
Williams-NGTL-001

Reference:

Section 8.1, Page 1, lines 11-13

Preamble:

NGTL is seeking recovery of the costs associated with a new transportation by others ("TBO") arrangement with TransCanada Pipeline Ventures Limited Partnership ("Ventures") for capacity on the Ventures Oil Sands Pipeline ("Ventures Pipeline"). Williams is interested in the nature of the relationship between NGTL and Ventures.

Request:

1.1 For each of the partners of Ventures, provide the following information:

- (a) the names of all officers, directors and employees;
- (b) a description of the duties and responsibilities which each of the individuals identified in NGTL's response to Williams-NGTL-IR 1.1(a) may also have in respect of NGTL; and
- (c) a description of all agreements between Ventures or either partner of Ventures and NGTL relating to shared services such as human resources, engineering, office space, etc.

Response:

- (a) The partners of TransCanada Pipeline Ventures Limited Partnership are NOVA Gas Transmission Ltd. and TransCanada Pipeline Ventures Ltd.

Please refer to the response to IGCAA-NGTL-003.3 for a listing of the Directors and Officers of TransCanada Pipeline Ventures Ltd., and NOVA Gas Transmission Ltd.

There are no employees of either NOVA Gas Transmission Ltd. or TransCanada Pipeline Ventures Ltd. Please refer to the response to Suncor-NGTL-018(b) and (e).

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(b) Of those listed in (a), the following have responsibilities with NGTL:

Albrecht Bellstedt – Director and Executive Vice-President
Ronald Cook – Vice-President, Taxation
Kristine Delkus – Vice President Power & Regulatory Law
Max Feldman – Senior Vice-President Sales and Service
Russell Girling – Director and Chief Financial Officer
Rhondda Grant – Vice-President and Corporate Secretary
Harold Kvisle – Director and Chief Executive Officer
Paul MacGregor – Vice President – Engineering & Operations Services
Brian McConaghy – Vice-President, Health, Safety and Environment
Dennis McConaghy – Director and Executive Vice-President
Alexander Pochmursky – Vice-President, Procurement
Alexander Pourbaix – Executive Vice-President
Sarah Raiss – Executive Vice-President
Murray Samuel – Vice-President, Operations and Engineering Law
Steven Schock – Senior Vice-President, Engineering & Technical Services
Ronald Turner – Director and President
Donald Wishart – Senior Vice-President, Operations

(c) Please refer to the response to Suncor-NGTL-017.

Williams-NGTL-002.1

Reference:

1. Section 8.3, Page 3, line 24 – Page 4, line 4
2. Section 8, Appendix E, NGTL Ventures TBO Agreement, Exhibit "A", Part 1, 2nd last bullet point

Preamble:

Reference 1 indicates that the Ventures Pipeline delivers gas to Suncor's Oilsands project and that NGTL also has TBO service on this facility to deliver gas to Syncrude, Petro-Canada, TC Energy and Suncor. Reference 2 indicates that Ventures has delivery service arrangements in place with Suncor, Syncrude, Petro-Canada, Williams Co and TransCanada Energy.

Request:

Provide a reconciliation of the statements in Reference 1 and Reference 2 in respect of the parties which have transportation agreements directly with Ventures.

Response:

Williams-NGTL-002.1, Reference 1 notes the parties which have transportation agreements directly with NGTL.

Williams-NGTL-002.1, Reference 2 notes the parties which have transportation agreements directly with Ventures.

Williams-NGTL-002.2

Reference:

1. Section 8.3, Page 3, line 24 – Page 4, line 4
2. Section 8, Appendix E, NGTL Ventures TBO Agreement, Exhibit "A", Part 1, 2nd last bullet point

Preamble:

Reference 1 indicates that the Ventures Pipeline delivers gas to Suncor's Oilsands project and that NGTL also has TBO service on this facility to deliver gas to Syncrude, Petro-Canada, TC Energy and Suncor. Reference 2 indicates that Ventures has delivery service arrangements in place with Suncor, Syncrude, Petro-Canada, Williams Co and TransCanada Energy.

Request:

Provide the dates, terms and daily contract volumes for each of the Ventures transportation agreements.

Response:

NGTL does not have all of the requested information; however, NGTL can confirm the arrangements that it has with Ventures. Under the existing TBO agreement, NGTL holds 169.5 MMcf/d of firm capacity which expires October 31, 2004.

Williams-NGTL-002.3

Reference:

1. Section 8.3, Page 3, line 24 – Page 4, line 4
2. Section 8, Appendix E, NGTL Ventures TBO Agreement, Exhibit "A", Part 1, 2nd last bullet point

Preamble:

Reference 1 indicates that the Ventures Pipeline delivers gas to Suncor's Oilsands project and that NGTL also has TBO service on this facility to deliver gas to Syncrude, Petro-Canada, TC Energy and Suncor. Reference 2 indicates that Ventures has delivery service arrangements in place with Suncor, Syncrude, Petro-Canada, Williams Co and TransCanada Energy.

Request:

Identify the shippers on the Ventures Pipeline that are delivering gas to Suncor's Oilsands project.

Response:

NGTL does not have the requested information.

Williams-NGTL-003

Reference:

Section 8.8, Page 1, line 1 – Page 2, line 8

Preamble:

NGTL has outlined its negotiations to date with Ventures in respect of the proposed TBO arrangements.

Request:

Identify the specific individuals from each of NGTL and Ventures which were involved in these negotiations.

Response:

Please refer to the response to CAR-NGTL-018(g).

Williams-NGTL-004.1

Reference:

1. Section 8, Appendix E, NGTL–Ventures TBO Agreement, Page 1, 2nd paragraph
2. Section 8, Appendix E, NGTL–Ventures TBO Agreement, Page 4, paragraph 2.C

Preamble:

Reference 1 refers to a definitive transportation agreement which will supersede the August 21, 2003 letter agreement. Reference 2 indicates that the parties will use reasonable efforts to negotiate the definite TBO Service Agreement by October 31, 2003.

Request:

If a definitive transportation agreement has been signed, provide a copy of same.

Response:

The definitive agreement has not been signed.

Williams-NGTL-004.2

Reference:

1. Section 8, Appendix E, NGTL–Ventures TBO Agreement, Page 1, 2nd paragraph
2. Section 8, Appendix E, NGTL–Ventures TBO Agreement, Page 4, paragraph 2.C

Preamble:

Reference 1 refers to a definitive transportation agreement which will supersede the August 21, 2003 letter agreement. Reference 2 indicates that the parties will use reasonable efforts to negotiate the definite TBO Service Agreement by October 31, 2003.

Request:

If a definitive transportation agreement has not yet been signed, provide a status report on the negotiations and an undertaking to provide a copy of same when it has been executed.

Response:

The preparation of the definitive agreement has been initiated and discussions are ongoing.

Williams-NGTL-005

Reference:

1. Section 8, Appendix E, NGTL-Ventures TBO Agreement, Page 1, paragraph 1A
2. Section 8, Appendix E, NGTL-Ventures TBO Agreement, Exhibit A, Part 2, Tables 1 and 2

Preamble:

Reference 2 sets out the FS Volume and Firm Volume which NGTL would be entitled to at various NGTL interconnect pressures.

Request:

Provide similar tables setting out the total capacity of the Ventures Pipeline at the various specified NGTL interconnect pressures.

Response:

The table below shows NGTL's estimate of the total capacity of the Ventures Oil Sands pipeline, based on a delivery pressure 4482 kPa (650 psi) at the Syncrude Base plant and an ambient temperature of 20°C.

ESTIMATED VENTURES CAPACITY AT VARIOUS INTERCONNECT PRESSURES

NGTL INTERCONNECT PRESSURE [PSIG]	ESTIMATED CAPACITY [MMSCFD]
900	523
950	556
1000	589
1050	623
1068	635
1100	657
1150	692
1200	730

Williams-NGTL-006

Reference:

Section 8, Appendix E, NGTL-Ventures TBO Agreement, Page 3, Paragraph Fa. [sic]

Preamble:

The condition precedent set out in the reference refers to certain consents and releases of existing capacity rights and other contractual rights held by certain shippers on the Ventures Pipeline.

Request:

- 6.1. Identify each shipper on the Ventures Pipeline which holds any such right.
- 6.2. Provide a complete description of all such rights.
- 6.3. Provide confirmation that all such consents and releases have been obtained by Ventures.

Response:

- 6.1 NGTL is not aware of the commercial arrangements between Ventures and its other shippers.
- 6.2 Please refer to the response to Williams-NGTL-006-6.1.
- 6.3 Confirmed, Ventures has advised NGTL that it has obtained the required consents and releases from its shippers.

Williams-NGTL-007

Reference:

Section 8, Appendix E, NGTL-Ventures TBO Agreement, Page 4, paragraph 3A.

Preamble:

The provisions set out in the reference indicate that NGTL will pay, on a monthly basis, operation and maintenance and administrative costs and expenses ("**O&M Costs**") incurred by Ventures to operate the Ventures Pipeline. The reference goes on to indicate that the O&M Costs will include 57% of the O&M Costs of the Ventures Pipeline.

Request:

- 7.1. Confirm that NGTL is only paying 57% of the O&M Costs of the Ventures Pipeline.
- 7.2. Explain the basis for the 57% allocation of these costs.
- 7.3. Explain why NGTL is assuming 100% of the O&M Costs associated with the Ventures Buffalo Compressor Station and the Extension, but only 57% of the O&M Costs of the Ventures Pipeline.
- 7.4. Provide the estimated monthly O&M costs which NGTL will pay under the TBO arrangements in respect of each of the Ventures Pipeline, the Ventures Buffalo Compressor Station and the Extension.
- 7.5 Identify which entity physically operates the Ventures Pipeline.

Response:

- 7.1 Confirmed.
- 7.2 Please refer to the response to BR-NGTL-036(b).
- 7.3 NGTL assumes 100% of the O&M costs associated with the Ventures Buffalo Compressor station and the Extension because NGTL has rights to 100% of the additional capacity that the compressor and the extension provides. This allocation was negotiated between NGTL and Ventures.

Williams-NGTL-007

7.4 Please refer to the response to BR-NGTL-036(b).

7.5 Please refer to the response to Suncor-NGTL-017.

Williams-NGTL-008

Reference:

Section 8, Appendix E, NGTL-Ventures TBO Agreement, Page 5, paragraph 3C., Chart 1

Preamble:

NGTL has agreed to pay an Annual Fee to Ventures for the TBO service.

Request:

- 8.1 Indicate each type of Ventures costs which are to be recovered from NGTL through the Annual Fee.
- 8.2 Explain the method by which the amounts of each Annual Fee set out in Chart 1 was established.

Response:

Please refer to the response to BR-NGTL-036(a).

Williams-NGTL-009

Reference:

1. Section 8, Appendix E, NGTL-Ventures TBO Agreement, Page 6, paragraph 5A.
2. Section 8, Appendix E, NGTL-Ventures TBO Agreement, Page 9, paragraph 9A.
3. Section 8, Appendix E, NGTL-Ventures TBO Agreement, Page 9, second last paragraph.

Preamble:

Reference 1 appears to allow NGTL the right to terminate the TBO arrangements at any time between the Commencement Date until April 1, 2006 for any reason upon the payment to Ventures of a \$2.5 million termination fee. Reference 2 appears to allow NGTL the right to terminate the TBO arrangements prior to the Commencement Date for any reason without any payment being required to be made to Ventures. Reference 3 indicates that the TBO arrangements will expire if NGTL and Ventures negotiate the sale of the Ventures Assets to NGTL.

Request:

- 9.1 What is included in the term "**Venture Assets**" used in Reference 3?
- 9.2 If a sales transaction is entered into pursuant to Reference 3, is NGTL required to pay the \$2.5 million termination payment referred to in Reference 1?
- 9.3 Identify which party requested the provision set out in Reference 3 to be incorporated into the TBO letter agreement.
- 9.4 Describe all actions which NGTL intends to pursue in respect to a negotiation of a purchase of the Venture Assets prior to April 1, 2006.

Response:

- 9.1 The term "Ventures Assets" is defined in Section 8, Appendix E, NGTL-Ventures TBO Agreement, Page 8, paragraph 8A.

Williams-NGTL-009

- 9.2 The termination fee would be paid if the TBO agreement were terminated after commencement date and prior to April 1, 2006 unless all parties agree otherwise.
- 9.3 NGTL.
- 9.4 NGTL, its stakeholders and Ventures will collaborate to attempt to find a purchase solution that is acceptable to all parties.

Williams-NGTL-010

Reference:

Section 8, Appendix E, NGTL-Ventures TBO Agreement, Page 7, paragraph 7

Preamble:

Ventures will expand its facilities to provide additional capacity for TBO service to NGTL in return for an increase in the Annual Fee. The amount of the increase in the Annual Fee will be determined based on the cost of service parameters in effect for NGTL regulated assets as approved by the EUB from time to time. NGTL will also have the option to purchase any expansion facilities at their depreciated value at the end of the term of the TBO Service.

Request:

- 10.1 Confirm that this provision means that NGTL would essentially be indifferent from an economic perspective as to whether any expansions to the Ventures system were constructed by it or by Ventures.
- 10.2 Describe the specific additional facilities on the Ventures system which would likely be required to provide NGTL with an additional TBO firm service volume of 100 MMscfd, 200 MMscfd, and 300 MMscfd and the estimated cost of each of such expansion to NGTL under the TBO arrangement.

Response:

- 10.1 Confirmed.
- 10.2 Facilities that would provide incremental capacity to the Ventures Oil Sands pipeline of approximately 100 MMcf/d, 200 MMcf/d and 300 MMcf/d are shown in the table below.

Williams-NGTL-010

Volume (MMcf/d)	Facility	Estimated Incremental Cost (\$ million)
100	Second 5 MW unit at Buffalo C/S	14
200	31 km of NPS 24 loop of Ventures + Second 5 MW unit at Buffalo C/S	33
300	22 km of NPS 24 loop of Ventures + 31 km of NPS 24 loop of Ventures + Second 5 MW unit at Buffalo C/S	47