



April 28, 2008
Broadwater Media Line: 631-208-8350

BROADWATER REMAINS COMMITTED TO NEW YORK AND CONNECTICUT ENERGY MARKETS

April 28, 2008 (Riverhead, New York) – Today, Broadwater Energy (Broadwater) initiated the first step in preparation for an appeal to the U.S. Department of Commerce regarding the New York State Department of State (NYS DOS) Coastal Zone Management Act determination. Broadwater filed a request with the Federal Energy Regulatory Commission (FERC), as the lead agency for the Broadwater project, to consolidate the record for the project.

The 'consolidated record' includes all relevant information from FERC and other permitting agencies and will be submitted in conjunction with Broadwater's appeal to the Department of Commerce.

Broadwater has been designed and sited to be consistent with New York's coastal zone policies. "Despite the recent determination by the NYSDOS, we firmly believe that Broadwater is the best way to deliver a new supply of clean, affordable and reliable natural gas to the region without the onshore and near shore environmental and safety impacts associated with other alternatives," said John Hritcko, Senior Vice President and Regional Project Director Broadwater Energy. "We made significant additional commitments to the Department of State, which we believe would be welcomed by local residents."

"It is important to recognize that the Long Island, New York City and Connecticut gas markets are at the end of very long gas pipelines. As a result, this market region pays very high prices for natural gas relative to other parts of the US. The Broadwater project brings significant new gas supply into the region, and will serve to moderate regional gas prices," Hritcko noted.

We remain committed to an open, transparent regulatory review and Broadwater's appeal is part of this review process. We also remain committed to those who are most impacted by the region's growing energy challenge. "While third party studies have validated the significant energy cost savings to consumers, a project like Broadwater brings additional significant benefits – including local and county revenues as well as proposed improvements to water quality in the Long Island Sound and programs to improve and restore the marine and fishing heritage of the area," Hritcko added.

Broadwater is a joint venture between TransCanada and Shell US Gas and Power.

#####

TransCanada is a leader in the responsible development and reliable operation of North American energy infrastructure. TransCanada's network of approximately 36,500 miles of pipeline transports the majority of Western Canada's natural gas production to key Canadian and U.S. markets. A growing independent power producer, TransCanada owns, or has interests in, approximately 7,700 megawatts of power generation in Canada and the United States.

For more than 40 years, Shell has been a leader in producing natural gas, converting it to Liquefied Natural Gas (LNG) — its highly compact liquid form — and transporting it to markets beyond the reach of pipelines. Today, Shell is the world's largest private producer of LNG and a leader in supplying it to the world. As pioneers of the industry, Shell has set the pace in developing LNG technology and establishing the safety of LNG operations and shipping standards used throughout the industry.

