

CHAPTER 1 – THE ANNUAL PLAN PROCESS

1.1 Introduction

This chapter provides background information to the Annual Plan and gives an overview of how industry participates with NOVA Gas Transmission Ltd. (“NGTL”) to understand and influence the development of the Alberta System.

1.2 Annual Plan Scope

The 2009 Annual Plan contains facilities requirements for the 2010/11 Gas Year commencing on November 1, 2010 and ending on October 31, 2011 (“Planning Period”). It also references the current status of facilities that were applied for, are pending regulatory approval, are under construction or are on-stream, following the issuance of the December 2008 Annual Plan.

In this Annual Plan there are no proposed Mainline Facilities. There is one section of the Peace River Mainline proposed to be decommissioned and proposed extension facilities and lateral loops are included in Chapter 6.

1.3 June 2009 Design Forecast

The June 2009 design forecast of receipts and deliveries was used in the preparation of this Annual Plan.

1.4 Industry Participation

To facilitate a participative and consultative role for industry participants in policy formation and system design, NGTL uses:

- committees;
- discussion papers or proposals which target specific issues;
- information circulars;
- industry presentations; and
- Internet-based applications, including Customer Express and NrG Highway.

The Tolls, Tariff, Facilities and Procedures Committee (“TTFP”) is an important forum for reviewing Alberta System facilities plans with industry. Participation on the TTFP is open to any affected party that would directly experience implications of importance due to outcomes achieved by this committee, including facility-related decisions. The TTFP provides for the timely exchange of information among interested parties and provides a significant opportunity for parties to influence facility proposals and long-term planning. The design forecast, design flows and facility requirements were presented to the TTFP in November and December 2009, prior to the finalization of this Annual Plan.

Periodic updates on the Alberta System expansion plans and capital program, and the impact of the plans and program on the cost of transportation, are provided to all Customers. These updates provide opportunity for Customer input. NGTL also makes presentations to other industry committees and government agencies, and offers to meet with any association or Customer on system design inquiries or any other issue. Over the last year, NGTL has participated in meetings with various Customers and a broad range of consumers, marketers, and distributors in which Alberta System facilities requirements and capital programs were discussed.