Tolls, Tariff, Facilities & Procedures Committee

Resolution T2017-03: NGTL Delivery Service Attributes ("Resolution").

Any uppercased term not defined herein will have the meaning set out in NGTL's Gas Transportation Tariff.

Sponsor: NOVA Gas Transmission Ltd. ("NGTL" or "Company")

Resolution

The Tolls, Tariff, Facilities and Procedures Committee ("TTFP") agrees to amend Resolution T2006-03: FT-D Contract Transfers, to allow for Daily FT-D Group 1 transfers ("the Pilot") within the same Delivery Design Area.

Notwithstanding Resolution T2006-03, the process set out in this Resolution shall apply to FT-D Group 1 service transfers between Empress to McNeill and McNeill to Empress Delivery Points only. FT-D Group 1 transfers from Alberta-BC Border (ABC) Delivery Point to McNeill/Empress or from McNeill/Empress to ABC are excluded from this Resolution. FT-D Group 1 transfers between ABC and Empress/McNeill, and FT-D Group 3 transfers, shall continue to be subject to the process for transfers of service set out in Resolution T2006-03.

The process for FT-D Group 1 service transfers between Group 1 Delivery Points within the Delivery Design Area (Empress to McNeill and McNeill to Empress) pursuant to Article 7 of the Rate Schedule FT-D is as follows:

- 1. Daily FT-D Group 1 transfers ("the Pilot") will be processed on a best efforts basis with no service standard regarding processing times.
- 2. The Pilot is subject to change, validation, or extension through the current Rate Design and Services Task Force negotiations.
- 3. NGTL has the discretion to suspend and/or terminate the Pilot if unforeseen harm or unintended negative consequences to the NGTL System are observed.
- 4. One-way FT-D Group 1 service transfers are not entitled to return to the original FT-D Group 1 Delivery Point. An additional FT-D Group 1 transfer would be required to return the service to the original location.

This Resolution shall be effective on a trial basis through the earlier of March 31st, 2019 or as agreed to by the Rate Design and Services Task Force ("Trial Period"). If, at any time during the Trial Period NGTL determines in its sole discretion that the changes effected by this Resolution may negatively impact the operations or integrity of the NGTL System, NGTL may immediately terminate this Resolution. If the TTFP does not reach consensus on the ongoing treatment of FT-D Group 1 service transfers beyond the Trial Period, the process set out in Resolution T2006-03 will apply effective April 1, 2019 to FT-D Group 1 service transfers pursuant to Article 7 of Rate Schedule FT-D.

Background

The TTFP adopted Issue T2017-03: NGTL Delivery Service Attributes on November 14, 2017 and agreed to enter into discussions regarding potential changes to firm transportation delivery service attributes and associated procedures. Subsequent to issue adoption, a Task Force of the TTFP was established and met on January 10, 2018, where NGTL provided information and education on the delivery transfer process and the Task Force discussed the issue and reached a resolution.

Next Steps

- NGTL will issue notification of changes resulting from the Resolution to all NGTL System shippers via NrG Bulletin:
- The Resolution will be posted on the Company Website;
- The description for NGTL System FT-D transfers currently available on the Company Website will be updated to reflect changes resulting from the Resolution; and
- NGTL to provide update to the TTFP regarding daily transfer process performance and effectiveness, including resource impacts experienced by NGTL when sufficient data is obtained.