KinetrexEnergy

LNG Increases Resilience in the Industrial and Institutional Environment

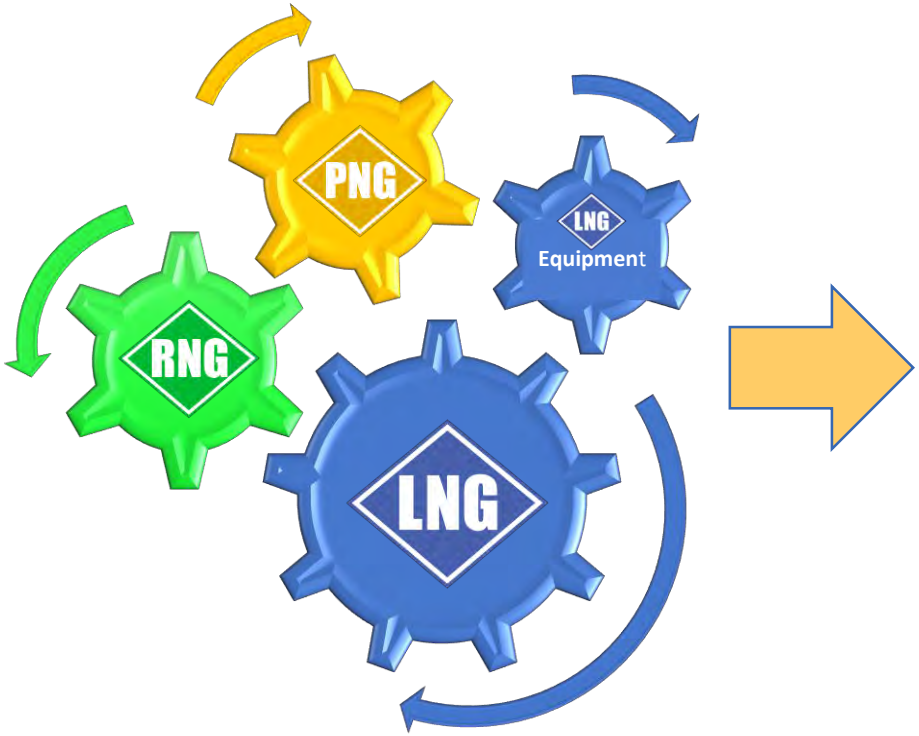
Agenda

- Kinetrex Energy Overview
- What is LNG
- LNG Virtual Pipelines

Kinetrex Energy

We work every day to revolutionize the delivery of energy; to make natural gas America's fuel; and, to lower the cost of business with practical and common sense environmentalism.

What We Do



How We Do It

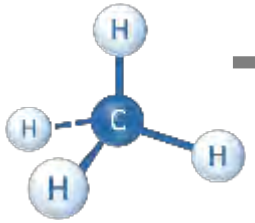
- Integrate products for a complete customer driven solution
- Drive adoption of disruptive energy technology in the transportation, agriculture, utility and industrial markets
- Create a zero emission portfolio by offering Renewable Natural Gas to all transportation customers
- Establish a comprehensive narrative in the public, financial and policy making communities

What is LNG

What is LNG

PRODUCTION

NATURAL GAS SUPPLY



PRE-TREATMENT

Remove heavy hydrocarbons from natural gas

TURNS TO LIQUID AT -260°F

LNG OCCUPIES 1/600th OF IT'S VOLUME AS A GAS

CONSUMPTION

CUSTOMER STORAGE AND VAPORIZATION

PLANT VAPORIZATION:
Vaporize LNG for Indianapolis on the winter's coldest days

Diverse LNG Applications

Gas Utilities

On Highway

Power Generation

Asphalt Plants

E & P

Agriculture

Marine

Rail

Mining

LNG is Safe

- Vapors only flammable within concentration of ~5-15% gas in air; emits a very lazy flame
- If spilled, LNG will evaporate and have no residual impact to the environment
- Natural gas as a liquid will not explode
- LNG is colorless, odorless and non corrosive

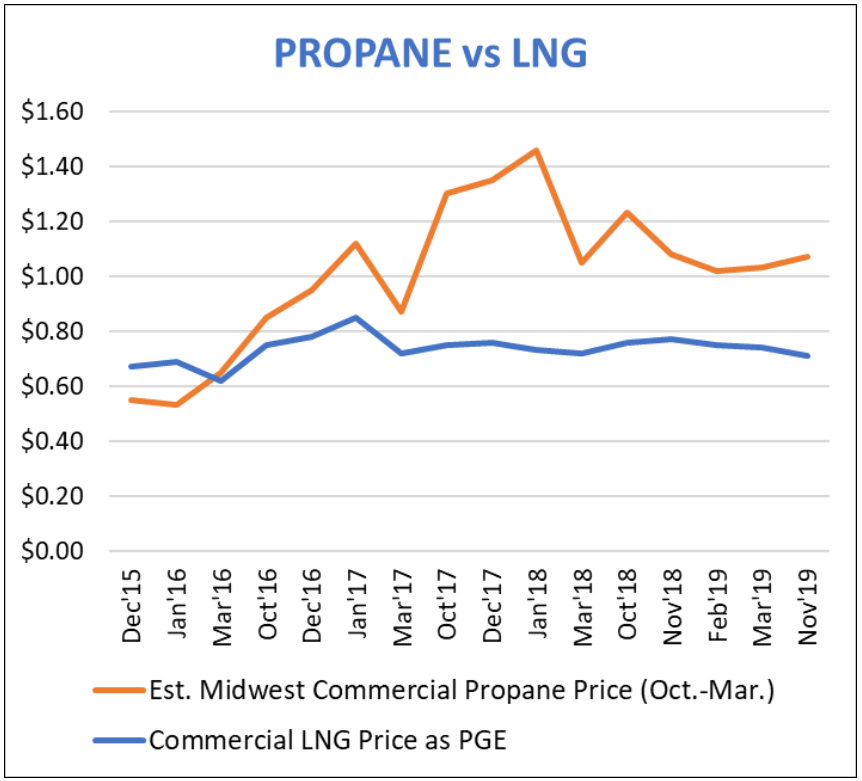
	LNG	PROPANE	DIESEL
Ignition Temperature (°F)	1004	842	437
Leaks & Spills	Vaporizes to atmosphere	Gathers in low areas	Puddles on ground
Boiling Point (°F)	-260	-44	370+

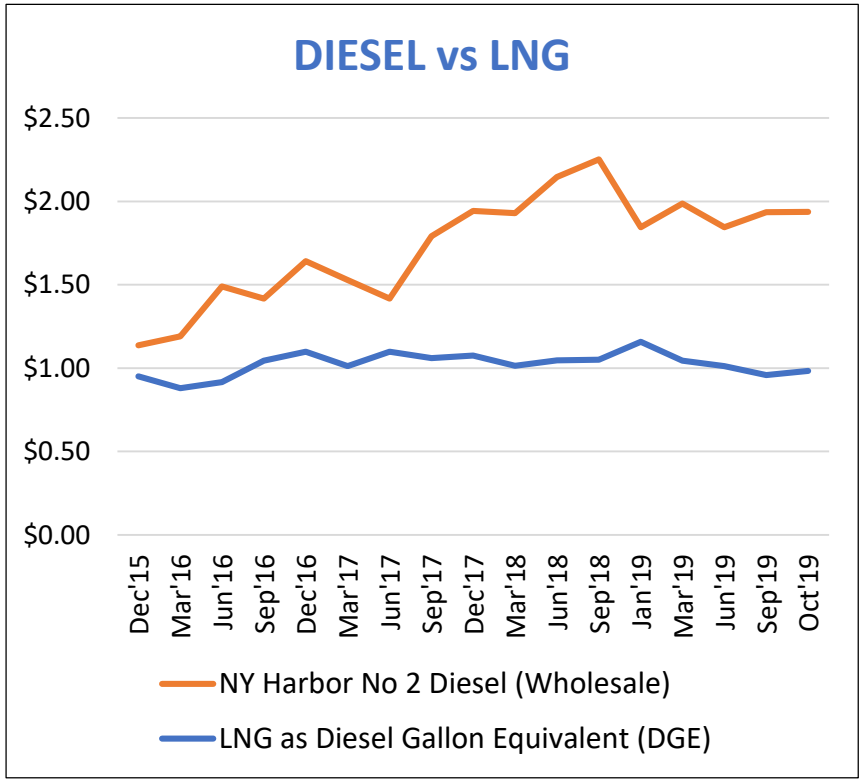
LNG offers Reduced Emissions

- LNG consists primarily of methane (95%).
- Natural gas has lower carbon emissions than other fossil fuels.

Lbs. of C02 Emitted per MMBTU	
Coal (lignite)	215.4
Diesel fuel & heating oil	161.3
Gasoline (w/o ethanol)	157.2
Propane	139.0
Natural gas	117.0

LNG Provides Price Stability





LNG Virtual Pipelines

LNG Virtual Pipelines

LNG can be a short or long-term way to increase an operation's resiliency.

- **Gas Islands:** LNG can be used to convert rural customers from propane to gas.
- **Seasonal Operations:** Seasonal or temporary LNG equipment is also available to serve as your mobile fuel source without long-term storage fees.
- **Peak Shaving**: The US has the largest gas pipeline network in the world, yet there are still capacity constraints in the interstate gas network, which causes prices to skyrocket, sometimes even limiting supply for the C&I operation.

LNG Virtual Pipelines

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- **Backup Fuel Supply:** On-system storage limits risk from pipeline force majeure.
- **Power Generation:** RTOs are beginning to impose strict penalties on power generators that do not supply electricity when required.
- **Periods of Pipeline Integrity Projects:** LNG can bridge or eliminate system upgrades. Immediate deliverability of LNG assists with system low pressure areas in peak demand times and creates alternatives to expensive distribution system upgrades particularly with high growth utilities. Creates a temporary source of supply for pipeline integrity projects so customer gas keeps flowing.

Permanent LNG Systems

LNG can be a primary fuel wherever there is not adequate natural gas infrastructure.

Mobile LNG Systems

LNG can be a short or long-term solution utilizing a mobile LNG system.

Storage

ISO container or Cryogenic 338 trailer

Vaporization

Trailer-mounted single forced air vaporizer, or dual forced air ambient vaporization

Gen2 Virtual Pipeline System - Video

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