



September 25, 2009

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FOR IMMEDIATE RELEASE

**ENSTAR Asks for Approval of
Gas Supply Agreement with Anchor Point Energy**

ANCHORAGE – ENSTAR Natural Gas Company (ENSTAR) announced today it is seeking approval of a Gas Supply Agreement (GSA) with Anchor Point Energy (APE) that would provide new gas supplies to existing customers and add an additional supplier to the Cook Inlet market. If the Regulatory Commission of Alaska (RCA) approves the proposed plan, natural gas will be available to Anchor Point residents for the first time. Additionally this contract will encourage more gas exploration and development of gas reserves in southern Cook Inlet.

“ENSTAR is excited about the new partnership with APE,” said Colleen Starring, president of ENSTAR. “They are a reliable company engaged in exploration and development and will add new competition to the Cook Inlet market; a promising development for the region and all customers in South Central Alaska.”

In a tariff filing this week, ENSTAR asks for an expedited decision from the RCA by no later than March 15, 2010, so that it can meet a tight deadline to construct a transmission pipeline extending from the Kenai Kachemak Pipeline to Anchor Point, called “the New Pipeline,” then connecting to APE’s proposed facilities. As a part of the

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agreement, APE will build the infrastructure necessary to get the gas from its existing well in North Fork area to the ENSTAR system in Anchor Point. The agreement also contains a commitment from APE to drill two additional wells within four years.

If the GSA is approved, APE would provide a minimum of 1.2 Billion cubic feet (Bcf) of gas annually to ENSTAR, up to 10 Bcf over the life of the agreement, and possibly more. That supply would meet about one-tenth of ENSTAR's projected gas supply shortfall in 2011.

"While this is not the entire answer to South Central Alaska's natural gas supply dilemma, it's a step in the right direction that will provide a reliable supply of gas to customers at a reasonable price," said Starring.

To view a copy of the complete filing, visit
<http://www.enstarnaturalgas.com/RatesRegulatory.aspx>.

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