



## The Babiuk Group, Inc

### Areas of Expertise

- Pipelines, Storage and Power Development
- Gathering Systems and Processing
- LNG Project Development
- Project Development Oversight
- Commercial Negotiations
- Mergers and Acquisitions
- Project Feasibility Analysis
- Conceptual Pipeline Design
- Conceptual Storage Design
- Conceptual Power Generation Design/Siting
- Conceptual Power Transmission Design
- Energy Market Demand Analysis
- Energy Supply Analysis & Development
- Conceptual Coal Gasification Design
- Service Agreements & Tariffs
- Project Permitting & Certification
- Regulatory Relations / Oversight
- FERC, State PSC, Local
- Public / Community Outreach
- Legislative / Lobby Efforts
- Canadian Agencies / NEB, Provincial

### Years of Experience

Over 35 years with Major US Energy Companies:

- |                                       |           |
|---------------------------------------|-----------|
| • The Babiuk Group, Inc. (Owner)      | 2005-2011 |
| • El Paso Corp (SVP-Division Head)    | 2001-2004 |
| Major Projects – Pipelines, LNG, etc. |           |
| • Coastal Corp (SVP-Division Head)    | 1985-2001 |
| Pipelines, Storage, Facility Planning |           |
| • American Natural Resources (MGT)    | 1974-1985 |
| Various Positions of Authority ANR    |           |
| • Factory Mutual Engineering Group    | 1973-1974 |

### Education

- BS Engineering / 1973 / Oakland University  
Sub-Major Business
- Post Graduate Systems Engineering  
1973-74 / Oakland University
- MBA / 1980 / Wayne State University
- Professional Media Training

## Biography & Qualifications

### Stanley A. Babiuk

President and Chief Executive Officer

### Overview

Mr. Babiuk, a former Senior Executive in the Energy Industry, has over 30 years of experience participating in the development of the natural gas and electric infrastructures in the United States, Canada, Mexico and the Caribbean. During the early years of his career, Mr. Babiuk had the opportunity to develop both his technical and commercial skills in the Pipeline and Storage Industry, and subsequently, broadening those skills to include the Electric and LNG Industries. Upon becoming an Officer in the mid 1980's, Mr. Babiuk added the direct responsibilities for the development and oversight of Energy Projects. These responsibilities were further enhanced in the late 1980's when he became a Senior Officer. His experience in the Energy Industry includes both the technical and commercial skills required for the creation, analysis, development and operation of Energy Infrastructure Projects, including Major Pipelines, Gathering Systems and Processing, Storage (Natural Gas, Liquids and CO<sub>2</sub>), LNG, Power Plants, Electric Transmission, Distribution and Coal Gasification related projects.

**Mr. Babiuk formed his own energy consulting company in 2005 and has had the chance to work with an impressive list of clients. He developed and brought the \$800 Million Liberty Natural Gas Project (Submerged 4-Buoy Deep-Water Port located Off-shore New Jersey and 50+ mile 36" connecting pipeline to the Linden Hub) to a financial sponsor. The project is currently on file and deemed complete by the Coast Guard/MARAD and FERC. Mr. Babiuk also played a critical role through his familiarity with Energy Supply and Demand in Florida by developing the \$100 Million SeaCoast Pipeline Project for TECO Energy, an approximate 50+ mile 24"/16" Pipeline to serve JEA's Greenland Energy Center which entered service 1/1/2011.**

Mr. Babiuk is active in the community he resides and with various charities and was a long time Member of the Foundation Board of Directors at the State University of New York at Oswego and the Alumni Board of Directors at Oakland University in Rochester, Michigan. He has special interests for education and scholarships and for those less fortunate. During his career Mr. Babiuk has been directly involved in raising over \$6 Million in Scholarships.

### Specific Experience / Example Projects

- ✓ Connected over 6 Tcf of new natural gas supplies to the ANR Pipeline System during tenure as a Senior Officer. Related Capital Expenditures over \$1 Billion.
- ✓ Connected over 2 Bcfd of incremental natural gas LDC, Industrial and Power Generation markets to the Coastal Gas Group Assets during tenure as a Senior Officer. Related Capital Expenditures over \$2 Billion.
- ✓ Managed the Commercial Development of two proposed World Class High Pressure natural gas pipeline projects during tenure with El Paso Corporation. The proposed \$3.0 Billion 'Blue Atlantic Pipeline' and the proposed \$ 1.0 Billion 'Seafarer Pipeline and High Rock Bahamas LNG Terminal'
- ✓ Created and managed the development of the \$2.0+ Billion 'Gulfstream Natural Gas System.' The Gulfstream project is a 1325 MMcfd capacity state-of-the-art high pressure (2180 psig) Greenfield pipeline system originating near Mobile / Pascagoula and traversing the eastern offshore Gulf of Mexico into peninsular Florida. The Gulfstream project serves approximately 7000 MW of Power Generation in which development Mr. Babiuk was also intimately involved in. Commercial service began June, 2002, has been expanded 5 times (Phase V) and is currently fully contracted with firm services.



## The Babiuk Group, Inc.

### Current Industry Highlights and Potential Projects

- Renewable Energy Mandates are much too high causing efficiency problems with the electric grid.
- Renewable Energy cannot be counted on 24/7 meaning generation otherwise must be in place to serve the peak hourly loads
- The coal generation fleet is seriously exposed to retirements because of age and new pollution control and once-through cooling water regulations
- Major west-to-east electric transmission projects to serve the greater east coast via coal-by-wire have either been deferred or cancelled
- A second renaissance of natural gas fired generation, by default, is around the corner.
- Shale Gas alone, will not be able to cover the increase in natural gas markets. State DEP's, among others will most likely slow down the development of shale gas due to environmental concerns, both with impacts on water, air and land impacts. Imported LNG will play a key role in serving the marketplace.
- Project opportunities in the energy sector will continue to remain very active.
- **Natural Gas Storage activity will increase. The Babiuk Group, Inc. has a number of attractive natural gas storage projects that are ready to be developed.**
- **Natural Gas Power Generation activity will increase. The Babiuk Group, Inc. has a number of attractive locations for new power generation facilities where the utilities will require the voltage support to serve their customers, as well as, new connecting pipeline laterals for natgas fuel supply.**
- **There are other North American locations where submerged turret LNG buoy technology would provide superior economics over other alternatives. The Babiuk Group, Inc. has several of these locations in its inventory.**
- **There are numerous local, regional and major pipeline and gathering projects that The Babiuk Group, Inc. is aware of and can match with the appropriate companies who are interested in these types of projects in their portfolios.**

### Biography & Qualifications (Cont'd)

- ✓ Had direct oversight of development of N. Michigan wet header system.
- ✓ Managed the development of the 'Empire State Pipeline System' located from Niagara Falls to Syracuse in upstate New York. The 500 MMCFD / \$225 Million project went into commercial service the fall of 1994
- ✓ Coincident with the development of the Empire Pipeline, Mr. Babiuk was also directly involved in the development of the '1000 MW World Class Independence Power Plant,' as well as, the necessary 'LDC Infrastructure' of National Grid between the Empire Pipeline and the Independence Plant. These were commercial by January 1995.
- ✓ Lead the commercial development efforts on 3 major supply projects connected to Coastal / El Paso Assets in the Gulf of Mexico. 'Shell Auger Project' / 'Chevron Typhoon Project'/'Exxon Diana & Hoover Project.' All 3 are deep-water reserve developments that used state-of-the-art production and pipeline connection facilities to Coastal / El Paso Assets.
- ✓ Lead the preliminary siting and permitting activities for over 4000 MW of Power Generation facilities ultimately constructed, connected to and served via Coastal / El Paso wholly or jointly-owned Pipeline Assets.
- ✓ Lead the development efforts on numerous underground natural gas storage projects located in the states of Michigan, New York, Louisiana, Kansas, Kentucky, Mississippi and Florida.
- ✓ During tenure as head of the Facility Planning Activity, provided oversight and direction to the peak-day operations of the ANR Pipeline controlled pipeline & storage assets located in the state of Michigan. Also in this role, was the lead Officer responsible for the determination of incremental facilities and capital expenditures required to perform services from "well-head to burner-tip" across the entire ANR Group of Assets.
- ✓ Lead the development efforts on the Coastal Pipeline Group's 'Maumee Hub' market delivery infrastructure, a multiple pipeline and market delivery system with a capacity of 250 MMcf/d and serving the greater Toledo and Cleveland Area natural gas markets. These facilities were placed in-service by 1990.
- ✓ Lead the commercial development efforts on the proposed 'Erie Pipeline Project', and its successor, 'Independence Pipeline Project', an approximate 400 Mi-36" (1440#) joint-venture between Coastal/ANR, Williams/Transco and National Fuel from Defiance, Ohio to Leidy, Pennsylvania. The project did receive approval by FERC.
- ✓ Participated in the development of the 'Iroquois Pipeline System,' a major pipeline connecting the TransCanada Pipeline System with the greater New York City Area Markets.
- ✓ Participated in the development of the 'Alliance Pipeline System,' a major pipeline connecting Western Canadian Supplies with the greater Chicago Area Markets.
- ✓ Participated in the development of the 'HIOS Offshore Pipeline System,' a major offshore gathering and transmission pipeline infrastructure that delivers natural gas to multiple onshore Interstate Pipelines.
- ✓ Early in career, prepared pipeline connection alternatives for the connection of the ANR sponsored Great Plains High Btu Coal Gasification Plant. The Babiuk Group, Inc. is currently active in various coal gasification projects, including Facilities proposed to be located in western Kentucky, as well as, the potential for carbon dioxide sequestration and enhanced oil recovery at surrounding oil fields.
- ✓ Provided Executive Oversight to Infrastructure Analysis and Development for a major pipeline traversing the Caribbean Islands from Trinidad to South Florida. Primary fuel used across the Caribbean Islands is either Residual or Distillate Oil and this analysis evaluated the potential for local and regional infrastructures for delivery and use of natural gas, including submerged turret buoys and LNG.
- ✓ Provided Executive Oversight to Infrastructure Analysis and Development for a major Market Area Storage Project and LDC Expansion in Southwest Florida.