



Mackenzie Valley Aboriginal Pipeline LP
a proud partner in
The Mackenzie Gas Project

NWT Chamber of Commerce

**2010 Annual General Meeting
April 14-15, 2010
Yellowknife, NWT**



Making history

**APG is a unique alignment of
Aboriginal groups in the Mackenzie
Valley**

**Not only to support the construction of the
Mackenzie Valley Pipeline**

...but to be a part of it



Making history

- Original Proposal to develop the Mackenzie Delta basin dates back to the early 1970's
- Public Hearings held under Justice Berger
- Aboriginal Groups opposed construction of the pipeline
 - No Land Claims in place
- In 1977, Justice Berger declared 10-year moratorium on development: The Aboriginal communities were not ready



Making history

- During the mid 80's, IPL (now Enbridge) constructed the Norman Wells Oil Pipeline to Alberta
 - No long-term benefits to Aboriginal Communities
- During the 80's and 90's, three of the four Aboriginal Groups along the ROW settled their land claims
 - These settlements resulted in investments in successful aboriginal corporations and joint ventures
- In early 2000, the Aboriginal Leaders of the Mackenzie Valley reached agreement on a vision:



“To maximize Aboriginal ownership and benefits from a Mackenzie Gas Pipeline”

Broad Northern support

- APG is the result of that vision
- Today, the Project has strong Aboriginal support:
 - Berger days are over: Widespread alignment for the pipeline
 - Most Access and Benefits agreements complete
- GNWT and municipal governments are staunch advocates
- APG – a precedent setting achievement for aboriginal people



Making history

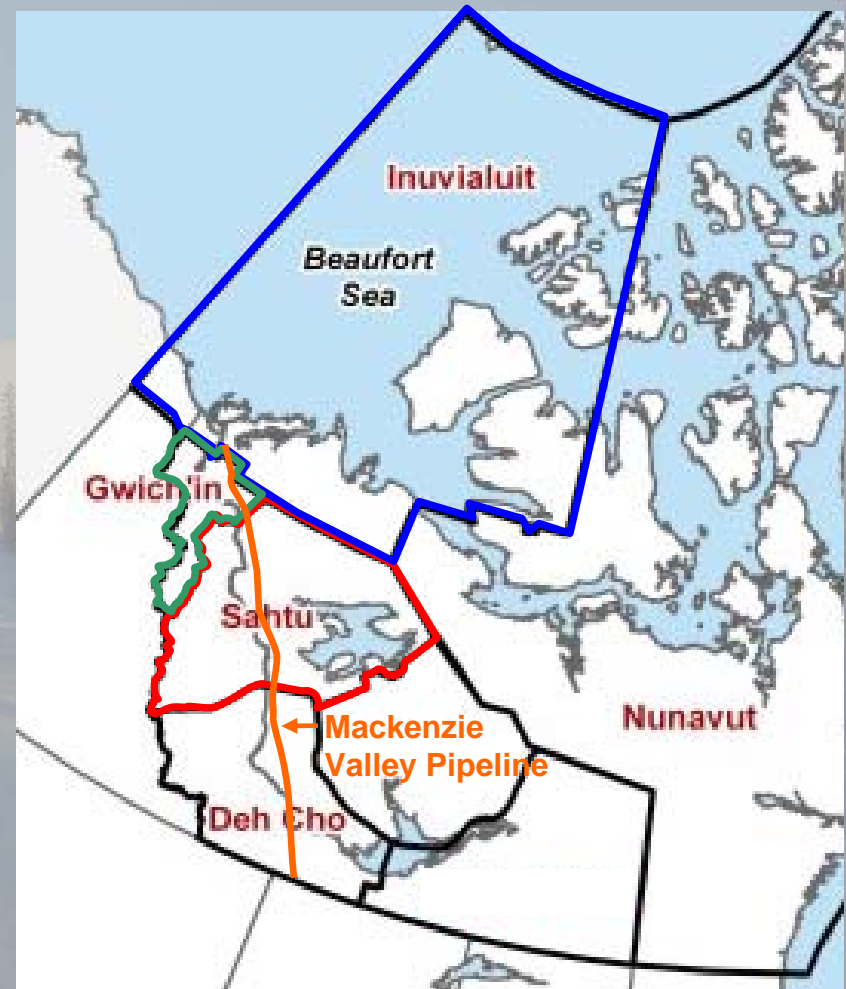
- APG is a business deal, negotiated by Aboriginal people for Aboriginal people
- Our mandate is to maximize the long-term financial return to the Aboriginal Groups of the NWT through ownership in the pipeline
- APG has negotiated the right to secure a one-third ownership interest in the Mackenzie Valley Pipeline



Making history

Our Shareholders are...

- The Gwich'in Tribal Council
- The Inuvialuit Regional Corporation
- The Sahtu Pipeline Trust



Ownership means full partnership

Ownership Through the Pre-development and Regulatory Phase:

- Imperial Oil – 34.4%
- APG – 33.33 %
- ConocoPhillips Canada – 15.7%
- Shell Canada – 11.4%
- Exxon Mobil Canada – 5.2%



Ownership means **full** partnership

As a Full Partner, APG:

- Has a seat on the Board of the MGP
- Participates in all project committees
- Has a direct voice in the development of this major project



Completing the APG partnership

- Today, the Dehcho are the only “corridor” group not part of APG
- Finalizing the Land Use Plan & Land Claim Settlement remain priorities
- Dehcho are taking steps towards joining APG
 - 2006: Dehcho Pipeline Corporation set up to hold APG shares
 - 2008: Resolution passed at DFN Spring Leadership Meeting designating DPC as the single entity to hold shares on behalf of all Dehcho communities
 - Dehcho communities in process of joining DPC

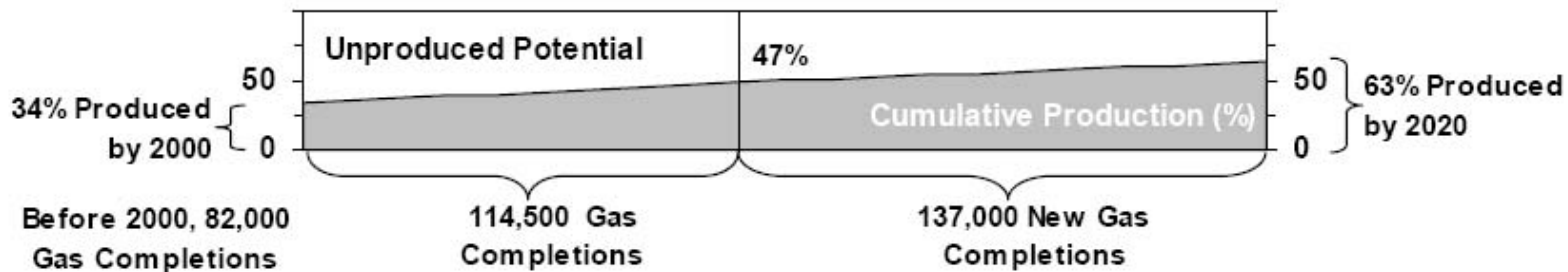
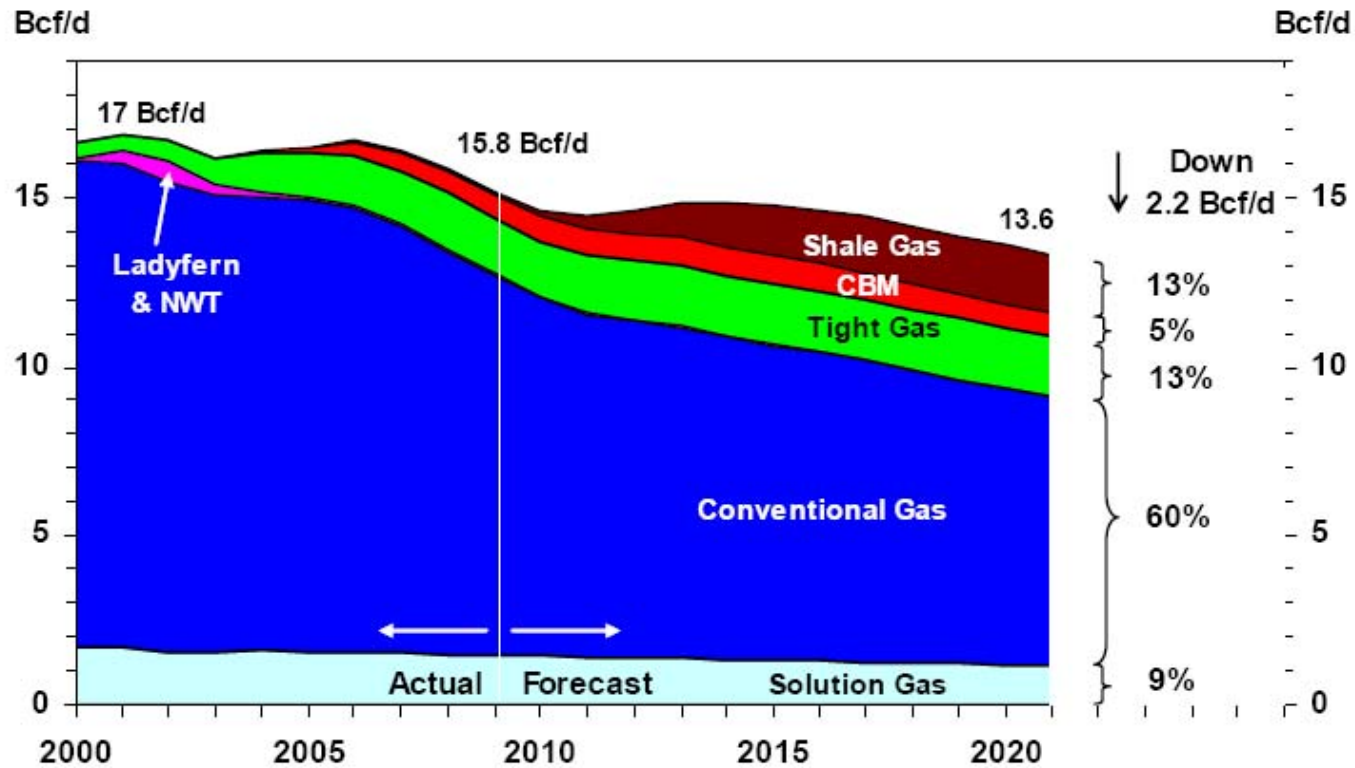


Do we need northern gas?

- Canadian gas production has steadily declined since 2001
- Conventional Canadian production is mature with decline rates of 20%
- Shale gas decline rates are even steeper (65% in the first year)
- With 2009 production of 15.8 Bcf/d, over 3 Bcf/d of new production is required each year just to maintain current production levels
- Conclusion: Shale gas plus both Northern pipelines are required to meet forecast gas requirements



Western Canada Gas Production



benefits

To the Valley

- Project provides huge economic stimulus for the future of the Mackenzie Valley
 - \$500M Social Economic Impact Fund
 - \$1B in set-aside work for corridor groups
 - Over 7000 jobs in NWT during construction
 - ~150 permanent full-time positions with the main pipeline and anchor fields
- Annual APG dividends in excess of \$20 million
- Generates economic independence and self-sufficiency, displacing present dependence on Government programs



“In the Panel’s view, the MGP could provide the foundation for a sustainable northern future.”

Good for the North...

...Good for Canada

- GDP benefits of over \$100B to Canada
 - Creates over 100,000 new jobs, widely spread across Canada
- Tax revenue of over \$10B to Federal, Provincial and Territorial governments
- Attaches a new Canadian gas supply basin to the North American Pipeline grid
- Supports and strengthens Canada's priority for Arctic Sovereignty
 - Enhances infrastructure throughout the region
 - Catalyst for Canadian Arctic offshore exploration
- Supports Canada's course in reduction of greenhouse gas emissions
 - displaces coal & oil in the power generation market



“The Pipeline is the future of the Mackenzie Valley”



APG's Board of Directors

Fred Carmichael
Board Chair
Gwich'in

Charlie Furlong
Board Member
Gwich'in

Nellie Cournoyea
Board Member
Inuvialuit

Duane Smith
Board Member
Inuvialuit

John Tutcho
Board Member
Sahtu

John Louison
Board Member
Sahtu



Regulatory Timeline

Oct 2004	Regulatory Application filed
Jan 2006	Public hearings commenced
Dec 2006	NEB Hearings completed
Nov 2007	JRP Hearings completed
Dec 2009	JRP Report issued
Apr 2010	NEB Final Argument
Fall 2010	NEB Decision



NEB Regulatory Schedule

- Proponents Written Comments on JRP Report Jan 28
- Interveners Written Comments on JRP Report Feb 11
- Proponents Reply Comments on JRP Report Feb 18
- NEB Issues Modifications to Recommendations Mar 10
- Proponents file Updated Evidence Mar 15
- NEB Hearing resumes on Updated Evidence Mar 29
- JRP Responds to NEB Proposed Modifications Mar 31
- NEB Final Arguments- All Parties- Yellowknife Apr 12-17
- NEB Final Arguments- All Parties- Inuvik Apr 20-24

Parties wishing to file Written Final Arguments
must do so by April 8 2010.



MGP Activities Ahead

- Continue to support the regulatory process through to NEB Decision
- Finalize Project Restructuring
 - True, basin-opening pipeline
 - Attractive tolls and tariffs for incremental shippers
- Commence detailed engineering
- Finalize route alignment; PPBoR
- Obtain local permits
 - Land Use Permits, Water Licenses, Stream Crossing Approvals, etc.



moving forward

Anticipated Timeline

