

## **REX EAST CONSTRUCTION PROGRESS – October 08, 2009**

Subject to the items discussed below, Rockies Express (REX) projects the establishment of service to Clarington, Ohio on November 1, 2009.

### **Horizontal Direction Drills (HDD's)**

Work continues on the final HDD between Lebanon and Clarington at Deer Creek. As a result of ongoing issues with completing the initial drill we have commenced drilling a new hole. The pilot hole is roughly half way complete. We have also installed casing through what was the most troublesome portion of the drill and we are pursuing authority to effect an open cut crossing in the event of further difficulty on the drill. While we remain optimistic that this crossing will be completed to support a November 1 in-service date, the uncertainties related to completing this crossing puts the projected in-service date at risk.

### **Pipeline**

All long-line pipeline installation is complete with the exception of the crossing at Deer Creek. Hydrotests and caliper pig runs have been completed. Final tie-ins are projected to be completed this weekend. At that point, all spreads will be mechanically complete.

### **Compressor Stations**

Commissioning at the Hamilton Compressor Station is complete and the station is ready for service. The Chandlersville Compressor Station is in final commissioning and is projected to be ready for service by November 1.

### **Meter Stations**

REX has completed construction of all of its delivery point facilities between Lebanon and Clarington. Pressure testing of the points has been completed. Downstream party facilities at the interconnects are in the final stages of construction and all are expected to be ready to accept deliveries by November 1. While REX cannot dictate the final completion date of the downstream

party facilities, close coordination with the downstream parties continues to achieve completion and commissioning of the points consistent with the project in-service date.

Subject to successful completion of the above activities, Rockies Express will go into service to Clarington on November 1. Rockies Express has received authorization from DOT to operate the applicable portions of the pipeline upstream of Lebanon at the .8 design pressure. Based upon this authorization and current customer primary delivery point elections, REX will be able to deliver full contract quantities of 1.8 Mdth/d for all firm customers immediately upon commencement of service to Clarington.

If you have any questions, please contact your Account Director. Specific contract-related questions may be addressed by your Account Director, and general questions will be aggregated and responses posted on REX's interactive web site.