

PORTS-TO-PLAINS

ALLIANCE

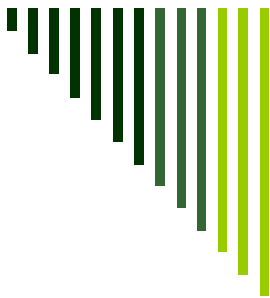
Securing the Benefits of Commerce to
North America's Energy & Agriculture Heartland



Michael Reeves

President

Ports-to-Plains Alliance



Ports to Plains Alliance Partners







Ports to Plains Benefits

- Economic development to rural areas of North America
 - Infrastructure to improve commerce, particularly agriculture and energy industries
 - Improved highway safety
 - Education and research exchanges
-

Safety

- Rural fatality rates 2.5 times higher than urban roadways
- Completion of PTP projected to reduce accidents by the following rates:
 - Texas – 47%
 - Oklahoma – 44%
 - New Mexico – 33%
 - Colorado – 28%





Ports to Plains Eastern Alberta Corridor

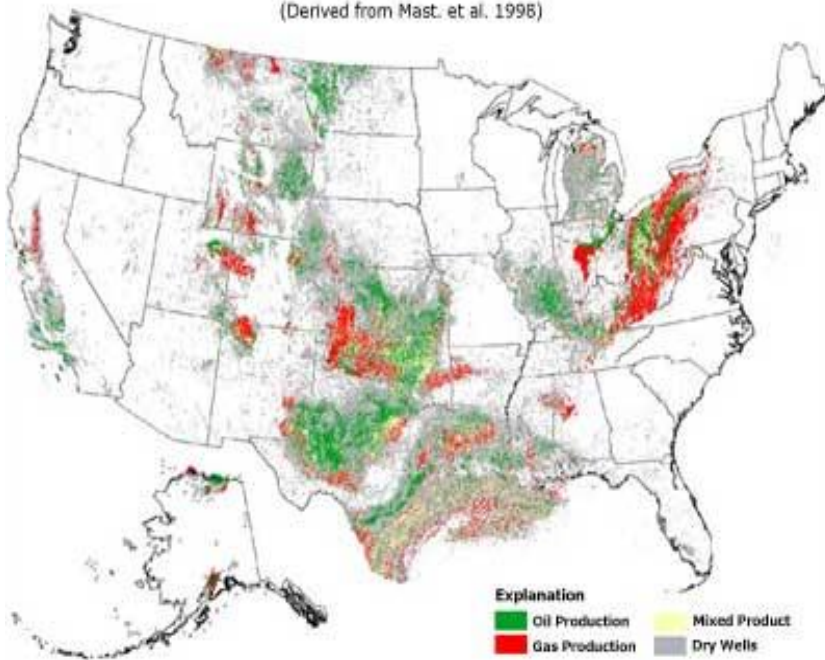
- Rural economic development
- Less congested alternative to other highways and border crossings



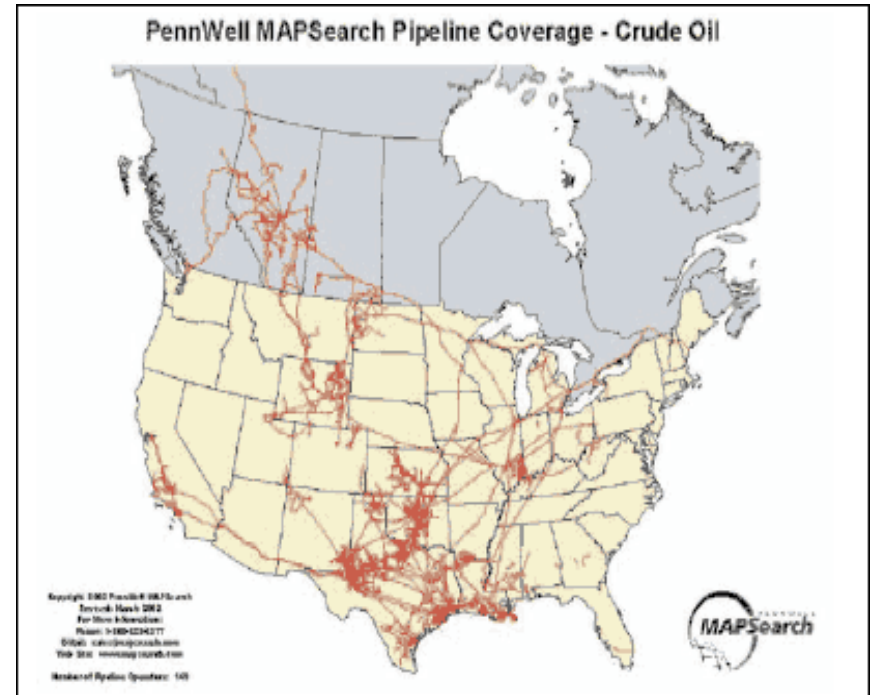
Oil and Gas Corridor

Oil and Natural Gas Production in the United States

(Derived from Mast, et al. 1996)



PennWell MAPSearch Pipeline Coverage - Crude Oil

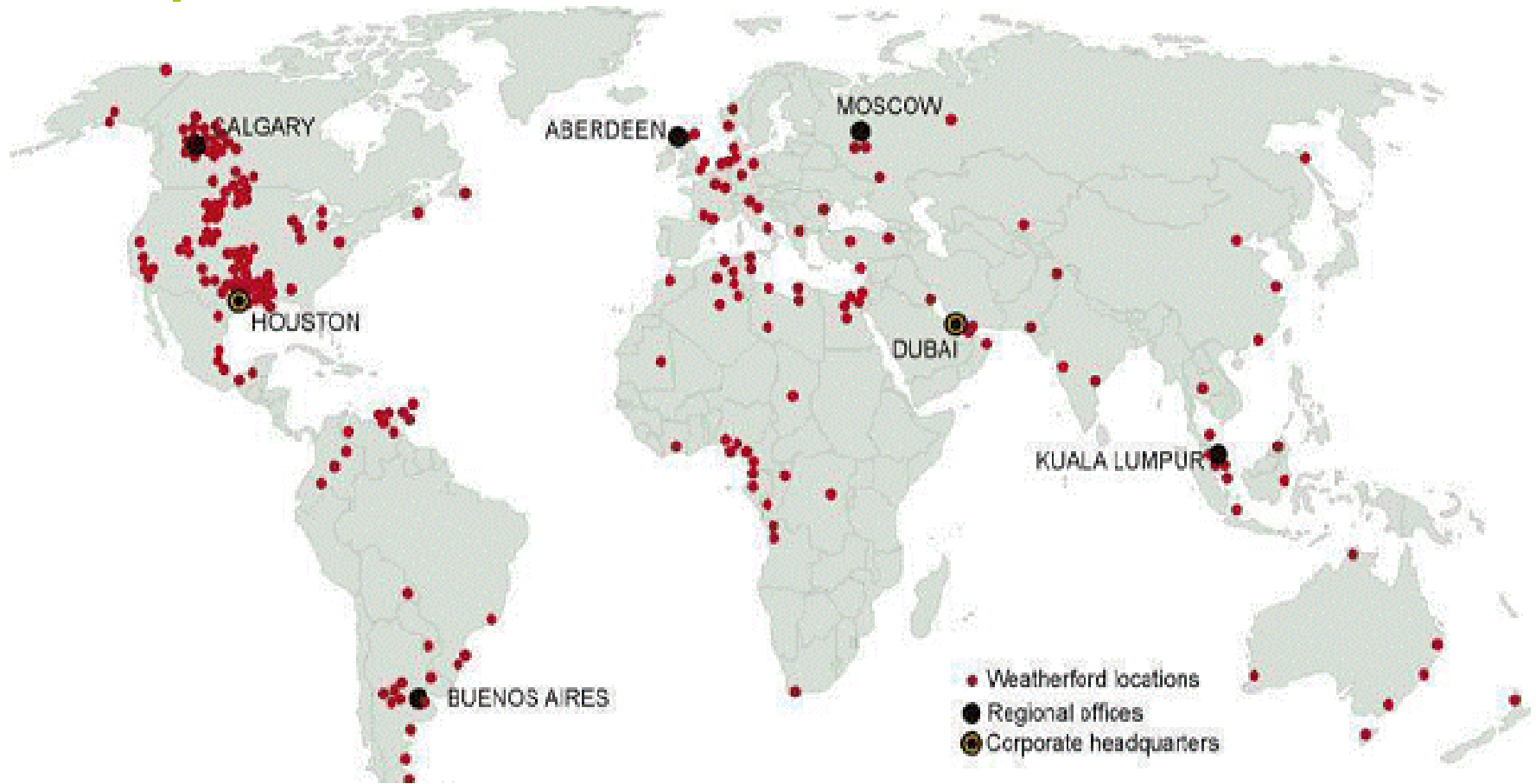


ConocoPhillips in Ports to Plains States



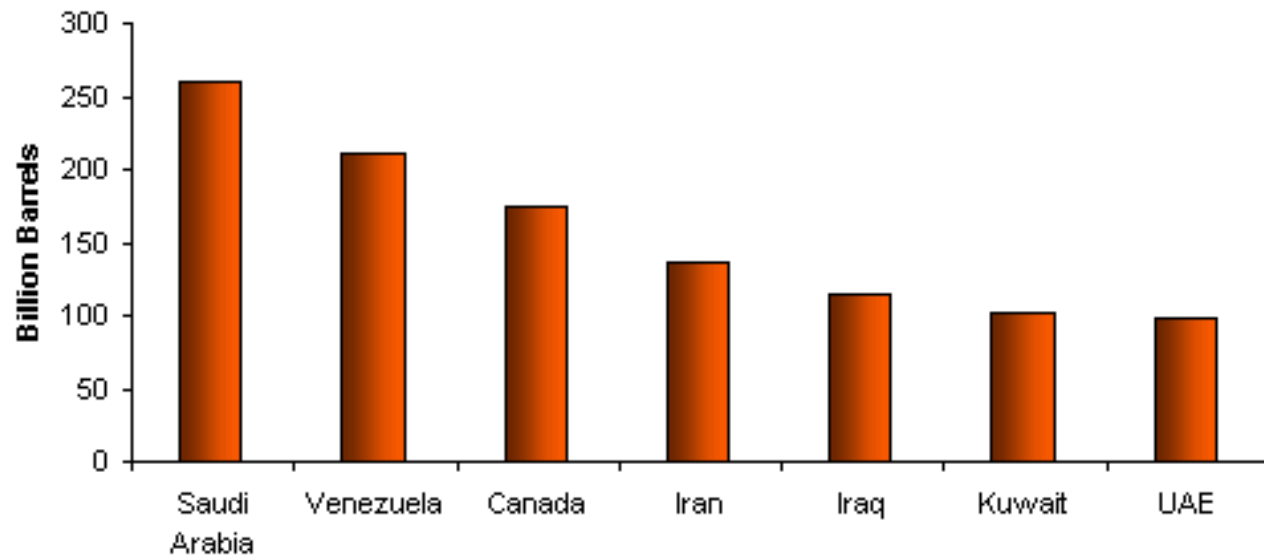
- 16,000 employees
- Approximately \$2.8 billion in royalties and taxes paid to Provincial, State and Local governments
- 82 million barrels of oil produced annually
- Almost 1.5 trillion cubic feet of natural gas production annually
- 4 refineries
- 7800 miles of pipeline

PTP serves oil exploration



Worlds Oil Reserves

Top World Oil Reserves by Country
January 1, 2011



Source: *Oil and Gas Journal*



Who do you trust?





Who do you trust?



PTP serves oil exploration

- Ports to Plains is logical route for trade between Alberta, Texas and Mexico



Transportation key to development

development

Megaloads of heavy equipment are essential to development of oil sands projects



AP File

Rig Related Movements Per Well

| Item | Number of Trucks | Inbound/Outbound |
|------------------------------|------------------|------------------|
| Sand | 80 | Inbound |
| Water (fresh) | 400 | Inbound |
| Water (Waste) | 200 | Outbound |
| Frac Tanks | 100 | Both |
| Rig Equipment | 50 | Both |
| Drilling Mud | 50 | Inbound |
| Chemical | 4 | Inbound |
| Cement | 15 | Inbound |
| Pipe | 10 | Inbound |
| Scoria/Gravel | 80 | Inbound |
| Fuel Trucks | 7 | Inbound |
| Frac/cement pumper trucks | 15 | Inbound |
| Workover Rigs | 1 | Inbound |
| Total – One Direction | 1,012 | |
| Total Trucks | 2,024 | |

Truck Transportation Math Snapshot

| Truck Transportation | Loads per year |
|----------------------|----------------|
| Rig Movements | 3,036,000 |
| Sand | 112,500 |
| Oil | 365,000 |
| Production Water | 584,000 |
| Total | 4,097,500 |
| Loads per day | 11,226 |

Protesters using transportation to block oil sands development



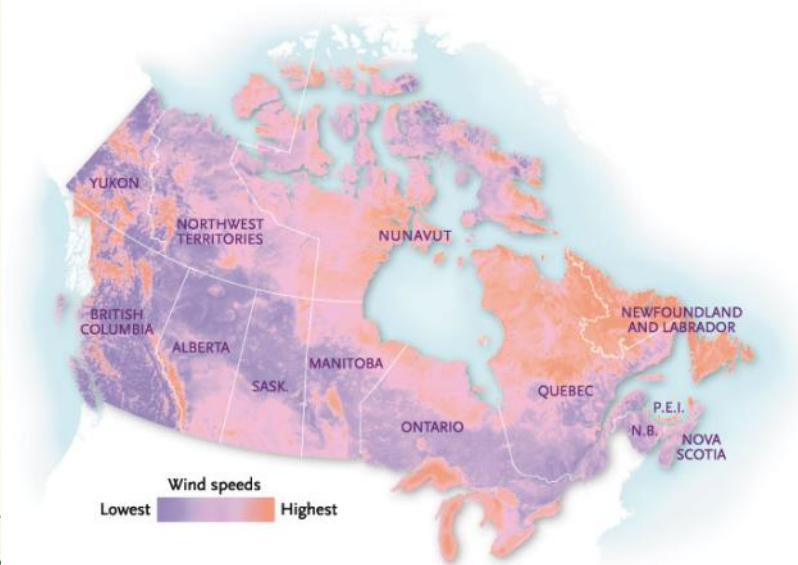
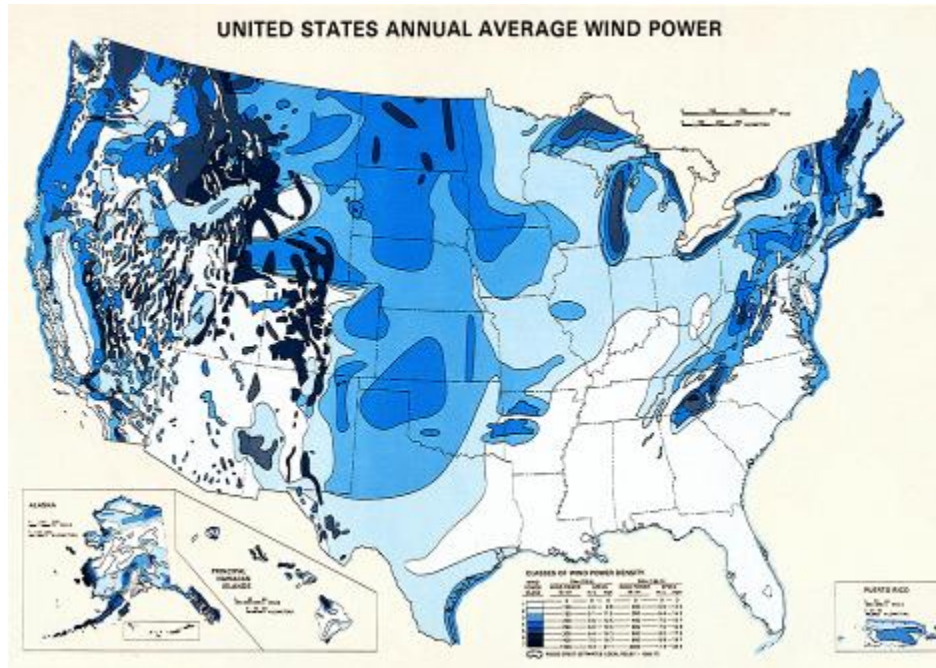
Keystone XL Pipeline



Source: TransCanada By Janet Loehrke, USA TODAY

- Important for oil sands development
- PTP mayors sent letter of support

Wind Power Corridor





Transportation Costs Factor into Manufacturing Decisions

- Large size of materials mean greater shipping cost
 - 1.5 mw blade - \$7 per mile shipping cost
 - 2 mw blade - \$15 per mile shipping cost
 - Advantage to locate manufacturing facilities near wind farm sites
-

Infrastructure Demands



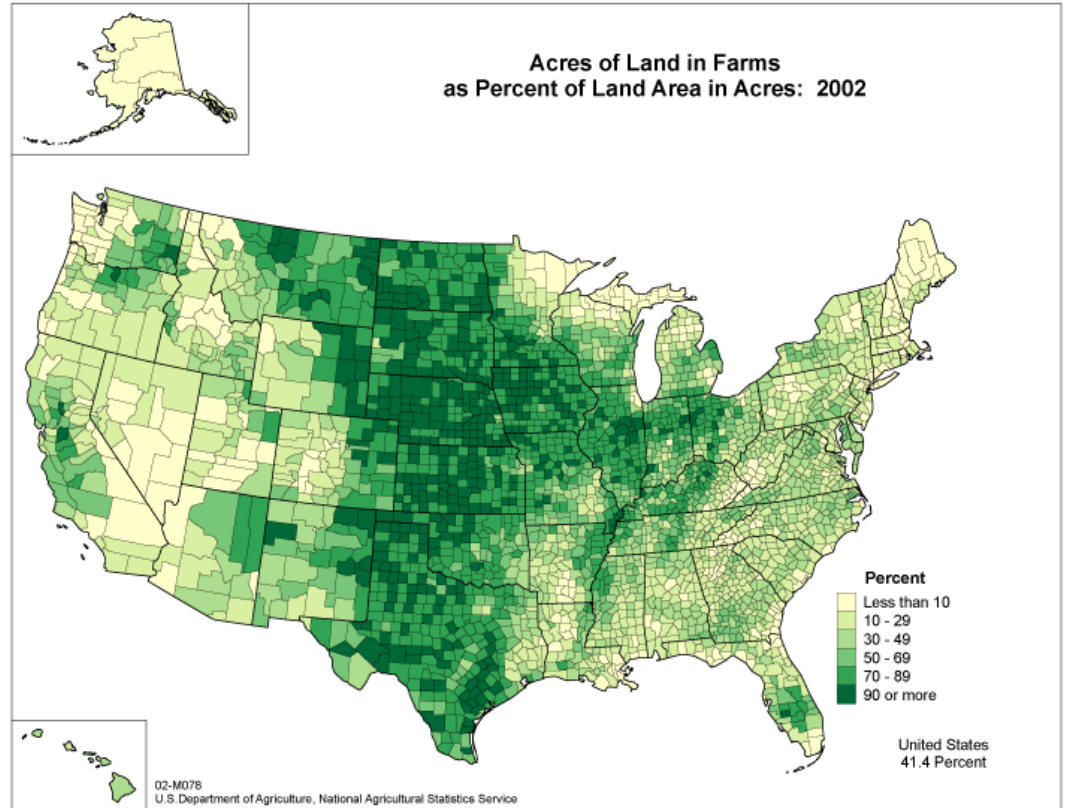
- ❑ 8-10 permitted and escorted loads per tower
- ❑ 5 regular loads per tower
- ❑ 13 to 15 total truck loads per wind tower
- ❑ 4000 MW farm with 2667 towers would require up to 40,005 trucks and 53,340 pilot cars







Agriculture Corridor

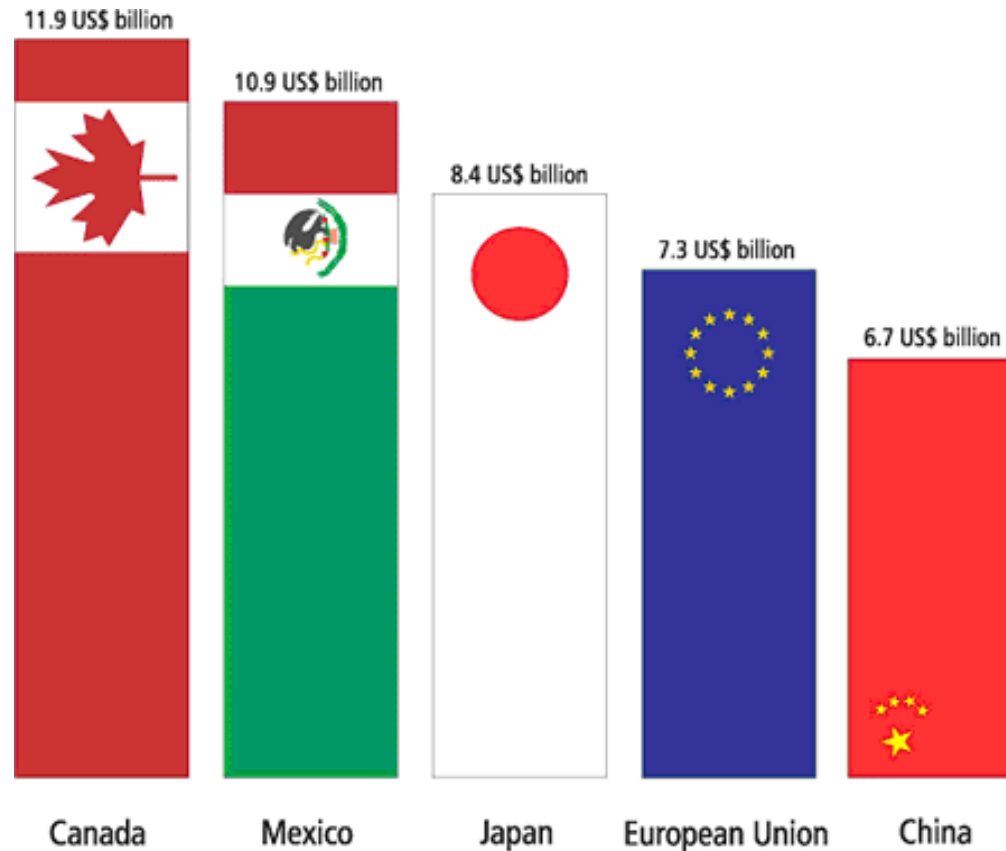


Transporting Farm Equipment



Who buys U.S. Farm Products

Top 5 markets for 2006





Federal Advocacy Efforts

- Highway funding bill
 - Possible vehicle for environmental issues
 - Pilot program for freight and oversize loads
 - Cross border issues
 - Wild Horse crossing
 - Trade issues
 - Forums for education on agriculture and energy issues
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Ports to Plains Corridor Coalition

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