



PRESS RELEASE

July 24, 2014

DOWNEAST LNG SUBMITS PRE-FILING REQUEST WITH FERC

DOWNEAST LNG (DELNG) announced today that it has submitted its pre-filing request yesterday July 23, 2014 with the Federal Energy Regulatory Commission (FERC) to develop an estimated \$2 billion bi-directional LNG facility at its proposed location in Robbinston, Maine. The facility will be able to liquefy natural gas for export as LNG and regasify imported LNG, as the market requires.

This latest federal filing moves the proposed project forward. The facility will have the ability to produce up to 3 million tons of LNG per annum beginning in 2019-2020 for LNG buyers through a tolling model. Given market interest DELNG increased capacity by one million tons per annum. As compared to other LNG projects proposed in the U.S., DELNG will offer LNG buyers an opportunity to access Canadian and USA gas reserves, with gas committed under a fixed price contract or floating index.

“This is an important step in our plans to have an LNG facility in Downeast, Maine,” said DELNG president and founder Dean Girdis. “Once the bi-directional facility is online, it will give us the ability to respond to market conditions and customer needs while increasing the supply of natural gas in the state, whether we are importing or exporting,”

First proposed in 2005, the DELNG project in May of 2014 received a positive Final Environmental Impact Statement (FEIS) from FERC for its originally proposed regasification project. Although the proposed bi-directional facility will require modifications to the current site plan, much of the facility will remain the same.

The reconfigured DELNG project will retain one LNG storage tank, pier, regasification equipment and natural gas pipeline as currently proposed, adding liquefaction capacity to the current design.

DELNG also plans to submit its Free-Trade Agreement (FTA) and non-FTA export requests to the Department of Energy (DOE).

Construction on the project is expected to begin in 2016 and the company looks forward to developing its proposed project in collaboration with the citizens of Washington County and Maine. DELNG is expected to be operational in 2019/2020.

The development of the DELNG project will help alleviate gas supply constraints in the New England region by contracting for 450 mscfd of firm gas pipeline capacity, thereby supporting the construction of new pipelines to the region and increasing market liquidity.

DELNG also plans to release up to 20 days of pipeline capacity annually to New England consumers on the coldest winter days to increase gas supply, thereby reducing high winter spot gas prices in the region.

In a study generated by Professor Todd Gabe of the University of Maine, the bi-directional project will generate significant job growth and represent an economic boom to the Downeast area. During its three years of construction, more than 2,000 full- and part-time jobs and labor income of more than \$375 million will be realized. Once completed, the statewide impact of its annual operations, including multiplier effects, will be an estimated \$68 million in output, 337 full- and part-time jobs, and \$21.6 million in labor income.

The impact on Washington County's economy, including multiplier effects, will be an estimated \$46.4 million in output, 207 full- and part-time jobs, and \$14.0 million in labor income.

Contact:

Cathy Footer, Media, 207-454-3925

Dean Girdis, CEO/President, 202-249-9035