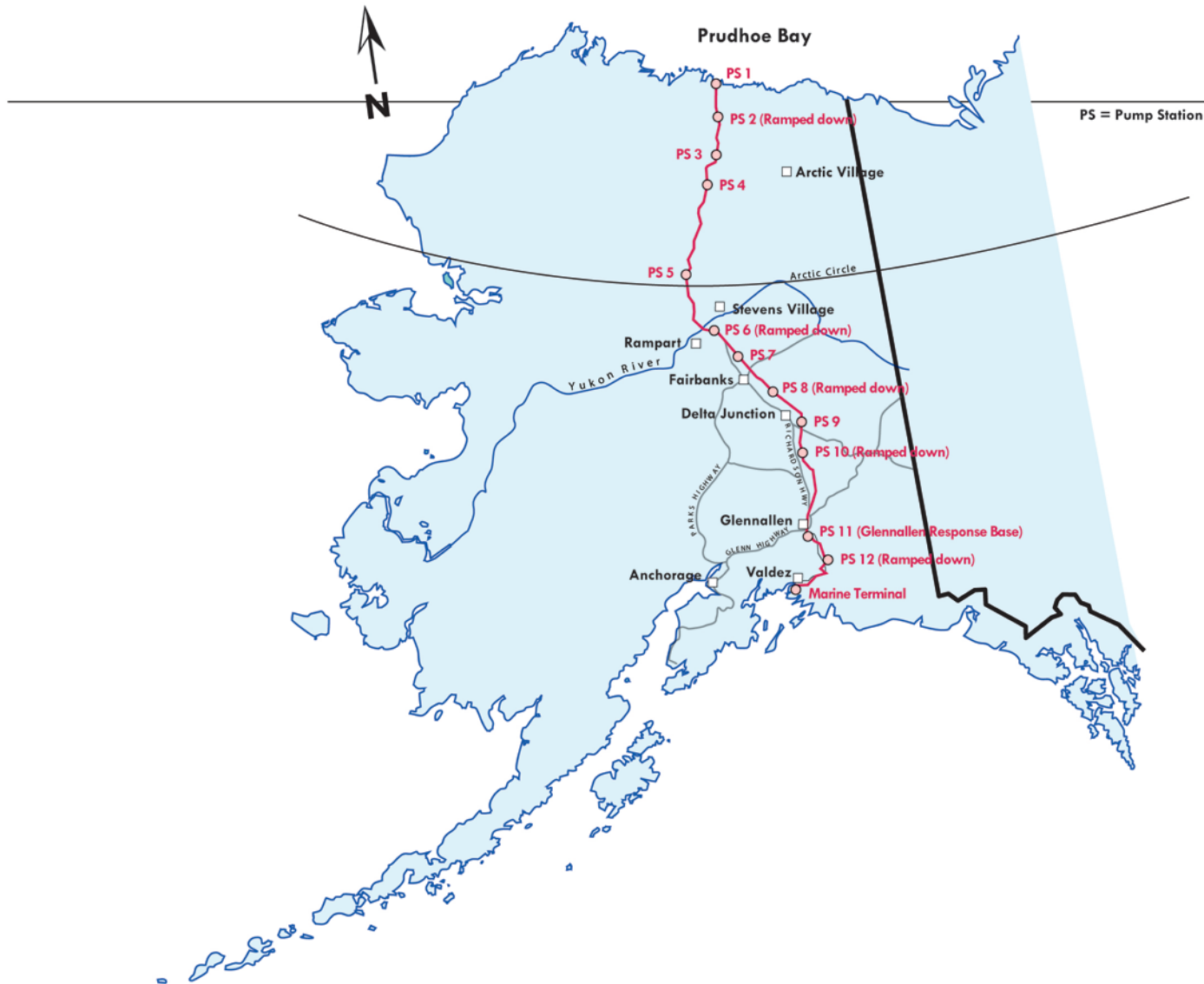


Declining Throughput on the Trans Alaska Pipeline System

Alaska House Finance Committee / March 18, 2011

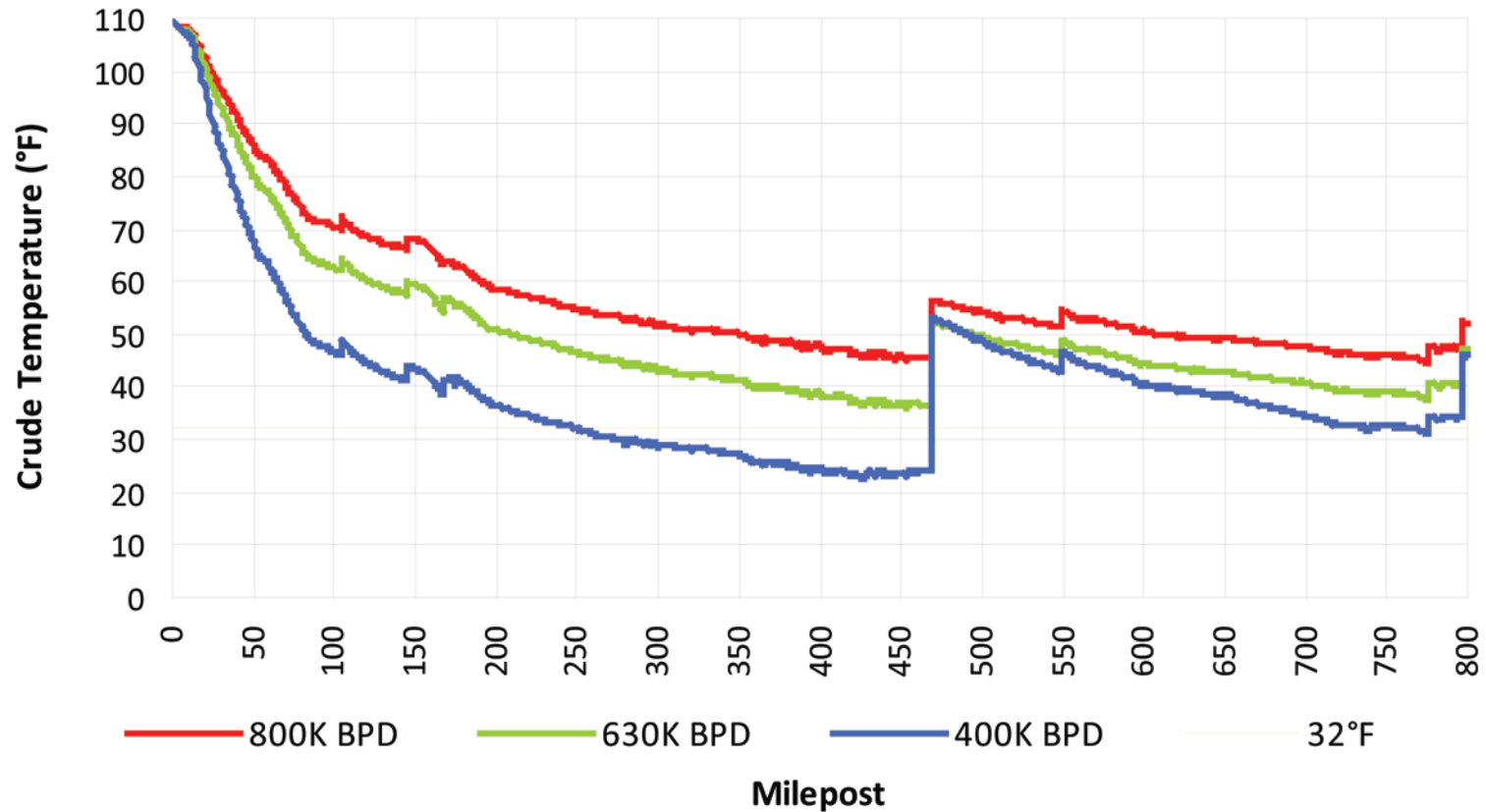




LOW FLOW CHALLENGES

Throughput...

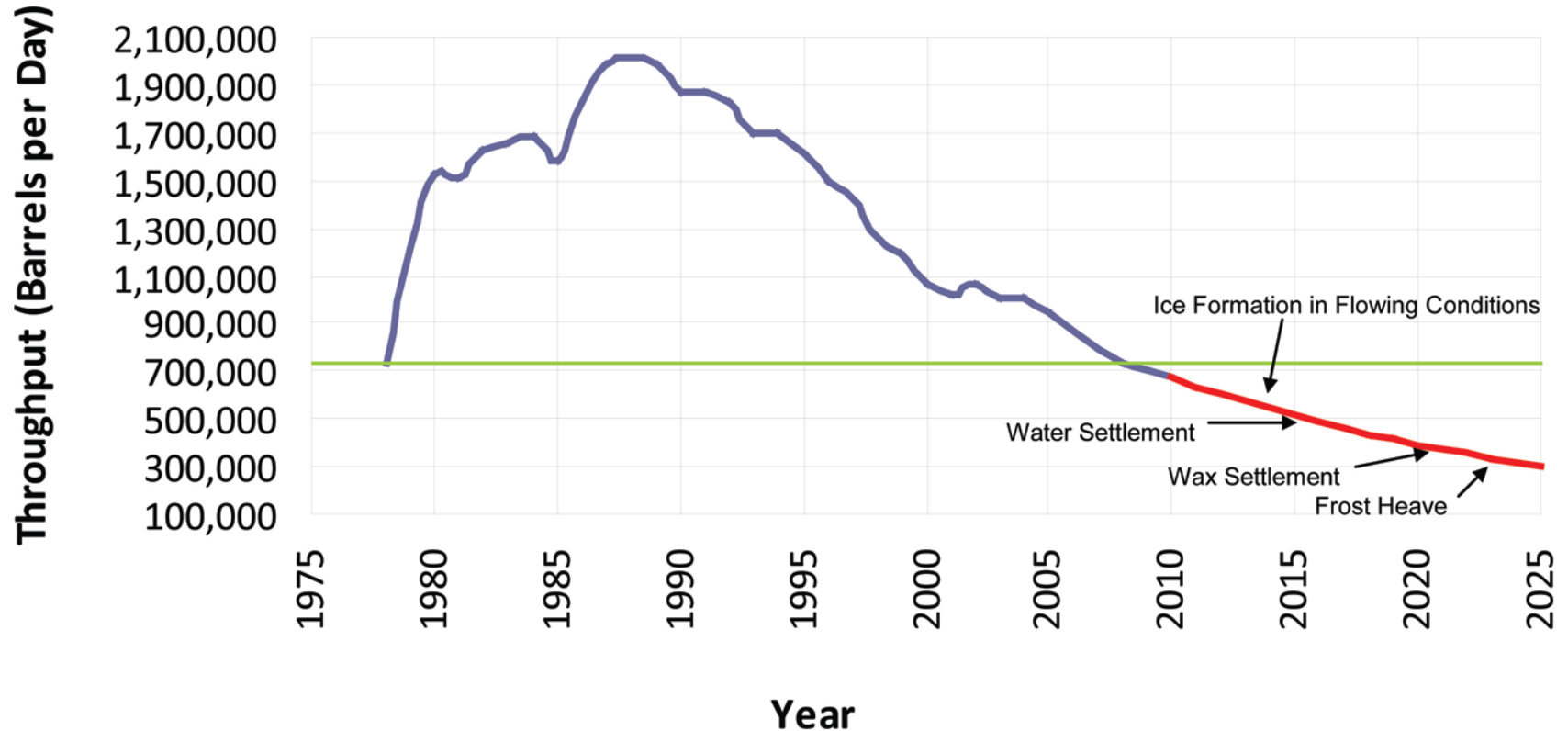
January Crude Temperatures



LOW FLOW CHALLENGES

Throughput history...

January Average Throughput



LOW FLOW CHALLENGES

Technical challenges

TAPS is facing significant technical challenges associated with declining throughput, including:

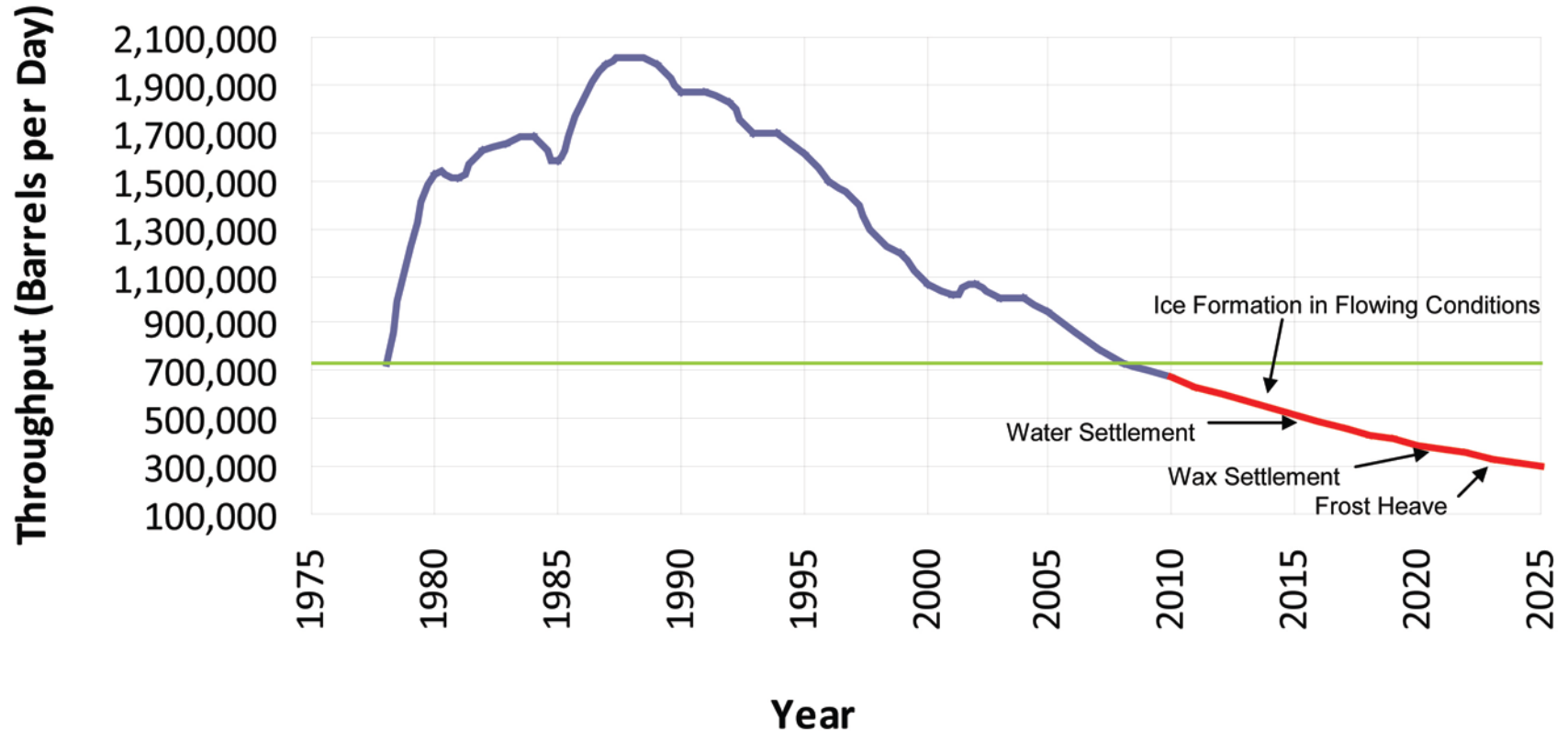
- Declining temperatures
- Water transport and ice formation
- Wax formation
- Frost heaves
- Pigging challenges



DECLINING THROUGHPUT

Throughput history...

January Average Throughput



LOW FLOW CHALLENGES