

Representatives - I wanted to update you concerning the status of Algonquin Gas Transmission, LLC's ("Algonquin") proposed Access Northeast Project (the "Project"). As you will recall, Algonquin filed a request to commence the pre-filing review process with the Federal Energy Regulatory Commission ("FERC") on November 3, 2015 and significant public outreach has occurred in the interim. Importantly, Algonquin remains committed to addressing the significant need in New England for additional natural gas pipeline infrastructure, but it has determined that it is no longer in the interest of stakeholders to continue the Pre-filing review of the Project at this time. There is no question that New England's energy consumers are facing serious and well-documented electric reliability and price challenges, increasing air emissions from the use of coal- and oil-fired electric generation, and a lack of sufficient quickstart backstops to intermittent power sources that would support New England's renewable energy initiatives. However, recognizing that the region currently lacks the consistent energy policy across all affected states that would allow contracting for natural gas pipeline capacity by the Project shippers, Algonquin is moving ahead to withdraw the Access Northeast Project from the FERC's Pre-filing review process. Algonquin intends to continue working with state and federal agencies, as well as other stakeholders, to help address the energy policy inconsistencies that are currently preventing the region from achieving significant reliability and cost benefits from the utilization of affordable and environmentally friendly and reliable energy resources. At such time as such alignment is achieved, Algonquin will proceed forward and re-engage in the FERC's Pre-filing review process