

Comments to Legislature on Gas Contract and Fiscal Interest Findings

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LNG Project

Dr. Anthony Finizza
Consultant
Econ One Research

*5th Floor
601 W 5th Street
Los Angeles, California 90071
213 624 9600*

*Suite 1170
1215 K Street
Sacramento, California 95814
916 449 2860*

Barry Pulliam
Senior Economist
Econ One Research

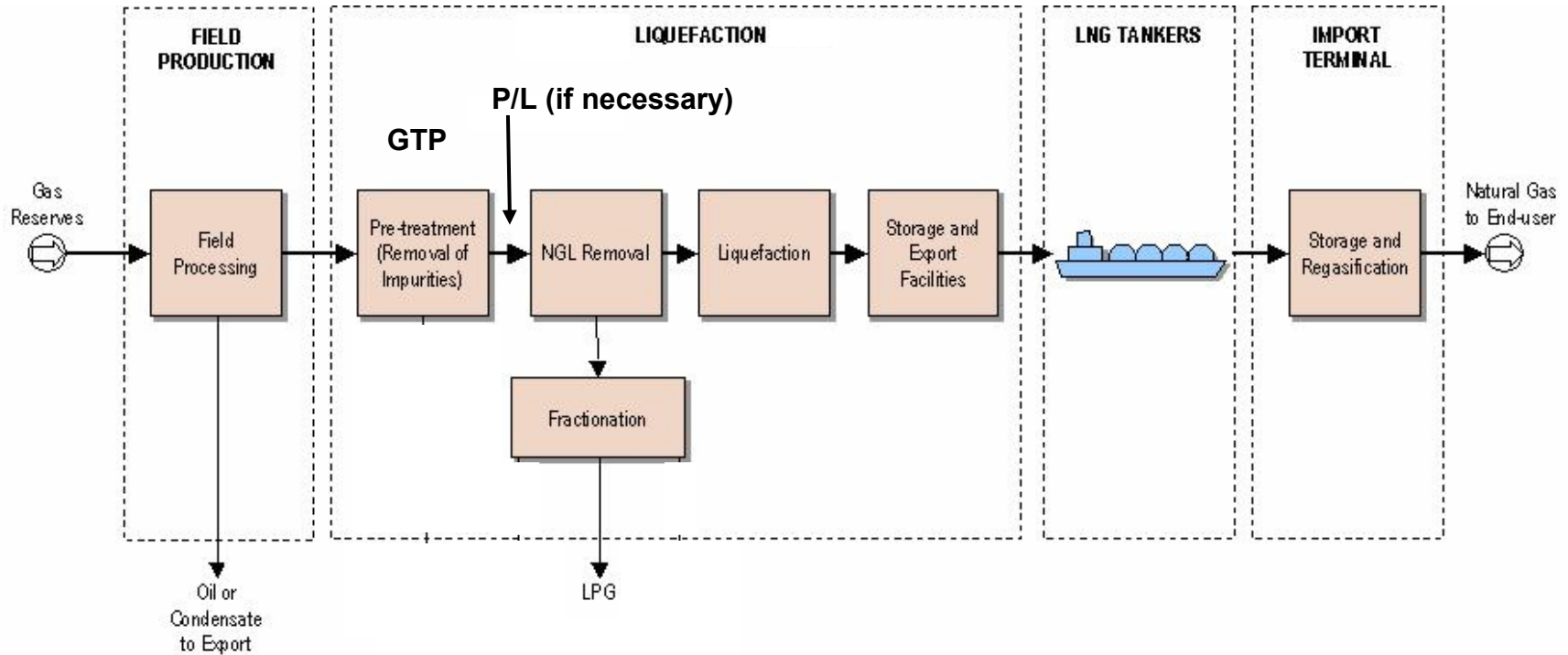
*Suite 2825
Three Allen Center
333 Clay Street
Houston, Texas 77002
713 228 2700*

*Suite 230
106 E 6th Street
Austin, Texas 78701
512 476 3711*



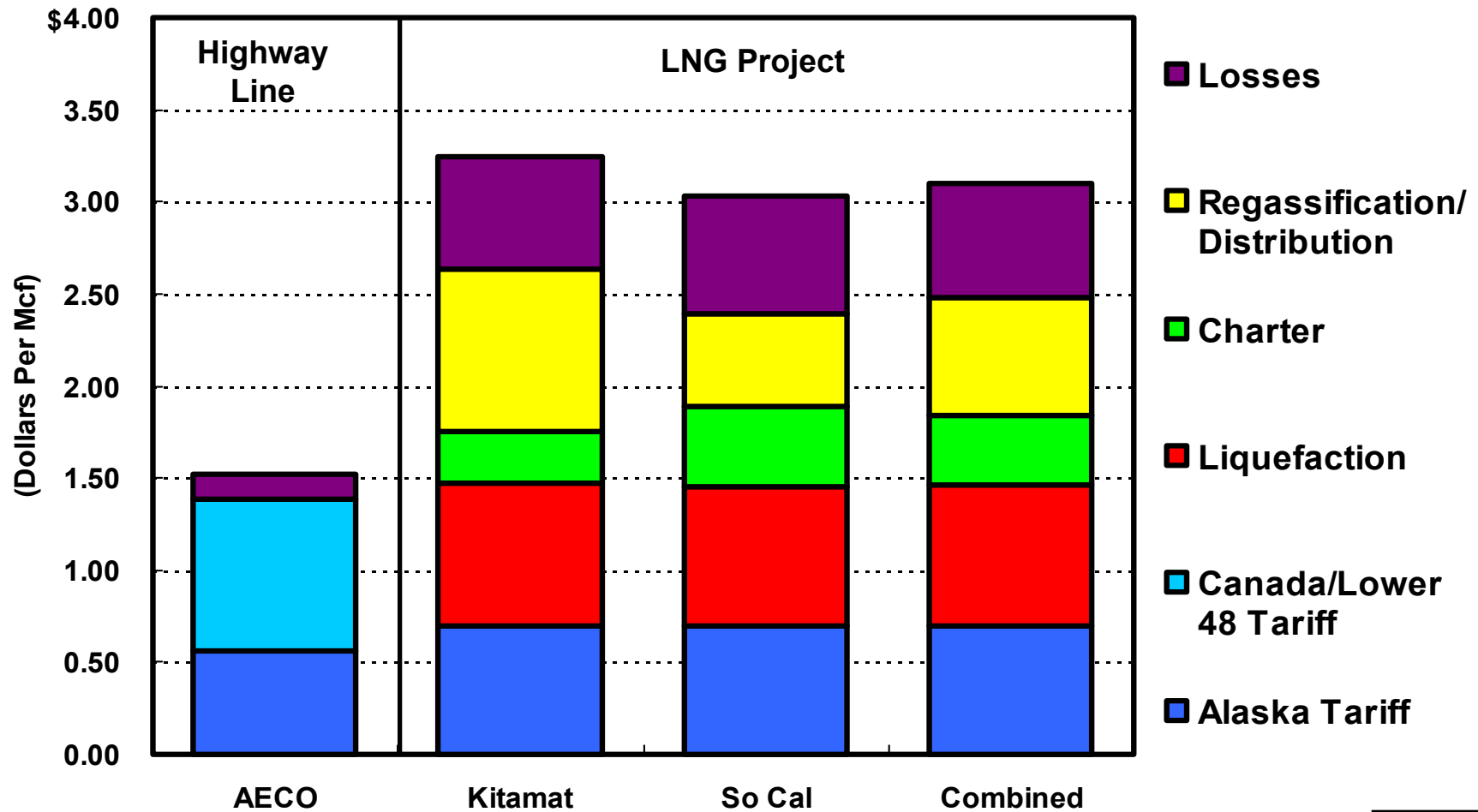
LNG Supply Chain

Typical LNG Value Chain

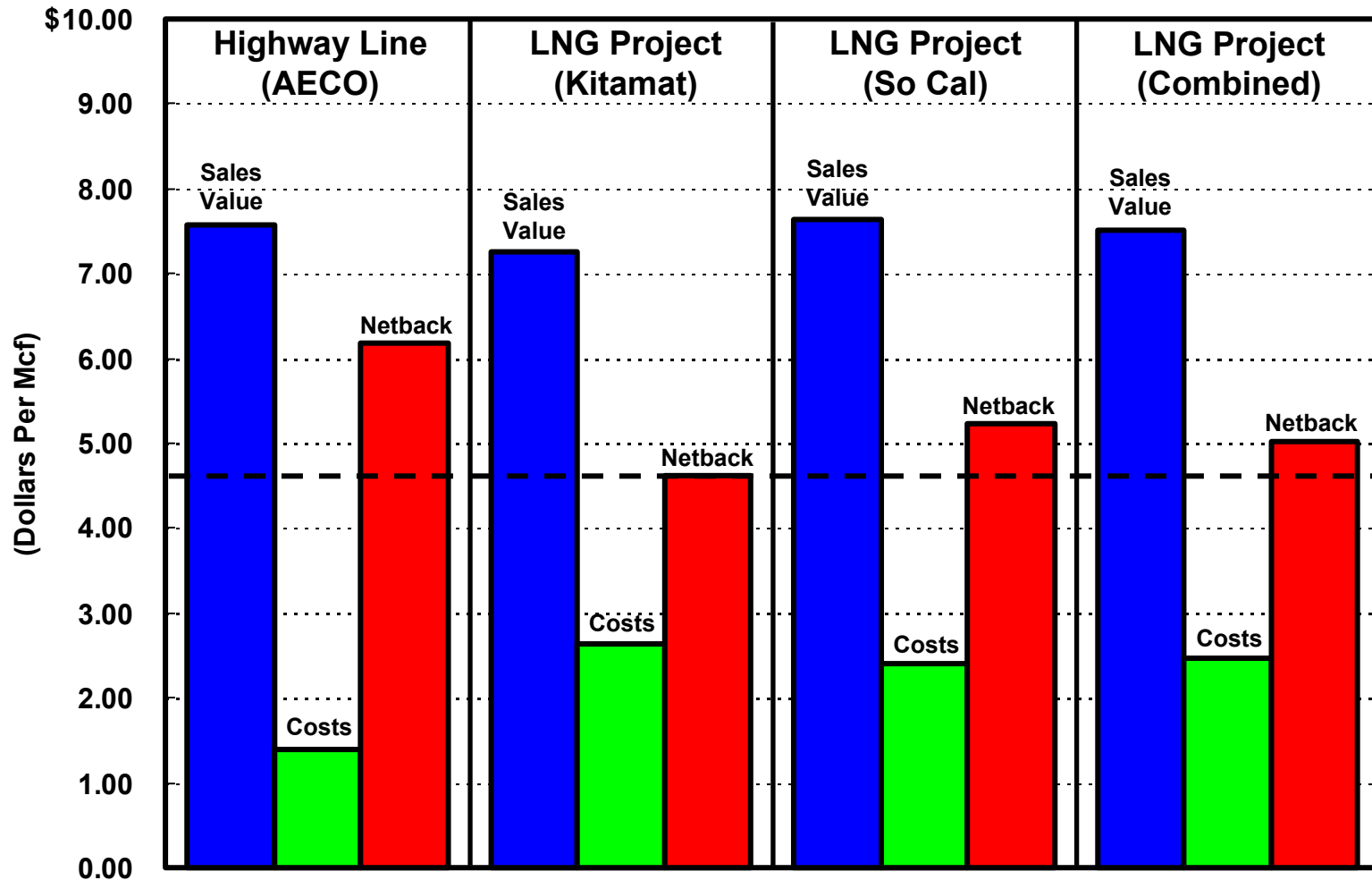


Stage	Liquefaction	Shipping (distance dependent)	Regas	P/L Access
Cost \$ per mmbtu	\$0.80	1.25	0.40	0.10
Capital	\$250+/ton capacity	\$165 M/ship	\$75/ton	
Losses	7%	.15%/day	2.5%	

Estimated Costs to Access Market from Pipeline Inlet (2016)

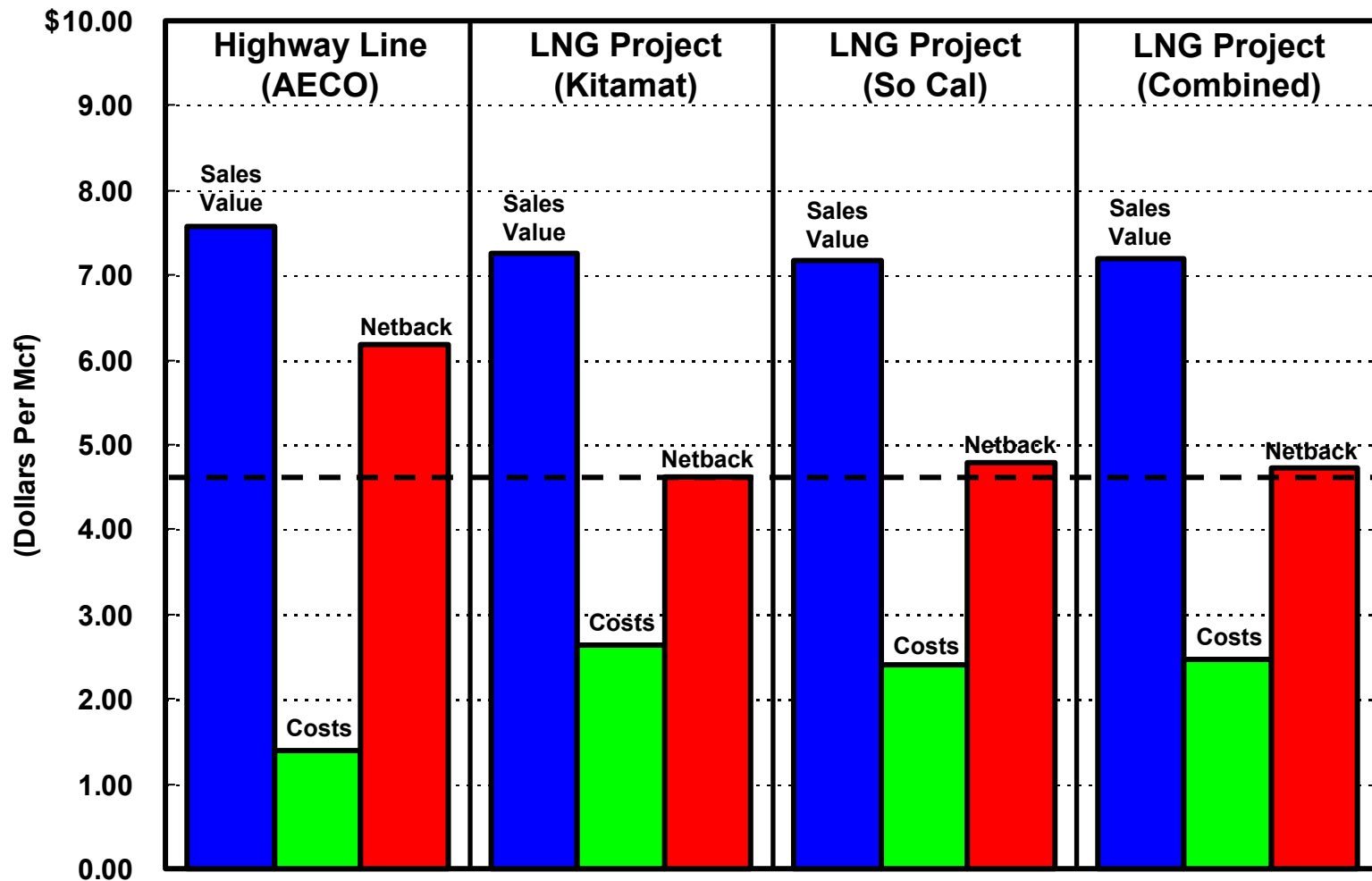


Estimated Netback Values at Pipeline Inlet (Base Case: So Cal = Chicago Less \$0.50)



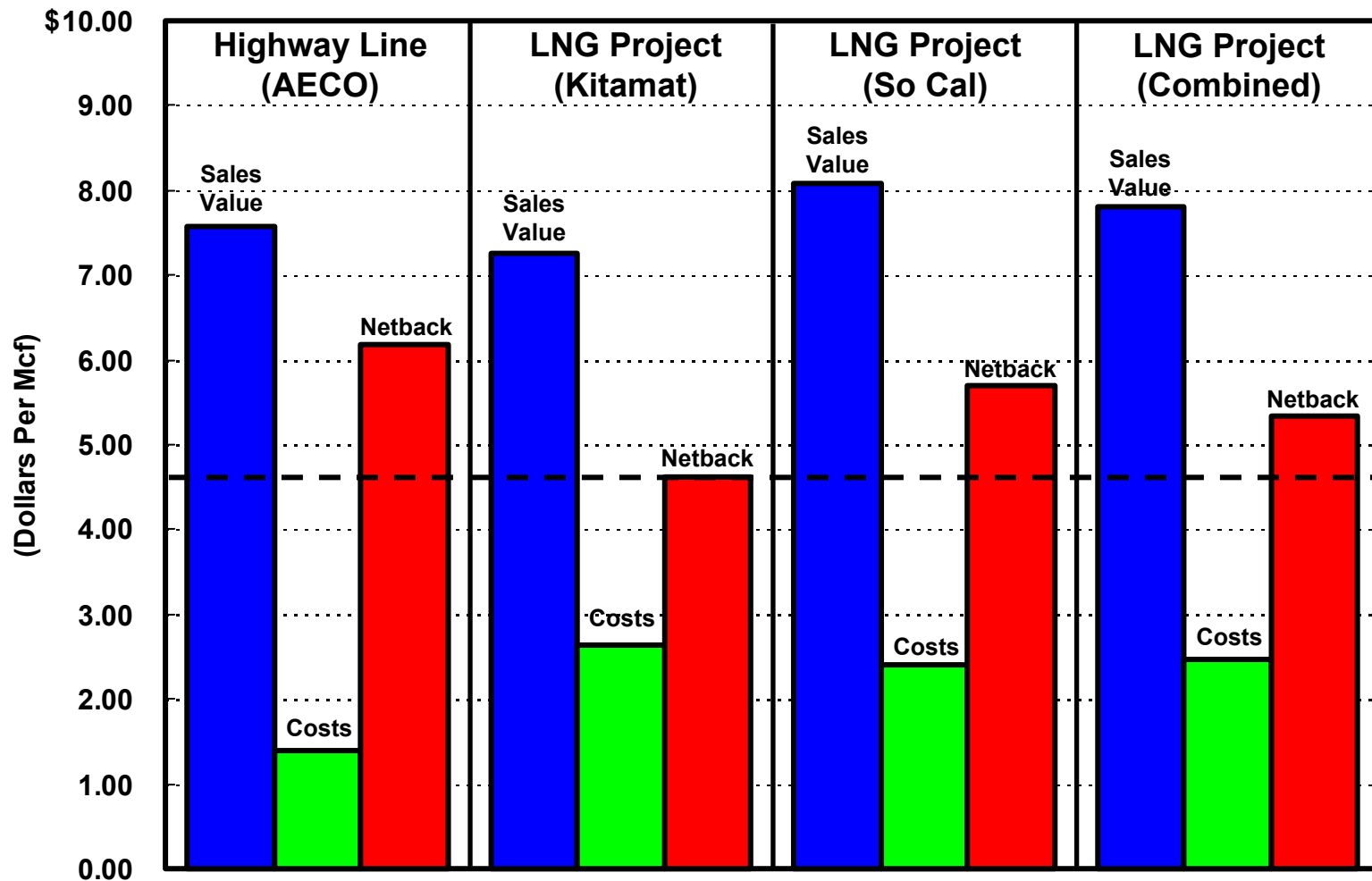
Note: Estimated Chicago Price of \$6.00/MMBtu (2005\$).

Estimated Netback Values at Pipeline Inlet (Low Price Case: So Cal = Chicago Less \$1.00)



Note: Estimated Chicago Price of \$6.00/MMBtu (2005\$).

Estimated Netback Values at Pipeline Inlet (High Price Case: So Cal = Chicago)



Note: Estimated Chicago Price of \$6.00/MMBtu (2005\$).

