



Quarterly Newsletter

Issue No. 1 Winter 2009

Public expresses support for Calais LNG

More than 140 people attend FERC's December scoping session

CALAIS, MAINE -- More than 140 people filled the gymnasium at the Washington County Community College gymnasium Dec. 4th for the Federal Energy Regulatory Commission's (FERC) Scoping Session on the Calais LNG project. Of the 30 attendees who spoke during the session, 25 expressed support for the project, while 5 voiced their opposition.

Mayor Vinton Cassidy spoke first, stating that the City Council "fully endorses the project and is 100 percent supportive. This is a tremendous opportunity for jobs and economic development for Calais." Cassidy noted that the shipping industry supported the Calais economy for 200 years, "and this is another form of shipping." He also pointed out that the city has lost 700-800 people during his term as mayor and needs the new jobs the project would create.

Former state senator and Calais resident Harold Silverman expressed hope for a change in the economic conditions that have led to out-of-state migration. "May we be able to put our next generation back to work in Washington County," he said. Several Calais city councilors and residents expressed their hope for the economic potential of Calais LNG, and their high regard for the project team.

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PACKED ROOM -- Of the 30 people who spoke during FERC's Dec. 4th scoping session, 25 expressed support for the Calais LNG project.

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The Calais LNG Project: Defined

Calais LNG is proposing to construct and operate a Liquefied Natural Gas (LNG) receiving terminal and storage facility on the outskirts of Calais, Maine. Our 330-acre site is located approximately seven miles south of downtown Calais and features 2,800 feet of shoreline along the deepwater banks of the St. Croix River and Passamaquoddy Bay.

Calais LNG has secured the financial support of Goldman Sachs as a key investor and put together a group of highly experienced industry and regional experts dedicated to bringing Maine a state-of-the-art LNG facility that will provide a reliable, safe source of energy.

The Calais LNG facility will feature:

- A pier with berthing for one LNG vessel
- Two 160,000-cubic-meter, full-containment LNG storage tanks, with potential expansion for a third tank;
- LNG receiving facility;
- Send-out plant & ancillary features;
- A 20.5-mile pipeline connecting the facility to the Maritimes & Northeast Pipeline.

Learn More:
www.CalaisLNG.com

Calais LNG completes numerous environmental studies

CALAIS, MAINE – Over the last several months, the Calais LNG project team has completed numerous field and marine studies as part of their application to the Federal Energy Regulatory Commission (FERC) to construct and operate a liquefied natural gas terminal and storage facility.

“It’s really exciting to be part of this project and the forward momentum,” said Ian Emery, the project’s development manager.

“In the just the last few months, we’ve had more than 80 scientists, engineers and researchers staying in this area to evaluate and analyze the environmental suitability of our project site and our proposed pipeline route. It’s been a boost to the local economy and has given these experts a chance to enjoy the hospitality provided by the people of Calais.”

“It’s really exciting to be part of this project with so much forward momentum.”

**-- Ian Emery,
development manager**

In addition to numerous environmental and marine surveys, last month the project

team conducted waterway simulations for local river pilots at Marine Safety International in Newport, R.I. The simulations did not identify any critical ship handling or navigation issues, Emery said.

Environmental assessments and surveys included identifying various wildlife habitats and mapping wetland areas; completing geotechnical borings at the terminal site, conducting visual impact studies; and completing the first phase of a comprehensive archeological and cultural resource survey at the proposed terminal site. In September, the team also set 180 lobster traps to evaluate lobster population and migration patterns near the proposed terminal.

“The results of these studies and surveys confirm what we’ve always said about our project location, — that it is an



IAN EMERY, development manager for the Calais LNG project, lends a hand during last summer’s lobster survey, which was just one of numerous environmental studies that were completed or are still underway.

ideal spot particularly because of the minimal environmental impacts and the absence of wetlands or sensitive wildlife habitats at our terminal site,” Emery stated.

Emery said Calais LNG is committed to frequent consultation with state and federal agencies in order to ensure the highest quality, most thorough engineering and environmental site work is being conducted.

“We value this region’s natural resources, and we are committed to making sure that our project has minimal environmental impacts,” Emery said. “The scope of this work is just incredible, and we’re really fortunate to have some of the finest scientists and researchers from all over the country working right here in Calais and enjoying the amenities Calais offers.”

Calais LNG donates to area athletic teams

CALAIS -- Representatives of Calais LNG presented a check in the amount of \$2,000 to boost and support local athletic teams, including the new Class C football team that is shared between Calais and Woodland high schools.

“On behalf of the entire Calais LNG team, we are pleased to make this donation in support of local efforts to promote and sustain the Silverados Football program at both Calais and Woodland high schools,” said Ian Emery, CLNG’s development manager.

According to Emery, the check is intended to also support both the boys’ and girls’ basketball teams at Calais High School.

“It is our hope that this investment in our community will enhance ongoing regional efforts to provide our youth with positive and rewarding activities to complement their continuing education,” Emery said.

Randy Morrison, athletic director at Calais High School, said the funds are very much appreciated and would be put to good use. Morrison said the donation will be divided in the following manner, as requested by the company:

- \$1,000 to be used for support and programs related to the Silverados Football program;
- \$500 as a general donation to support the work, goals and needs of the Calais High School girls’ basketball team; and
- \$500 as a general donation to support the work, goals and needs of the Calais High School boys’ basketball team.



Community celebrates Calais LNG opening

July 2008



FERC Scoping Session

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Captain Bob Peacock of Eastport noted that Maine and the Calais area has a strong work force, including equipment operators, engineers, and Maine Maritime Academy graduates, available to fill the estimated 100 permanent on-shore and off-shore positions.

State Rep. Ann Perry and State Rep. Howard McFadden both cited the much-needed economic benefits that LNG could bring to the area.

Calais LNG is proposing to construct and operate a Liquefied Natural Gas receiving terminal and storage facility on a 330-acre site located roughly seven miles south of downtown Calais. An interconnection with the Maritimes & Northeast pipeline is planned.

Artist's rendering of the Calais LNG facility



This artist's rendering of the Calais LNG receiving terminal is viewed from the southeast side of the St. Croix River.

Let's talk!

We are committed to an open and participatory review process, and we look forward to hearing from you! Please share any questions or concerns about the project!

Visit our downtown office at 421 Main Street in Calais, or call us at 207-214-7074

Our mailing address is:

PO Box 133, Calais, 04619

You can also visit us on the Web:

www.CalaisLNG.com

*From the
Manager's
Desk:*



Art Gelber
Development Manager

By any measure, it's been an extraordinary year for the Calais LNG project. So much has happened in the last few months since we unveiled our proposal, and the support we have received from the community has been incredible!

In April 2008, the Calais City Council unanimously voted to approve a resolution in support of Calais LNG, and just a few weeks later, hundreds of people turned out to help us celebrate the grand opening of our project office in downtown Calais.

When representatives from the Federal Energy Regulatory Commission asked the community for feedback during its December 4 scoping session, nearly 85 percent of those who spoke expressed resounding approval of our plan to provide a clean and secure energy future for Maine and the Maritimes.

I could never have anticipated the number of new friendships we have made nor the way our project would be embraced by the community. Although we still have a long way to go, I want to express my sincere appreciation for all of your help, support and encouragement.

On behalf of the entire Calais LNG project team, thank you so much! We look forward to the months ahead and invite you to contact us at any time.

Sincerely,

A handwritten signature in black ink, likely belonging to Art Gelber.