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## **Steven Findlay**

Vice President Regulatory Affairs Chief Compliance Officer

December 3, 2009

Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street N.E. Washington, D.C. 20426

Re: Denali – The Alaska Gas Pipeline LLC PF08-26-000 November 2009 Monthly Status Report

Dear Secretary Bose:

On June 25, 2008 the Commission issued an Approval of the Pre-filing Process Request for Denali – The Alaska Gas Pipeline LLC (Denali), as filed under the above referenced docket. Pursuant to Section 157.21(f)(6) of the Commission's regulations, Denali hereby submits its monthly status report for November 2009. During this reporting period, Denali continued actively working to advance the Alaska gas pipeline project.

Denali continues to progress the project in preparation for its open season in 2010. The work to estimate the cost of the pipeline and the gas treatment plant (GTP) is nearing completion. Denali is focused on preparing a credible cost estimate that will underpin Denali's open season commercial offering in 2010. Denali has also initiated pre-open season discussions with anchor shippers and is formulating its plans for open season, including those aspects required under FERC Order 2005A.

Denali's outreach efforts in Alaska and Canada have remained strong and substantial and have been focused on communities, landowners, Alaska Native organizations, and Canadian Aboriginal groups along the pipeline route. To date, Denali has participated in over 450 meetings with project stakeholders in the U.S. and Canada.

Over the coming months, Denali's focus will continue to be on conducting the work necessary to position itself for a successful open season in 2010. Some of the key milestones and activities are:

- Completing the project cost estimate and execution planning;
- Progressing regulatory work with the FERC, OFC, BLM, DNR, and other federal and state agencies;



- Continuing to work with the NEB, MPMO and other Canadian regulatory agencies and government departments;
- Furthering engagement with communities, governments, Alaska Natives, Canadian Aboriginal groups, and other key stakeholders;
- Discussing pre-open season needs with potential anchor shippers; and
- Advancing commercial and regulatory preparations for open seasons in both Alaska and Canada.

The following is a summary of the project outreach activities that occurred during November 2009:

## November 2009 Activities

**November 5-6, 2009** – Denali representatives participated in a Pacific Northwest Economic Region (PNWER) conference held in Regina, Saskatchewan.

**November 11, 2009** – Denali submitted its second project update to the Alaska State Legislature (April – October 2009). This comprehensive project update included key milestones and accomplishments. The report can be accessed on Denali's website at <a href="http://www.denalipipeline.com/">http://www.denalipipeline.com/</a>.

**November 18, 2009** – Denali representatives met with staff from State Pipeline Coordinator's Office to provide an overall project update.

**November 19, 2009** – Denali President Bud Fackrell addressed the annual Resource Development Council (RDC) conference in Anchorage, Alaska. His presentation provided a status update as well as an overview of the risks facing the project. Mr. Fackrell focused in particular on market risk, the potential impact on the project caused by the uncertain status of the Pt. Thomson Unit, and the lack of progress on the State of Alaska's fiscal regime for natural gas production. Denali also sponsored a booth during the RDC conference which attracted hundreds of visitors.

**November 19, 2009** – Denali briefed the Alaska Municipal League in Anchorage on the project status and risks.

**November 25, 2009** – Denali Canada met with representatives of federal and territorial agencies and federal departments to provide an update on the project and receive information relating to the regulatory process.

Should you have any questions concerning any of these activities, please don't hesitate to contact me at 907-865-4733.

Sincerely,

Steve Findlay Vice-President Regulatory Affairs and Chief Compliance Officer

Cc: Drue Pearce, Federal Coordinator