

# TransCanada pipeline still in pipeline

---

By BOB MOEN

Associated Press writer

Sunday, January 18, 2009 2:06 AM MST

CHEYENNE -- Despite losing two large investors, a Canadian company is going ahead with planning of a \$2 billion pipeline that would ship natural gas from the Rockies to the Midwest.

TransCanada Corp. submitted an environmental report last month and conducted field survey work last year for the proposed Pathfinder pipeline, according to company spokesman Terry Cunha.

In addition, the company is waiting to hear back on its plans from the Federal Energy Regulatory Commission, Cunha said in an e-mail Friday.

Enterprise Products Partners and Quicksilver Gas Services terminated plans for a 50 percent stake in the project last year because of the credit crunch.

TransCanada, based in Calgary, Alberta, has said it's working to find other investors.

The 673-mile pipeline would run from Colorado, through Wyoming, to North Dakota where it would link up with another pipeline. Plans call for the pipeline to initially ship 1.2 billion cubic feet of gas per day, with an ultimate capacity of 1.6 billion cubic feet per day. Completion of construction was originally projected for November 2010.

Cunha declined to address whether the pipeline's schedule might be delayed.

Mark Doelger, chairman of the Wyoming Pipeline Authority, said he's heard nothing that would indicate the project might be delayed.

"So it appears to still be a very solid project," Doelger said.

Doelger said the Pathfinder would benefit Colorado and Wyoming because it provides another market outlet for natural gas producers.

"Right now and in the foreseeable future we cannot have too many markets or really enough access," he said. "It's important that we pursue all of these pathways."

A shortage of pipeline capacity to move gas out of the Rockies is one of the reasons companies are scaling back drilling in the region.

"We have suffered from lack of pipeline capacity and that affects the price of natural gas and revenue to the state and revenue to the producers and the royalty owners," Doelger said. "The more options you have, the better off you are in terms of the price. As you develop a portfolio of markets then the markets compete for your gas and that improves the price."