



# SACRAMENTO Natural Gas Storage

## CITY OF SACRAMENTO BENEFITS

### SECURITY OF ENERGY SUPPLY

Sacramento will become the most energy-secure city in California.

A crucial backup supply during peak periods or during significant interruption of service.

A stable affordable supply to protect utility ratepayers against severe gas price fluctuations.

Few regions have the advantage of a natural, safe storage option and reduced average cost and immunity from disruption.

### INCREASED TAX REVENUE TO THE CITY OF SACRAMENTO

\$1 million to the City of Sacramento during the first year;

\$500,000 a year estimated thereafter.

\$25 million yearly benefit to the greater Sacramento region.

### NEW JOBS 200-300 construction jobs and 80+ permanent jobs

### STORAGE RIGHTS LEASES

Local residents will benefit from long-term rental payments, improving their incomes and quality of life. The project will pay landowners above the field more than \$700,000 a year in total rental payments. These payments are generous, exceeding fair market rental value, according to City appraisal.

Property owners often benefit from stronger property values. Studies show that properties above similar underground storage facilities – including Playa Del Rey and Santa Barbara, CA; St. Louis County, MO; Charleston, WV, and the Houston suburb of Bammel, TX – often show greater value than neighboring properties.

### PROJECT FACILITIES

The project would use the existing partially depleted Florin Gas Field to safely store a vital new supply of natural gas for the Sacramento region.

The sandstone storage layer is 3/4 of a mile, about 4,000 feet below ground, below thick cap rock.

The project will safely pump natural gas back into an existing field already containing 5 billion cubic feet of gas that has been embedded in an ancient sandstone formation for millions of years.

Production on this site is nothing new; our project simply re-uses a gas field that was in active production under this same neighborhood until the mid 1980s.

Only two small sites are needed for operation, both well away from the neighborhoods, which means no major impacts to community life.

Strong, reputable local investors make this a viable long-term project. Wells Fargo is lead investor for this \$85 million project, with \$14 million committed as of December 2009.

SNGS facilities will incorporate strict sustainability standards. SNGS is designing this project to be a **Gold LEED-Certified Green Building project**