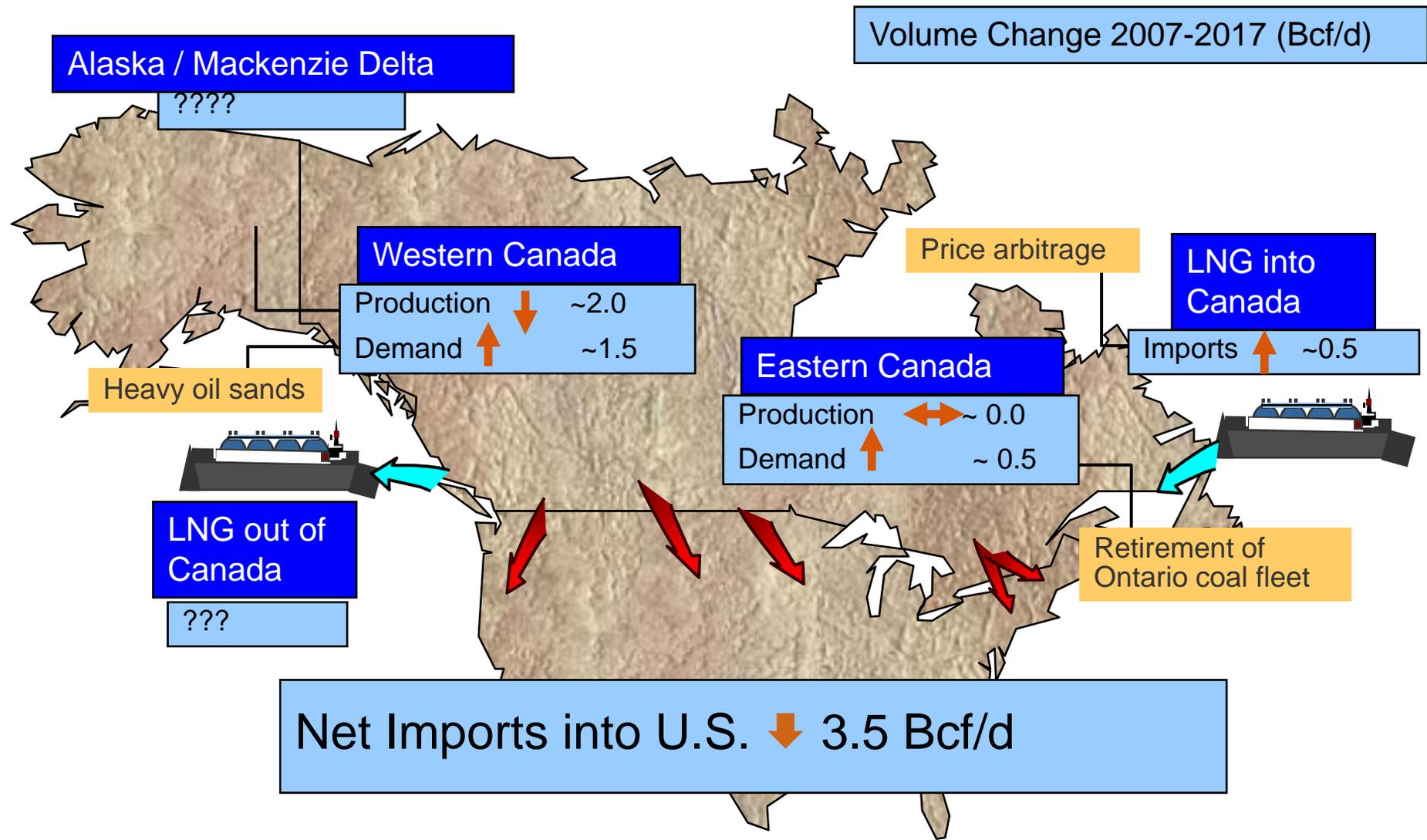
Here's why:

- Strong, firm contractual support from credit worthy shippers
- Final environmental impact statement obtained
- Remaining permits due shortly
- Solid financing
  - 50% partner with Global Infrastructure Partners
  - \$1.5 Billion of commitments for Ruby project financing

# Summary of Construction Progress To Date

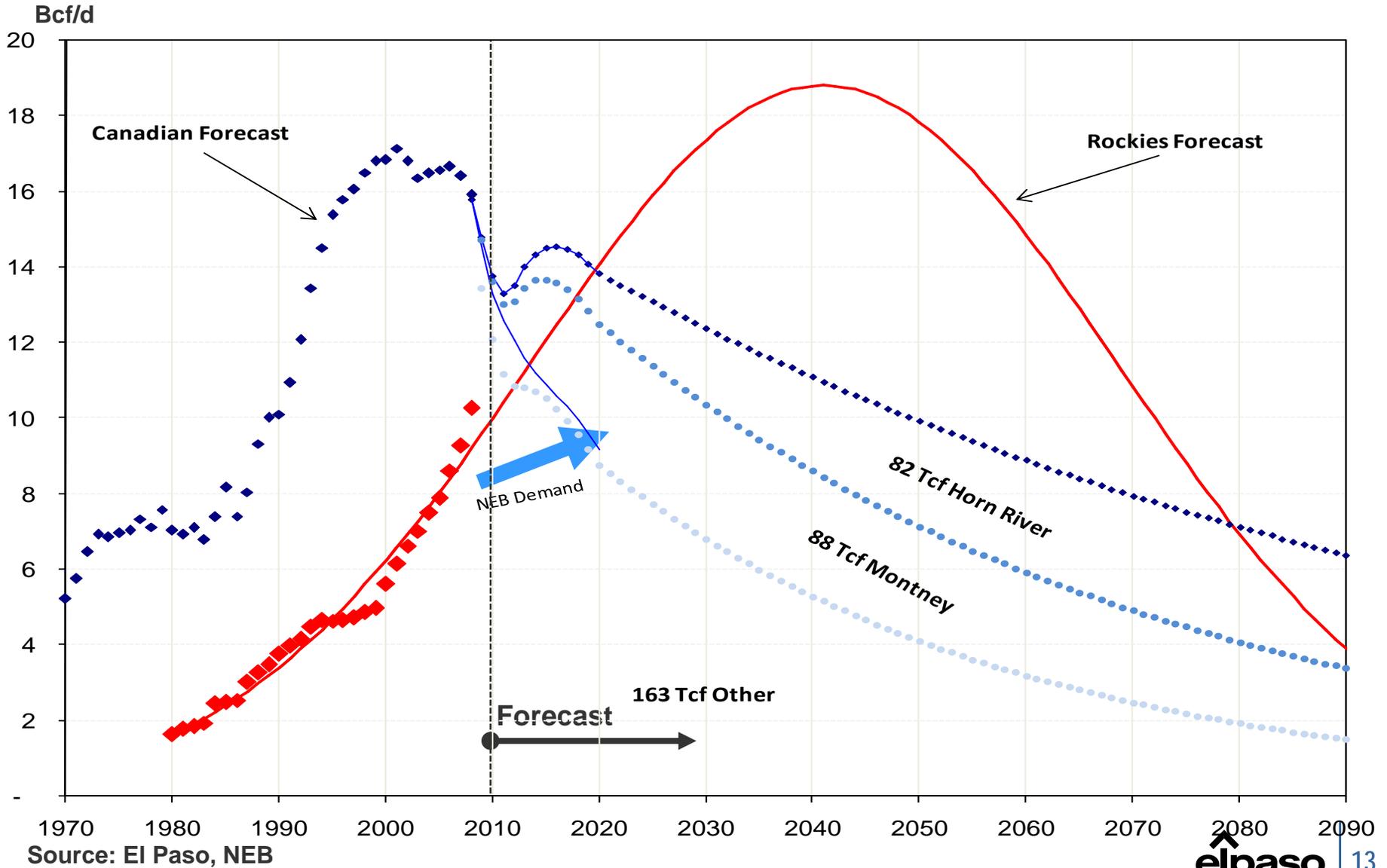
- Pipe and compression equipment purchased
- High quality Pipeline contractor teams under contract
  - US Pipeline, Precision Pipeline, Associated and Rockford Corporation
- 87% of ROW acquired
- Aggressive public and NGO outreach

# Gas Available From North is Diminishing



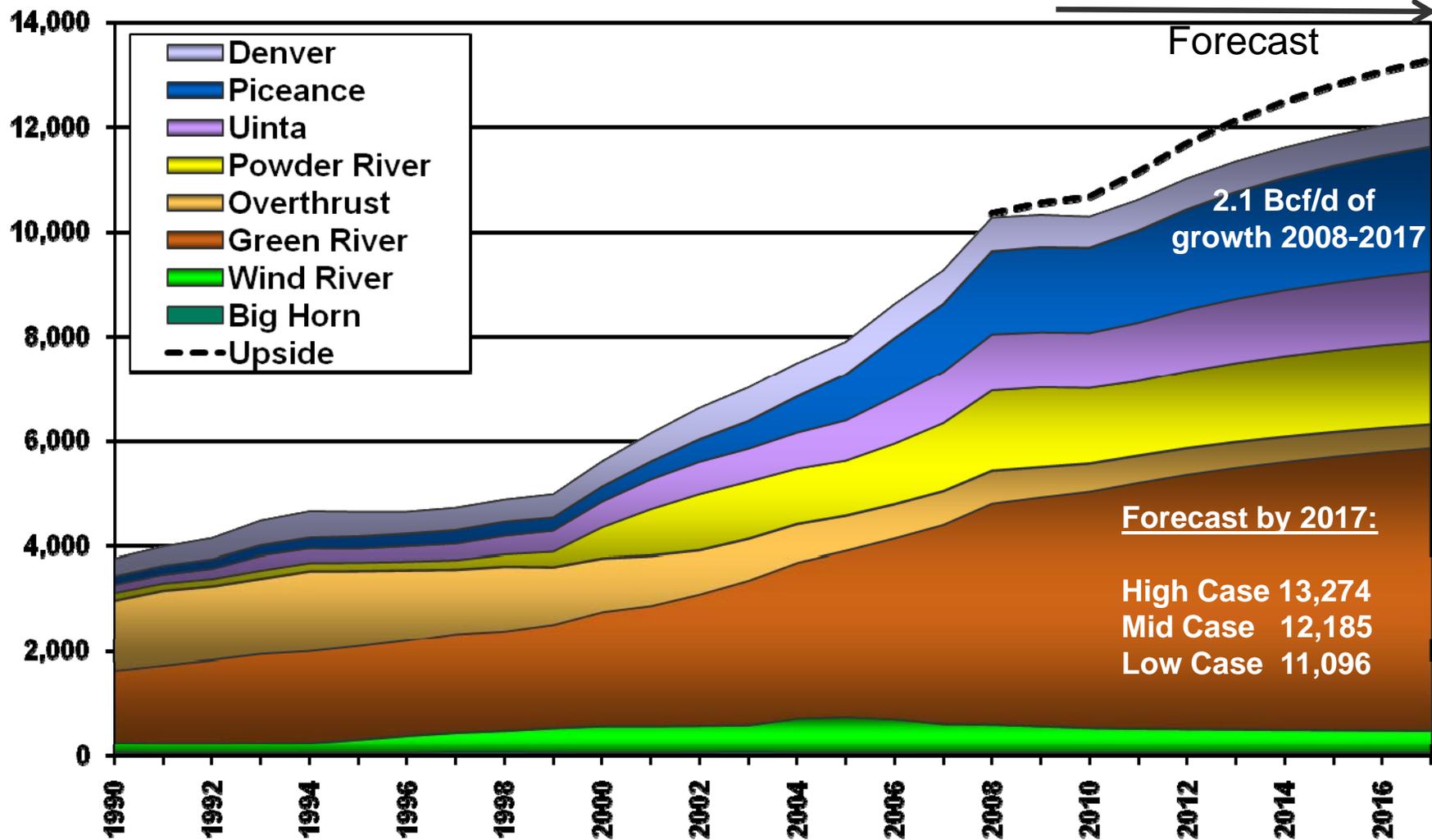
# Rockies versus Western Canada

## Long-Term Production Trends



# Rocky Mountain Production

(Volumes are Wellhead – Measured in MMcfd)



1990-2007: Wellhead total data from IHS database

2008-2017: El Paso forecast

# Ruby Pipeline

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- Concluding thoughts
  - Ruby Pipeline will be in-service in early 2011
  - History has taught us that it is very difficult to predict the cost and availability of natural gas
  - Predicating a future gas supply plan on a developing resource is risky
  - Ruby Pipeline provides the Western Markets with the only firm, incremental access to Rocky Mountain Production and supply diversification