



FOR IMMEDIATE RELEASE – March 16, 2009

PACIFIC TRAIL PIPELINES ANNOUNCES RECEIPT OF FEDERAL ENVIRONMENTAL APPROVAL FOR KITIMAT TO SUMMIT LAKE GAS PIPELINE

VANCOUVER, BRITISH COLUMBIA – Pacific Trail Pipelines Limited Partnership (PTP) is pleased to announce the issuance of a decision under the Canadian Environmental Assessment Act for its proposed Kitimat to Summit Lake Pipeline Looping Project (KSL Project). The responsible federal agencies found that, with appropriate mitigation measures, the KSL Project is not likely to cause significant adverse environmental effects. The receipt of the decision marks the next major milestone in the development of the KSL Project following the receipt of the B.C. Environmental Assessment Authority environmental certificate last year. The full text of the Decision is available at www.ceaa-acee.gc.ca.

The KSL Project entails the construction of approximately 463 kilometers of 36 inch diameter pipeline and compression facilities to enable PTP to transport up to 1 billion cubic feet per day of natural gas from Summit Lake to Kitimat LNG Inc.'s proposed liquefied natural gas (LNG) export terminal (the Terminal) to be located near Kitimat, British Columbia.

PTP, a 50/50 partnership between Pacific Northern Gas Ltd. and Galveston LNG Inc., the parent company of Kitimat LNG Inc., was formed for the purpose of developing the KSL Project. Greg Weeres, Vice President Operations and Engineering of Pacific Northern Gas said, "We are very pleased to have these major environmental approval processes completed successfully and look forward to delivering the many potential benefits this project would bring to our existing customers, to First Nations located in the Summit Lake to Kitimat area and to our shareholders."

Kitimat LNG Inc. has received provincial and federal permits and certificates for the Terminal. The KSL Project and the Terminal, the first of its kind to be located on the West Coast of Canada, are expected to commence operations in 2013 subject to the satisfaction of a number of conditions, including finalizing commercial arrangements for the KSL Project and the Terminal. PTP can give no assurances that these conditions will be satisfied or that construction of the KSL Project will proceed.

Further information about the KSL Project is available at www.pacifictrailpipelines.com.

Headquartered in Vancouver, B.C., Pacific Northern Gas Ltd. (TSX:PNG/PNG.PR.A) owns and operates natural gas transmission and distribution systems in B.C. PNG's western transmission line extends from the Spectra Energy Transmission system at Summit Lake just north of Prince George to tidewater at Kitimat and Prince Rupert, and provides service to 12 communities and a number of industrial facilities. In the northeast, PNG's subsidiary Pacific Northern Gas (N.E.)

Ltd. provides gas distribution service in the Dawson Creek, Fort St. John and Tumbler Ridge areas. www.png.ca

Kitimat LNG Inc. is a Calgary-based private company focused on the development of LNG and related facilities in North America. Further information about the Terminal is available at www.kitimatlng.com.

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