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Ten Year Assessment of Steel Line Pipe Availability in North America

INGAA Foundation Midyear Meeting

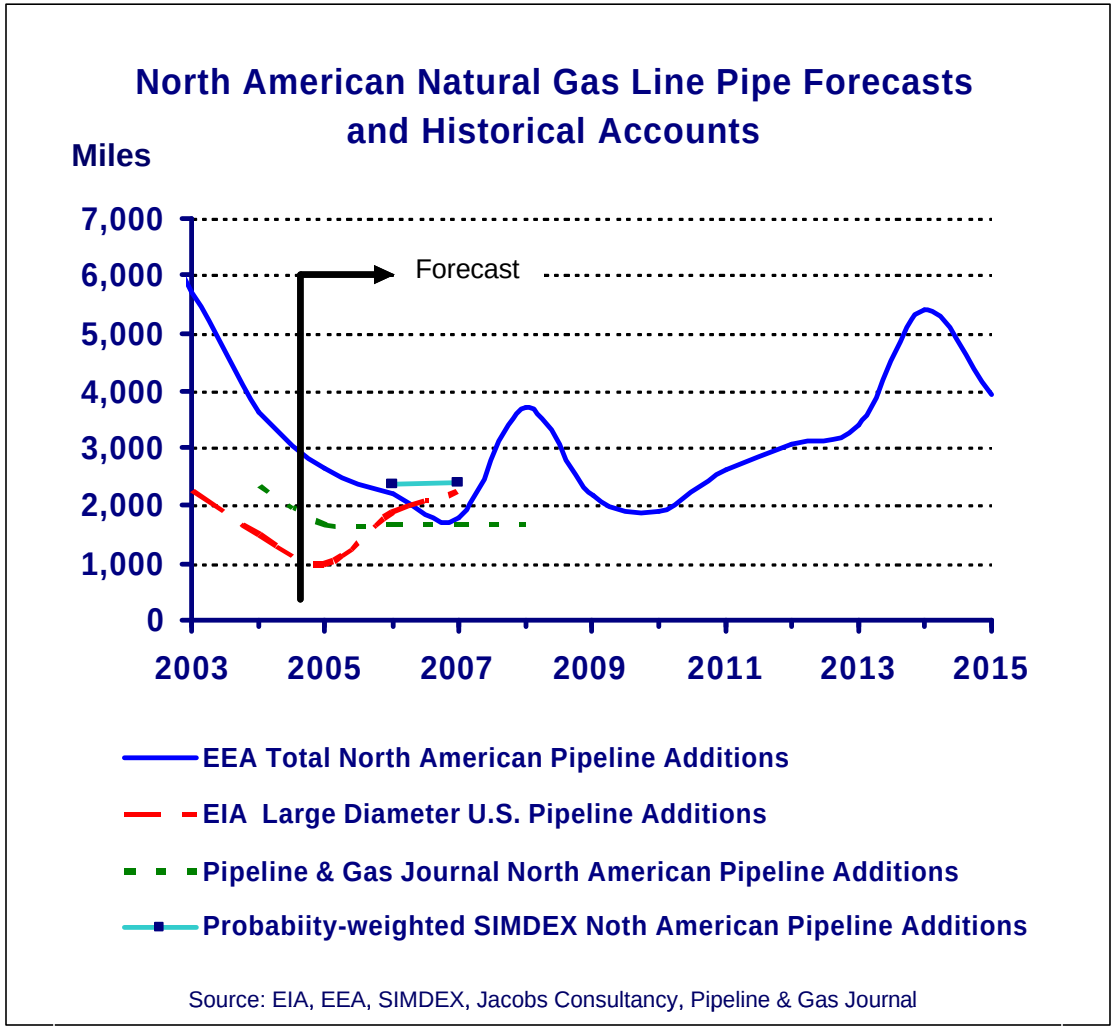
April 20, 2006

Demand Segments for Steel Line Pipe

1. New gas transmission lines
2. Replacement gas transmission lines
3. Liquids pipelines (crude, refined products)
4. Structural uses

Drivers for Gas Transmission Pipe Installation

1. End use demand growth
2. Connecting gas supply sources
   - Producing basins
   - New LNG terminals
3. Pipeline replacements
4. New “competitive advantage” projects



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North America Line Pipe Producers

ERW Producers Up to 24” OD

Company	Production Capacity (tons/year)
American Steel Pipe	220,000
Ipsco	300,000
Stupp Corp.	225,000
Tubacero	190,000
Camrose	140,000
Sub Total	1,075,000

DSAW Producers -- 24” and Up

Company	Production Capacity (tons/year)
Berg Pipe	480,000
Camrose Pipe	180,000
Durabond	200,000
Ipsco	300,000
Oregon Steel Pipe	170,000
SAW Pipes	500,000
Tubacero	190,000
Sub Total	2,020,000
Grand Total	3,095,000

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North America Line Pipe Annual Capacity in Miles

ERW – up to 24” --	3900 miles
DSAW – 24” and up --	3200 miles
Total	7100 miles

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Simdex Data Base of Pipeline Projects

2006 – 2010
(miles)

	Up to 24”	Greater than 24”
Raw Simdex Data	2,836	17,928
“Jacobs Weighted” Simdex Data	2,273	8,767
North America Annual Capacity	3900	3200

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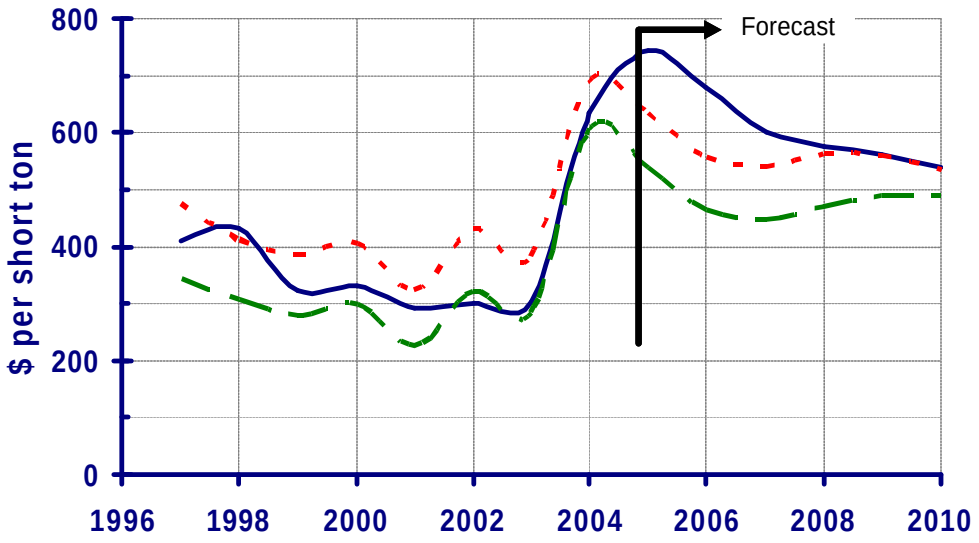
North American Steel Flat Products Projected to Decline Slowly



Source: Global Insights, Jacobs Consultancy

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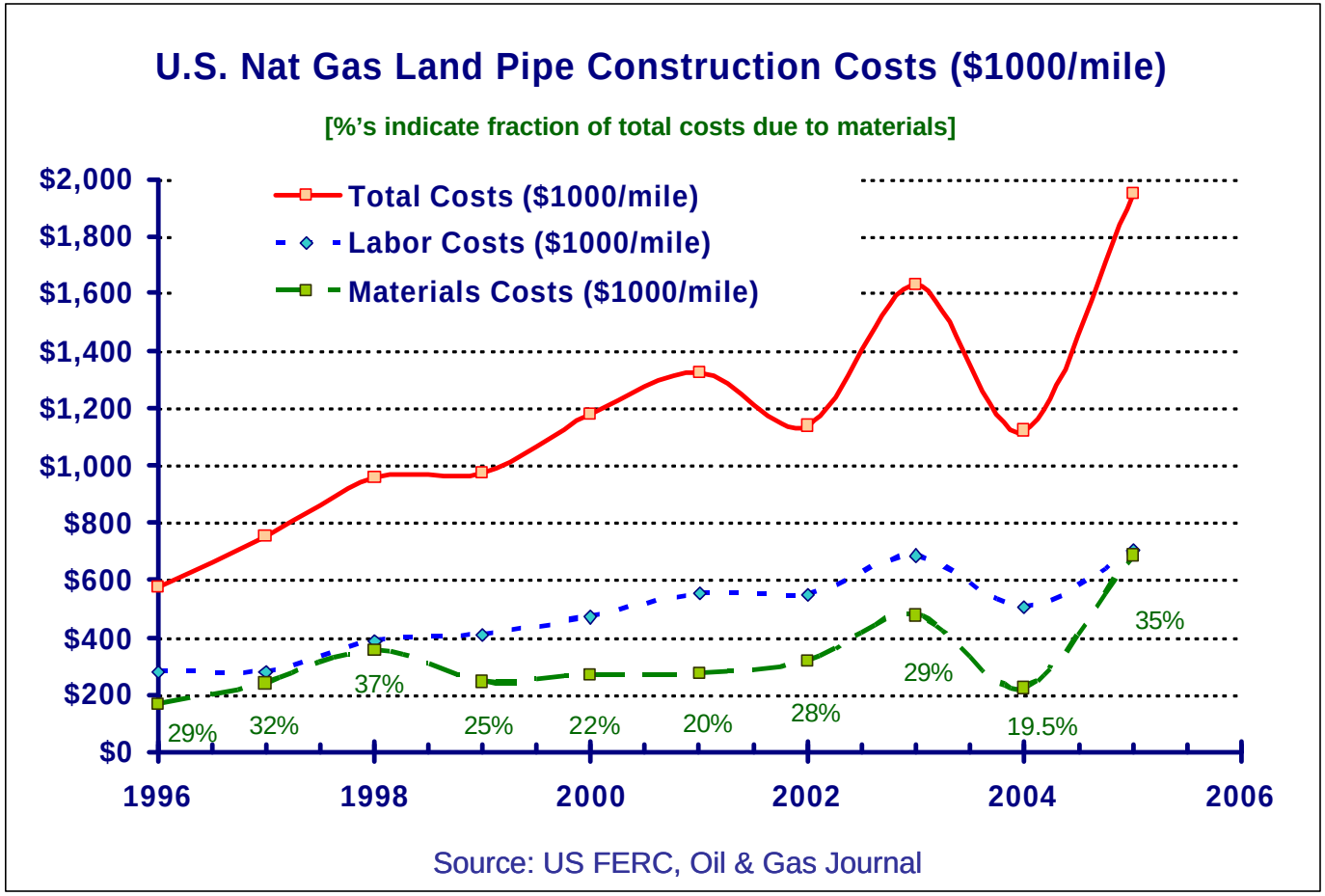

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Cheyenne Plains Gas Pipeline Company LLC Total Project Costs ($-millions)	
Description	**Actual Cost as of 8/5/2005**
Right of Way	$9.2
Damages	2.2
Survey	4.2
Mainline Pipe	145.3
Compressors	16.9
Other Materials	28.7
Labor	118.3
Inspection and Engineering	17.7
Total Direct Costs	342.3
Overheads	5.3
AFUDC	10.2
Total Project Cost	$357.8

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DSAW Large Diameter Pipe Producers North America

Current Estimated Production Space Availability

	2nd Qtr 2006	3rd Qtr 2006	4th Qtr 2006	1st Qtr 2007	2nd Qtr 2007	3rd Qtr 2007	4th Qtr 2007	1st Qtr 2008	2nd Qtr 2008	3rd Qtr 2008	4th Qtr 2008
Berg Pipe											
Oregon											
Ipsco											
SAW Pipe											
Durabond											