



**Majority Senate Policy Committee
Senator Edwin Erikson, Chairman
Williamsport, Pennsylvania
May 11, 2010**

**Stanley G. Chapman, III
VP, Marketing, Development & Asset Optimization
Tennessee Gas Pipeline Company**

El Paso Corporation Overview



El Paso Corporation provides natural gas and related energy products in a safe, efficient, and dependable manner.

Pipelines



Exploration & Production



Midstream



TGP



SNG



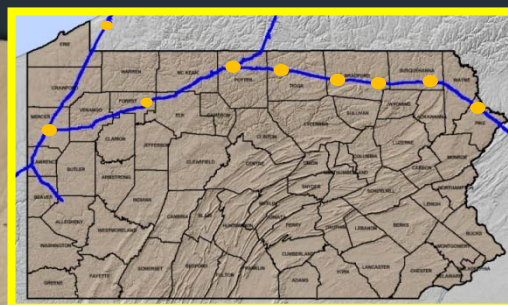
CIG/WIC



EPNG

Tennessee Gas Pipeline Overview

- Pipeline
- Compressor Station



Serving Pennsylvania

- Pipe capacity of ~700 MMcf/d
 - Capable of serving 3.5 million households
- 42 active delivery meters
 - Serve 8 local distribution companies in PA
- 33 active receipt meters
 - Growing monthly

Tennessee Gas Pipeline System

- Began service in 1944
- Spans from Mexico to Canada
- 13,700 miles of pipeline
- 1.4 million certificated horsepower
- Design capacity of ~ 7.2 Bcf/d
 - Capable of serving 35 million households
- On-going inspection programs
- Transport gas for ~ 500 customers

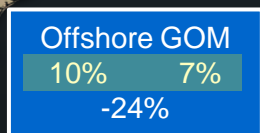
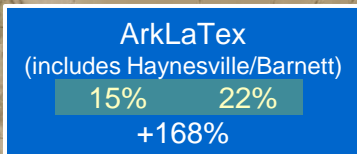
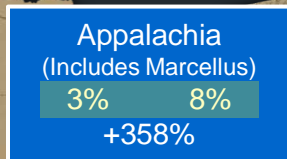
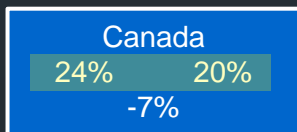
Regulatory Oversight

- Federal Energy Regulatory Commission
- U.S. Department of Transportation
 - Office of Pipeline Safety
- U.S. Environmental Protection Agency
- State environmental statutes

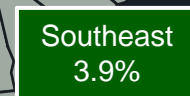
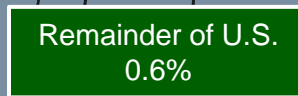
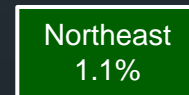
Natural Gas Macro Forecast Trends

Gas Supply

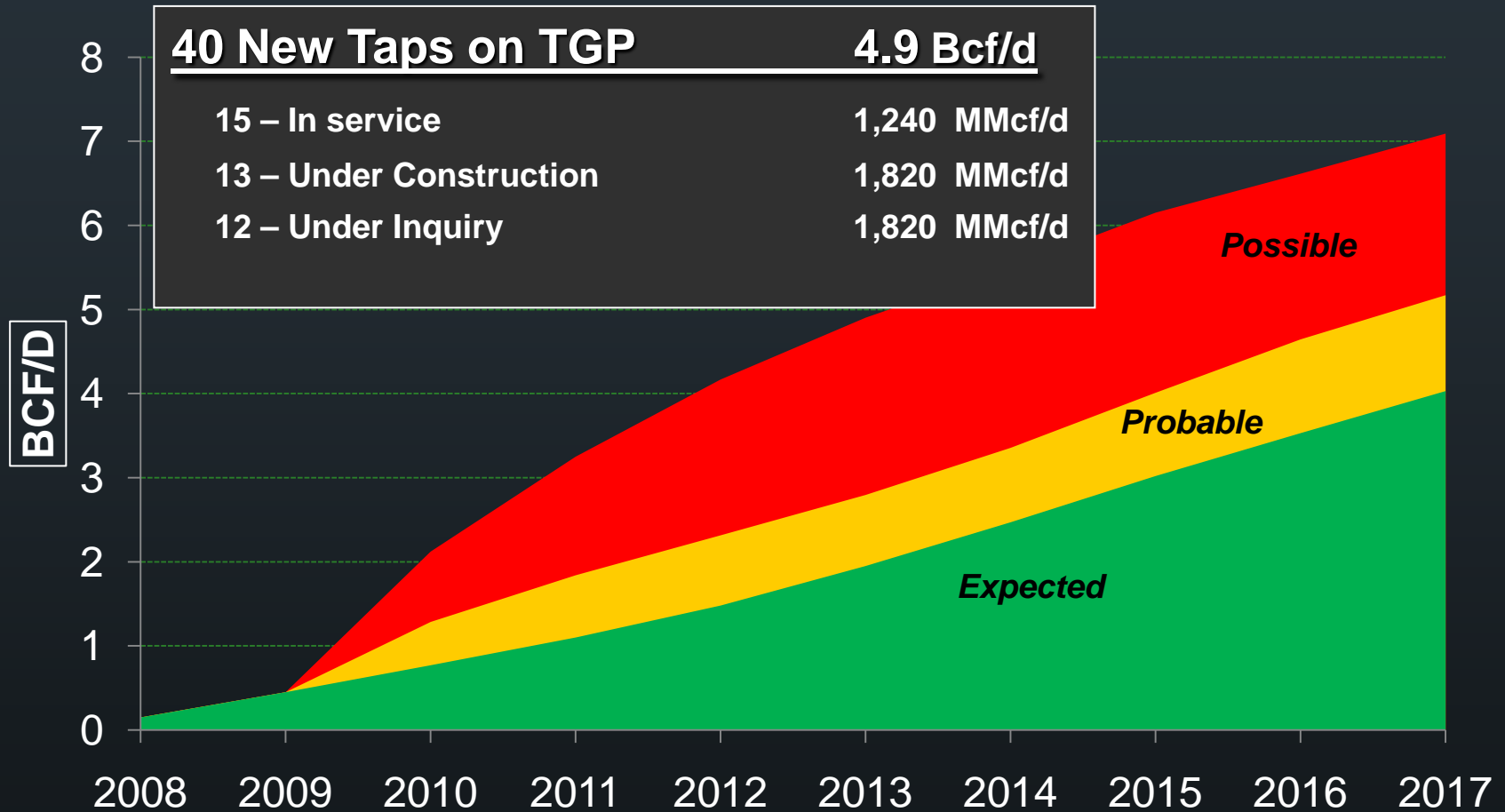
Gas Demand



| % of U.S./Canada Production | |
|--------------------------------|------|
| 2008 | 2018 |
| Region Supply Growth 2008-2018 | |

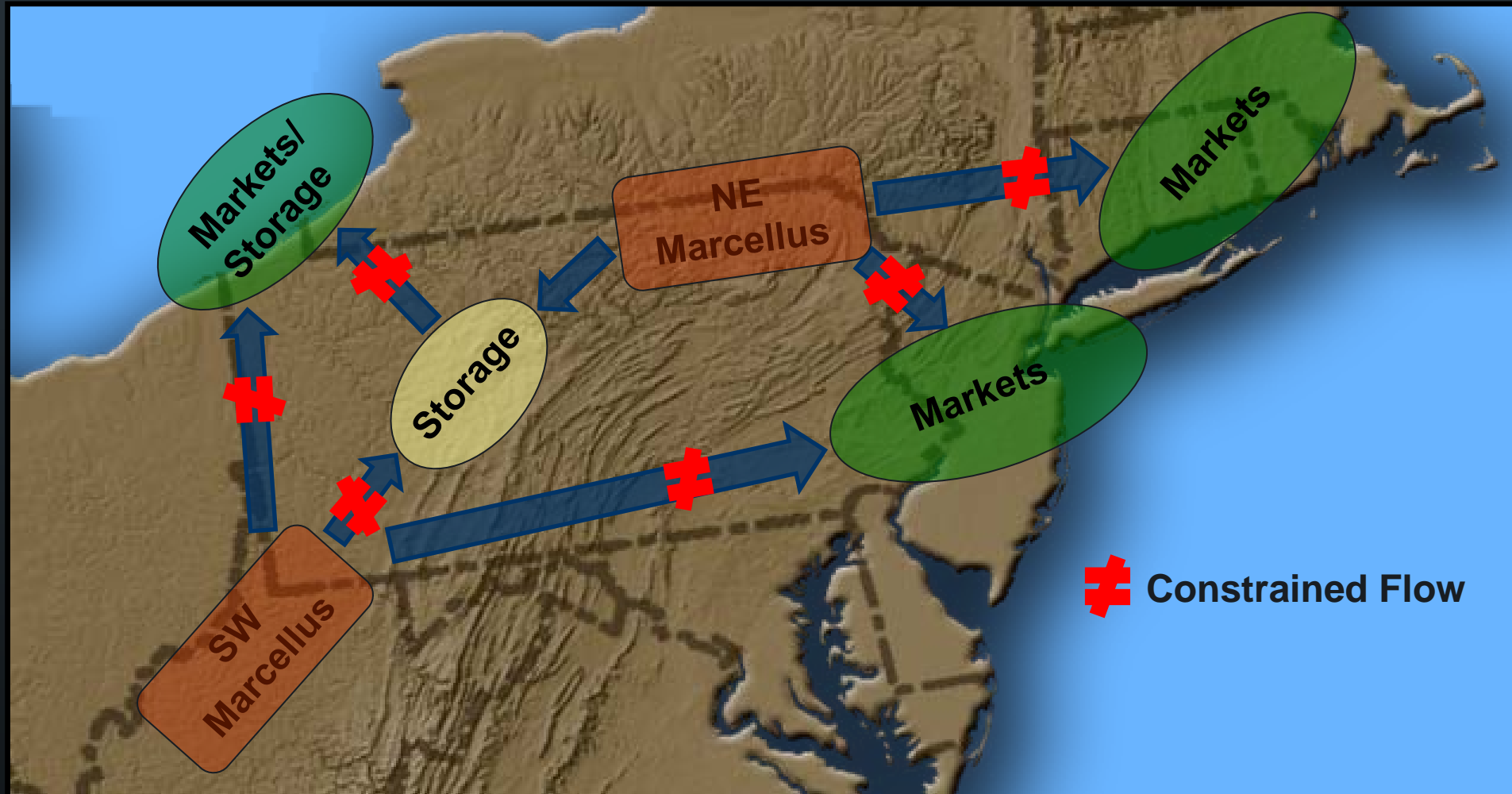


Rapid Marcellus Growth Anticipated

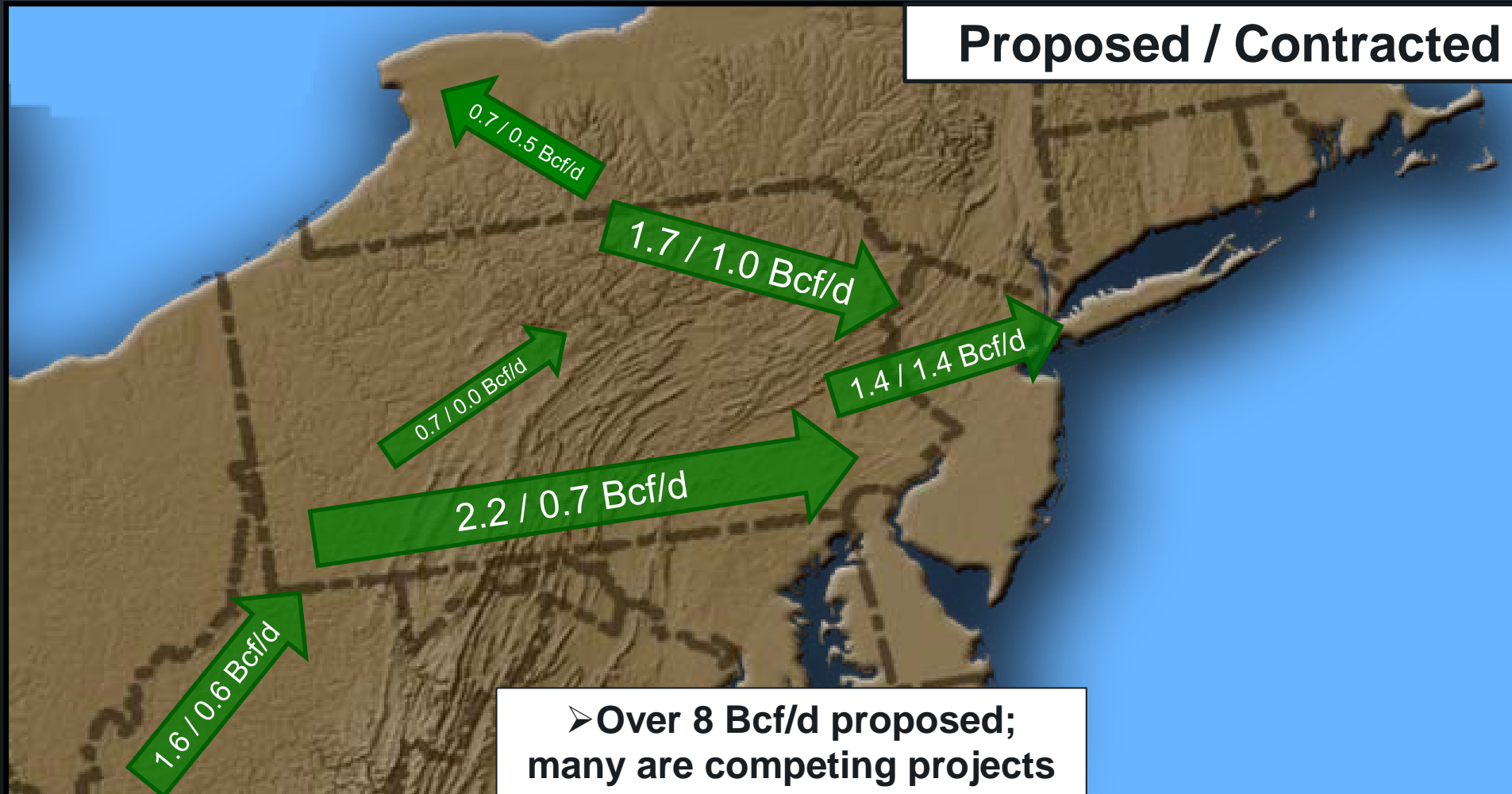


Projected Marcellus production based on analysis of consultant forecasts.

Pipeline Capacity Needed to Relieve Constraints



Major Pipeline Expansion Projects



Tennessee Gas Pipeline Expansion Projects

- 2 binding expansion projects recently announced
 - Capital investment of \$1 billion
 - Creates 1 Bcf/d of new pipeline capacity
 - Pipeline construction along existing ROW
- New projects to deliver Marcellus gas to New England, Niagara and Leidy to be announced soon

Pipeline Expansions

| Challenges | Rewards |
|-------------------------|------------------------|
| Permitting Process | Lower Gas Prices |
| Environmental Issues | Increased Reliability |
| Eminent Domain Concerns | Job Growth |
| | Local Economic Impacts |

Expansion Process

- Pre-Filing Application & Stakeholder Outreach
- File FERC Application
- Environmental Impact Statement Issued
- FERC Certificate Issued
- Construction Activities
- Facility Placed In Service



Summary - Fundamental Themes

- ^ Growing supply
 - Unconventional production: Shale plays ↑, Canada ↓, GoM ↓
- ^ Growing long-term demand
 - Economy → Electricity → Gas
- ^ Changing flows and supply/demand patterns
 - Volatility → Infrastructure requirements
- ^ Tennessee Gas Pipeline is well positioned to provide transportation alternatives in a safe, efficient and dependable manner.

Cautionary Statement Regarding Forward-looking Statements

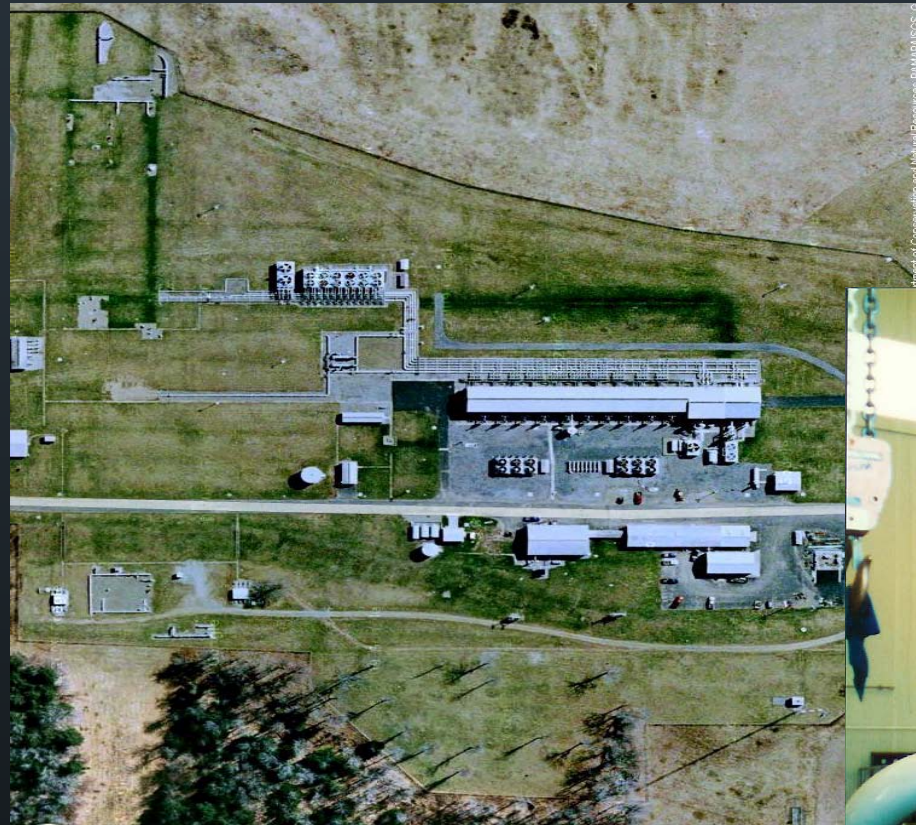
This presentation includes certain forward-looking statements and projections. The company has made every reasonable effort to ensure that the information and assumptions on which these statements and projections are based are current, reasonable, and complete. However, a variety of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this presentation, including, without limitation, our ability to obtain necessary governmental approvals for proposed pipeline projects and our ability to successfully construct and operate such projects on time within budget; the risks associated with recontracting of transportation commitments by our pipelines; regulatory uncertainties associated with pipeline rate cases; changes in commodity prices and basis differentials for oil, natural gas, and power; general economic and weather conditions in geographic regions or markets served by the company and its affiliates, or where operations of the company and its affiliates are located, including the risk of a global recession and negative impact on natural gas demand; the uncertainties associated with governmental regulation; competition; and other factors described in the company's (and its affiliates') SEC filings. While the company makes these statements and projections in good faith, neither the company nor its management can guarantee that anticipated future results will be achieved. Reference must be made to those filings for additional important factors that may affect actual results. The company assumes no obligation to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by the company, whether as a result of new information, future events, or otherwise.

Appendix

Right of Way and Compressor Building at Ellisburg



Compression Station at Coudersport and Gas Turbine at Wellsboro



Typical Pipeline Construction & Restoration

