


MADE at the City of Calgary, in the Province of Alberta, on  19th day of October 2006.	 ALBERTA ENERGY AND UTILITIES BOARD
NOVA Gas Transmission Ltd. (NGTL) Tolls, Tariff, Facilities, & Procedures Committee Resolution T2006-03 Firm Transportation - Delivery (FT-D)	Application No. 1478525

## 1 BACKGROUND

The Alberta Energy and Utilities Board (the Board) received Application No.1478525 (the Application) dated September 12, 2006, from NGTL, under Part 4 of the *Gas Utilities Act*, R.S.A. 2000, c. G-5, as amended, for approval of proposed amendments to allow FT-D customers to transfer the export delivery point of their contracts.

NGTL stated that on September 12, 2006, the Tolls, Tariffs, Facilities & Procedures Committee (TTFP) supported the amendments to the FT-D Rate Schedule by unopposed resolution T2006-03 and that it notified its shippers and members of the TTFP of the availability of this Application on TransCanada's Alberta System website.

## 2 DETAILS OF THE APPLICATION

In the Application, NGTL summarized the contract transfer attributes and submitted that all current FT-D contract holders will be eligible for transfers; however, if a future border expansion is required as a result of a downstream pipeline expansion, and capacity is underpinned by firm NGTL contract commitments, transfers would be revisited to determine the appropriate FT-D contract transfer provisions for expansion shippers. The resolution proposed that transfer requests would be processed on the 4<sup>th</sup> last business day of the month, following the close of the FT-D and STFT daily open seasons and subject to available capacity. Approved transfer requests would be effective for the 1<sup>st</sup> day of the following month. Further, the TTFP acknowledged that the current criteria of designing facilities for the lesser of downstream take-away capacity and contracts may need to be revised in the current environment where border capability is no longer underpinned predominately by long term contracts and flexibility is being provided through service enhancements such as FT-D contract transfers.

NGTL attached a copy of Resolution T2006-03 to the Application, as well as a blacklined copy of the FT-D Rate Schedule and a clean copy of the proposed FT-D Rate Schedule and Service Agreement.

Notice of the Application was issued September 18, 2006. Submissions from interested parties were requested by September 29, 2006. The Board did not receive submissions on this matter.

### **3 BOARD FINDINGS**

The Board agrees that the proposed amendments allowing contract transfers for FT-D shippers approximates the flexibility afforded to receipt shippers and assists in the mitigating unutilized demand charges on a firm basis to deal with a loss or change in markets or downstream transportation arrangements. The Board is satisfied that customers and interested parties, through the TTFP, NGTL's website and the Board's notice were aware of the proposed amendments to the Tariff, and any impacts these changes may have. Based on a review of the Application and for the reasons noted above, the Board believes that the requested Tariff changes are reasonable and approves the amendments to NGTL's Gas Transportation Tariff as it relates to FT-D service.

### **4 ORDER**

THEREFORE, it is hereby ordered that NOVA Gas Transmission Ltd.:

- (1) Amend articles 7.1, 7.2 and 7.3 of its FT-D Rate Schedule to reflect contract transfers for FT-D service, as attached to the Application, effective for November 1, 2006.

END OF DOCUMENT