

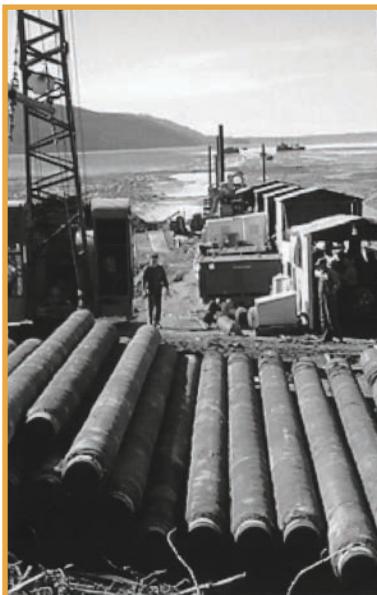
ENSTAR NATURAL GAS: Looking Back on **60** Years



In 1959, a new company known as Anchorage Gas was formed by a few forward-thinking people from Texas, Hawaii, and Alaska, to run a gas pipeline from the Kenai Gas Field to Anchorage, including a 9-mile subsea crossing of the Turnagain Arm.

Originally, the contractor planned to cross Turnagain Arm with conventional marine pipeline methods for river crossings. However, conventional methods proved impossible for laying and burying this string of pipe across the volatile tides and soil conditions of the

Cook Inlet. In fact, one string of pipe was lost and never recovered.



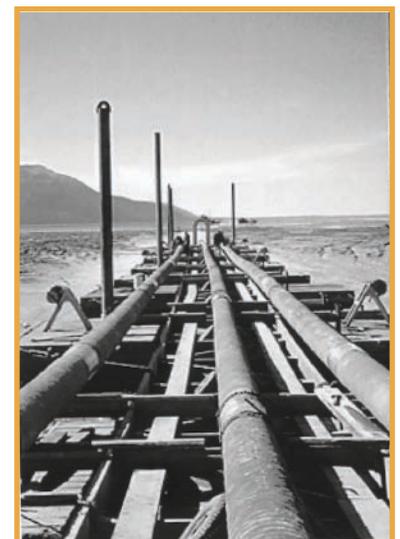
"In the end, the tide itself proved to be both the problem and the solution."

Exasperated, the contractor's superintendent announced in 1960: "This job is impossible and will never be done."

Through ingenuity, grit, and unrelenting persistence, the job was completed on time. Trenching, fencing, sandbags, dams, and blasting were all attempted as possible solutions to combat the tidal conditions. In the end, the powerful tide itself proved to be both the problem and the solution when company engineers devised a system to

capture the tide's power to dig the 7' trench in a single tide cycle.

With the pipeline finally in place, Anchorage Gas, later ENSTAR Natural Gas, served its first customer, the Rice Bowl on August 14, 1961.



AVOID THE IMPACT OF SEASONAL HIGHS & LOWS ON YOUR MONTHLY BILL...

Sign Up FOR Budget Billing

Budget Billing is a great way to level out the highs and lows of seasonal bills and make your monthly natural gas bill more predictable. Enroll online between May 1st to July 31st each year.

How It Works: To establish your Budget Billing amount, ENSTAR estimates your gas charges based on the last three calendar years of consumption and divides this amount into 11 equal bills. Each month from August through June, your ENSTAR bill will be the Budget Billing amount. In addition, you will also be able to see the difference between your actual charges and what you have paid to date.

July is the "settle up" month for Budget Billing. On the July bill, ENSTAR takes the actual charges for the plan year and subtracts your total payments. If you used less gas than estimated, a credit will be applied to your July bill. If you used more gas, you will be charged the difference.

**TO SIGN UP OR TO GET MORE INFORMATION, GO TO:
WWW.ENSTARNATURALGAS.COM**

ENSTAR HAS FILED FOR A DECREASE IN ITS ANNUAL GAS COST ADJUSTMENT (GCA) WITH THE REGULATORY COMMISSION OF ALASKA (RCA)

The **GCA** is one of four charges that make up your monthly bill. It is often referred to as a "pass-through" charge since you pay exactly what ENSTAR paid to producers for the gas. It is based on Gas Supply Agreements approved by the RCA.

The **CUSTOMER**, **SERVICE**, and **RCC** charges are the other three parts of your bill. While the Customer Charge is a flat fee, the Service and RCC charges are based on the amount of gas you used that month.

If approved, the gas cost will change from \$0.8323 to \$0.8130 per CCF, which represents a decrease of approximately \$2.30 for the average residential monthly bill.

The new price will be effective on your July billing. For more information on the GCA, see ENSTAR's website: www.enstarnaturalgas.com.

→	ENSTAR Customer Charge	16.00
→	ENSTAR Service Charge (Base) 182 ccf @ .147590	26.86
→	Regulatory Cost Charge (RCC) @ .137000%	0.27
	Total ENSTAR Charges	\$43.13
→	Supplier Gas Cost Charge (GCA) 182 ccf @ .81301	\$147.96
	Total Supplier Charges	\$147.96
	Current Gas Charges:	\$191.09
	Total Current Activity	\$191.09