CCA-NGTL-001

Reference:

Section 1.2 Page 1

Request:

NGTL indicates that it requires new rates, tolls and charges for the Alberta System commencing January 1, 2004 because the 2003 ASRRS and 2003 Tariff Settlement are only approved until December 31, 2003. Given that the AEUB has approved the rates, tolls and charges would these approved tolls and charges continue into the future without further interim applications from NGTL or further Board action? Why or why not?

Response:

NGTL applied to the Board for approval of 2004 interim rates, tolls and charges for service on the Alberta System, effective January 1, 2004 (2004 Interim Tolls). This Application was required because the 2003 Final Tolls were approved until December 31, 2003. NGTL requested that the 2004 Interim Tolls be effective pending the Board's disposition of the GRA.

In Decision 2003-105, the Board approved the Application for 2004 Interim Tolls and ordered that:

> The 2004 interim rates, tolls, and charges on the Alberta System as described in the Application shall be effective from January 1, 2004 until the same are superseded by the Board decision on Nova Gas Transmission Ltd.'s 2004 GRA Phase II.

CCA-NGTL-002

Reference:

Section 1.1 Page 1

Request:

Why has NGTL filed an application for a single test year as opposed to one for two years? Would a two year test period provide customers with greater rate certainty in 2005? The concern is that it is unlikely that 2004 final rates will not be known until late 2004 or early 2005.

Response:

NGTL committed to filing a GRA for 2004 as part of the 2003 Alberta System Revenue Requirement Settlement. In addition, the Board directed NGTL to file a 2004 GRA in Decision 2003-051.

NGTL has filed a GRA that includes the 2004 Test Year in response to these requirements.

CCA-NGTL-003(a)

Reference:

Section 2 Page 1

Request:

Please explain how the existing rate design encourages efficiencies.

Response:

Please refer to the response to BR-NGTL-010(a).

CCA-NGTL-003(b)

Reference:

Section 2 Page 1

Request:

Please describe the changing market dynamics which have occurred that are addressed by the existing rate design.

Response:

Please refer to the response to ATCO-NGTL-014.

CCA-NGTL-003(c)

Reference:

Section 2 Page 1

Request:

Please describe any market dynamics which have changed or are expected to change since the existing rate design was approved by the Board.

Response:

NGTL is not currently aware of any market dynamics that would influence the need for a change in the Alberta System rate design.

Market dynamics will be influenced by any changes in supply and demand that occur in the future.

CCA-NGTL-004(a)

Reference:

Section 2.2 Page 3 to 7

Request:

Please explain how the dedicated plant method reflected distance and diameter sensitivity.

Response:

Loads that moved longer distances, particularly across small diameter pipelines, tended to require greater amounts of plant per unit of throughput and therefore resulted in higher unit costs than loads that moved shorter distances across larger-diameter pipelines.

CCA-NGTL-004(b)

Reference:

Section 2.2 Page 3 to 7

Request:

How was common plant allocated to individual shippers?

Response:

All plant initially requested by a customer was designed, installed and charged to that customer's direct plant. This direct plant was assigned a billing demand volume which equaled the demand volume, so that if at some point in time the plant became shared plant, the plant could be allocated based on each customer's billing demand volume percentage. If a customer was the sole user of a facility, that customer was billed all costs associated with the direct plant.

CCA-NGTL-004(c)

Reference:

Section 2.2 Page 3 to 7

Request:

Please explain "cost of service agreements".

Response:

Shippers requiring facilities under the dedicated plant method were required to enter into agreements to pay all of the owning and operating costs related to those specific facilities and/or a share of common facilities. These agreements are referred to as "cost of service" agreements.

CCA-NGTL-004(d)

Reference:

Section 2.2 Page 3 to 7

Request:

Please explain how both volume and distance continue to be charged for Intra-Alberta delivery service under the postage stamp with commodity charge only timeframe.

Response:

Under the postage stamp rate design the receipt and delivery rates were designed to recover the revenue requirement over the contract demand and throughput billing determinants. The higher the billing determinants the lower the rate and vice versa.

Under the postage stamp rate design, the total rate for gas delivered to intra-Alberta markets was recovered by the receipt rate. The total rate for gas delivered to ex-Alberta markets was recovered by the combination of the receipt rate and the delivery rate. By design the receipt rate was set to equal the delivery rate. Therefore the total rate for intra-Alberta deliveries was one-half of the total rate for ex-Alberta deliveries. This is consistent with the actual distance the gas traveled as gas destined for intra-Alberta markets traveled on average one-half of the distance gas destined for ex-Alberta markets traveled.

CCA-NGTL-004(e)

Reference:

Section 2.2 Page 3 to 7

Request:

Please provide the distance of haul study used in the development of the Intra-Alberta postage stamp rate in 1989.

Response:

A summary of the results from earlier studies is provided in the most recent study. All other DOH studies previous to the most recent one are not being provided due to the repetitive and voluminous nature of the information. Each of the studies uses the same underlying assumptions and methodology as used in the most recent year.

CCA-NGTL-004(f)

Reference:

Section 2.2 Page 3 to 7

Request:

Please provide all other distance of haul studies which have been completed by NGTL.

Response:

Please refer to the response to CCA-NGTL-004(e).

CCA-NGTL-004(g)

Reference:

Section 2.2 Page 3 to 7

Request:

Please explain how pipe diameter is a function of receipt volumes. Does this also hold true for mainline pipe diameter? Please explain why or why not.

Response:

NGTL sizes the pipes attached to the receipt meter stations based on the volumes expected to be received from the meter stations, the receipt pressure at the meter stations, the pressure at which the receipt gas will enter the connecting pipe and the pressure drop within the pipe.

For mainline design, the system is designed to transport gas from many receipt points to many delivery points that include three large export delivery points located at Empress, McNeill and Alberta/British Columbia. As these pipes connect together, some are looped with other pipe and some pipes are connected to compression facilities. The size of the connecting pipes is based on the expected flows from the upstream pipes, the pressure available from the upstream pipe, the pressure required to meet the downstream delivery requirement, the available power at the compressor stations along the pipe, the fuel gas used in the compressor stations and the location of the compressor stations along the pipe.

When additional facilities are required, the selection process includes the evaluation of different combinations of pipe (size, length, etc.) and compression (size, location, etc.) that will meet design flows.

CCA-NGTL-004(h)

Reference:

Section 2.2 Page 3 to 7

Request:

Is pipe diameter also a function of receipt location?

Response:

Yes. Please refer to the response to CCA-NGTL-004(g).

CCA-NGTL-004(i)

Reference:

Section 2.2 Page 3 to 7

Request:

Please list which stakeholders NGTL had extensive discussions concerning the Intra-Alberta short haul and delivery charges.

Response:

The names of the stakeholders, as listed in Attachment H to the Alberta System 2003 Tariff Settlement filed in NGTL's 2003 Tariff Application, are:

Anadarko Canada Corporation
ATCO Gas
ATCO Pipelines
BP Canada Energy Company
Canadian Association of Petroleum Producers
Canadian Natural Resources Ltd.
Conoco Canada Ltd.
Coral Energy Canada Ltd.
Coral Energy Canada Inc.
Devon Canada Corporation
EnCana Corporation
Imperial Oil Resources
Industrial Gas Consumers Association of Alberta
Marathon Canada Ltd.
Mirant Canada Energy Marketing Ltd.
Nexen Inc.
North Core Committee
Pacific Gas & Electric Company
B.C. Gas Utility
Petro-Canada Oil and Gas
Shell Canada Ltd.
Suncor Energy Marketing Inc.
Talisman Energy Canada
NOVA Gas Transmission Ltd.

CCA-NGTL-004(j)

Reference:

Section 2.2 Page 3 to 7

Request:

Please list the contracts that are associated with Intra-Alberta short haul service. Please do not identify the contracting parties, but identify the volumes, time periods, and distances involved.

Response:

The requested information is provided in attachment CCA-NGTL-004(j).

FT-P Executed Contracts and Forecast

Area	Billing Start Date	Billing End Date	Distance (km)	Contract Demand Quantity (MMcf/d)	Revenue[2] ($ Million)
Cold Lake	1-Jan-04	31-Dec-04	49.4	146.0	8.7
Cold Lake	1-Jan-04	31-Dec-04	82.0	10.1	0.7
Cold Lake	1-Nov-03	31-Mar-05	71.4	8.0	0.4
Cold Lake	1-Nov-03	31-Mar-05	98.1	5.5	0.4
Cold Lake	1-Nov-03	31-Mar-05	123.2	16.3	1.1
Total Cold Lake				**185.8**	**11.3**
Fort McMurray[1]	1-Nov-03	31-Oct-04	133.3	14.9	1.1
Fort McMurray[1]	1-Nov-03	31-Oct-04	191.5	35.1	2.8
Fort McMurray	1-Feb-04	31-Mar-05	247.6	9.5	0.8
Fort McMurray	1-Feb-04	31-Mar-05	108.3	9.5	0.7
Total Fort McMurray				**69.1**	**5.4**
Forecast			109.0	**73.1**	**5.0**
Total FT-P Contracts and Forecast				**328.0**	**21.7**

Notes:
1) These contracts have been forecasted as being effective for the whole year.
2) Revenue includes fuel.

CCA-NGTL-004(k)

Reference:

Section 2.2 Page 3 to 7

Request:

Please explain what costs are reflected in the FT-P service.

Response:

The FT-P service is designed to account for costs associated with metering gas onto the system, transporting gas through the system and metering gas from the system.

CCA-NGTL-004(l)

Reference:

Section 2.2 Page 3 to 7

Request:

Please explain how the transmission component costs are determined under the FT-P rate.

Response:

NGTL explained in Section 3, pages 1, 2, 7, 8 and 9, of its 2003 Tariff Application how it determined the transmission costs for FT-P service. This extract has been included as Attachment CCA-NGTL-004(l).

3.1 INTRODUCTION

Q1. What is the purpose of this evidence?

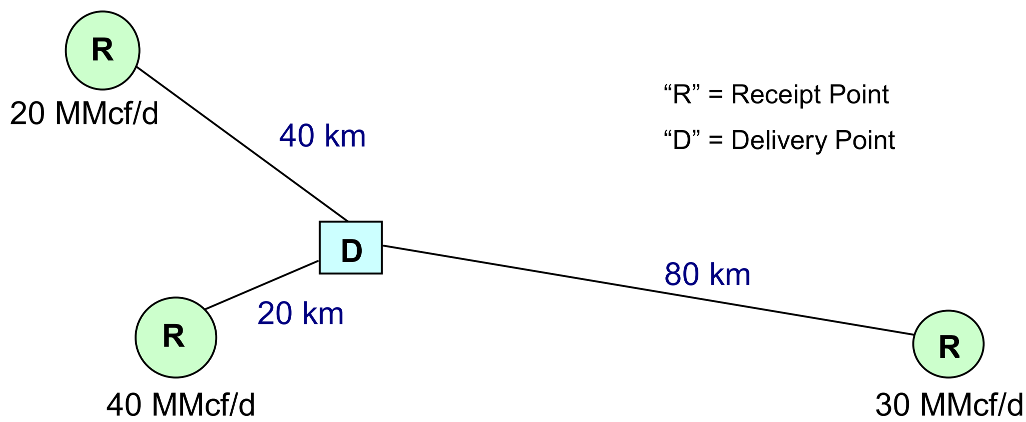
A1. The purpose of this evidence is to explain and support the introduction of a new service, Firm Transportation – Points to Point Service (FT-P), which is a replacement service for the existing Firm Transportation – Point to Point Service (P2P), as agreed to under the terms of the 2003 Tariff Settlement.

3.2 PROPOSED RATE SCHEDULE FT-P

Q2. What is the proposed FT-P?

A2. The proposed FT-P is a replacement service for the existing P2P. The existing P2P was approved as a trial service for two years, designed primarily to address bypass threats. The existing P2P service trial was extended until December 31, 2003; however, new contracts were not available after December 31, 2002. The proposed FT-P has been developed to meet the needs of customers serving intra-Alberta markets. It will provide these customers with the ability to transport gas from a specific set of receipt points to a specific intra-Alberta delivery point for a price that is reflective of the underlying costs of providing the service. The service will be available to shippers at any intra-Alberta delivery point that has a FCS agreement that accounts for such delivery point facilities. The proposed FT-P is illustrated in Figure 3.2.1.

Figure 3.2.1



The proposed FT-P will be limited to the receipt of gas from multiple receipt points and the delivery of gas to one intra-Alberta delivery point. Such receipt points and the delivery point will be set for the term of the contract, thereby restricting the customer access to the remainder of the NGTL facilities. The contract volume will be the aggregate of the receipt points' contract demand (20 + 40 + 30 = 90 MMcf/d as per Figure 3.2.1). The proposed FT-P rate will be distance-based according to the maximum straight-line distance between the delivery point and each receipt point identified in the contract (as per Figure 3.2.1, the proposed FT-P rate will be based on the maximum distance of 80 km). The proposed service also has less flexibility than FT-R, such as no access to NOVA Inventory Transfers (NIT). The intent of the proposed FT-P is to provide an alternative service for intra-Alberta customers that has a rate that reflects the facilities required to provide the service and the attributes associated with the service.

Q3. What are the attributes of the proposed FT-P?

A3. Table 3.2.1 provides an overview of the proposed service and a comparison with the existing P2P and FT-R.

Table 3.2.1			
Service Attribute	**Proposed FT-P**	**Existing P2P**	**FT-R**
No. of Receipt Points	Multiple per contract	One per contract	One per contract
No. of Delivery Points	One per contract	One per contract	n/a
Minimum Volume	140.9 103m3/d (5 MMcf/d)	n/a	n/a
Price	FT-P Table, which is a function of FT-R rates (distance only)	FT-P Table, which is a function of FT-R rates (volume/distance)	Receipt Point Specific (diameter/distance)
Term Differentiated Rates	1 (105%), 3 (100%) and 5 Year (95%)	Not offered	1 (105%), 3 (100%) and 5 Year (95%)
Monthly Charges	Contract Demand + Over-run (IT-R & FT-A) + fuel	Contract Demand + Over-run (IT-R) + fuel	Contract Demand + Over-run (IT-R) + fuel
Fuel	50% System Rate, Overrun at 100%	50% System Rate, Overrun at 100%	100% System Rate
Initial Term (no facilities)	Minimum 1 Year	Minimum 1 Year	3 Year Secondary
Initial Term (facilities)	Primary Term	Primary Term	Primary Term + 3 Year Secondary Term
Capacity Release	Not allowed	Not allowed	Allowed
Transfers	Allowed amongst contracted receipt points	Not allowed	Allowed
Term Swaps	Not allowed	Not allowed	Allowed
Title Transfers (NIT)	Not allowed	Not allowed	Allowed
Renewal Notice	One Year	6 Months	One Year
Conversion on Renewal	To FT-P or FT-R	Not allowed	To FT-R or FT-P
Renewal Term	Minimum 1 Year	Minimum 1 Year	Minimum 1 Year
Inventory Account	Separate Account for Service	Separate Account for Service	One Customer Account
Balance Zone	Not allowed for account	Not allowed for account	Greater of 2 TJ or 4%
Imbalances	Rolled into customer account	Rolled into customer account	Must meet Balance Zone
Priority	Equal to FT-R	Equal to FT-R	Firm service (highest)
Assignments	All Volume Only	All or Partial Volume	All or Partial Volume
Accountability	Primary Term + FCS	Primary Term + FCS	Primary + Secondary

Q4. How is the proposed FT-P different from the existing P2P?

A4. There are five main differences:

- The number of receipt points per contract is not restricted with the proposed FT-P. The existing P2P is restricted to one receipt point.
- There will be a minimum volume requirement of 140.9 $10^3m^3/d$ (5 MMcf/d) for the proposed FT-P which aligns with NGTL's current rural gas service procedures. There is no minimum requirement with the existing P2P.

- The rate for the proposed FT-P is distance based and within the same floor and ceiling prices that NGTL uses for the transmission cost component of FT-R. The existing P2P rate is volume/distance based to mirror a bypass pipeline.
- The service renewal notice period is six months for the existing P2P and one year for the proposed FT-P.
- The proposed FT-P will provide improved operational flexibility for customers compared to the existing P2P.

Q5. Explain why the proposed FT-P offers improved operational flexibility as compared to the existing P2P.

A5. Operational flexibility for customers associated with the proposed FT-P will improve due to the introduction of multiple receipt points per contract, the determination of monthly charges at an aggregated contract level and the ability to convert from the proposed FT-P to FT-R and *vice versa*, at the time the customer may renew either service.

Multiple receipt points will allow customers to aggregate volumes from several locations to achieve greater security of supply. The aggregation of volumes will also increase one producer's ability to meet the market requirement of one intra-Alberta customer, which in turn promotes the commercial viability of such service. Additional operational flexibility is provided by allowing a transfer of contract demand between those multiple receipt points identified within the contract subject to the standard transfer criteria and policies and procedures currently in effect for firm services on the Alberta System. This improves customers' abilities to meet their gas requirements during system interruptions.

Month-end billing on an aggregated contract level allows for greater utilization of contract demand by rationalizing receipt-point-specific overrun gas against underutilized demand charges at other receipt points identified within the proposed FT-P contract.

FT-P and FT-R are proposed to be amended such that upon renewal notice, customers can provide notice as to which service, either FT-P or FT-R, under which they desire such service to be renewed. This increases the flexibility and ability for supply to be contracted under the desired service type.

Q6. What are the similarities between the existing P2P and proposed FT-P?

A6. There are several similarities between the existing P2P and the proposed FT-P, specifically:

- service is restricted to one intra-Alberta delivery point with a valid FCS agreement;
- the rate is a function of the average FT-R rate;
- monthly charges will consist of three components: the contract demand rate, overrun gas charges and a fuel component;
- the fuel component of the service is based on 50% of the system average fuel rate;
- the minimum term of service is one year if no new facilities are required. If associated with new receipt facilities, the minimum term is equal to the primary term as calculated in accordance with Appendix E of NGTL's Tariff, "Criteria for Determining Primary Term;"
- administration of the service is via a separate account which will not have access to NIT nor be entitled to a range within which the customer may balance its inventory account on a daily basis (Balance Zone); and

- service priority is equal to FT-R during system interruptions.

Q7. What are the main differences between the proposed FT-P and FT-R?

A7. The main differences between these two services are that the proposed FT-P has:

- restricted system access - the receipt points where gas can be received and the delivery point where gas can be delivered are defined when the contract is signed and cannot be changed;
- a minimum volume requirement;
- the fuel component based on 50% of the system average fuel rate;
- no access to NIT;
- no secondary term, due to restricted system and NIT access; and
- no Balance Zone under the proposed FT-P account.

Q8. What are the similarities between the proposed FT-P and FT-R?

A8. There are a few common attributes between the services, specifically:

- term-differentiated rates are available;
- the associated floor, average and ceiling prices of proposed FT-P are comparable to the respective FT-R rates plus the FT-A rate;
- renewal notice is a minimum of one year; and
- the services have equal priority during service interruptions.

A blacklined copy of the amendments required to Rate Schedule FT-R to give effect to this proposal are provided in Appendix 3-A. Rate Schedule FT-P, and a clean copy of Rate Schedule FT-R are provided in Attachment "C" and Attachment "D", respectively, of Appendix 1-A to this Application. A summary of these amendments and the "housekeeping" changes to Rate Schedule FT-R that have been included is provided at the beginning of Appendix 3-A. A blacklined copy of the consequential amendments to other tariff sections is provided in Appendix 3-B and a clean copy of the consequential amendments is provided in Attachments "E" of Appendix 1-A to this Application.

Q9. What is the purpose of the proposed FT-P?

A9. The proposed FT-P will provide an additional service to NGTL customers at a rate which reflects both the facilities used to provide the service and the attributes associated with the service. The current P2P service does not provide industry with sufficient operational flexibility. Certain attributes have been added to the proposed FT-P to make it more useful than the current P2P. The proposed FT-P will also improve the price transparency and cost accountability associated with intra-Alberta services.

Q10. How will the proposed FT-P rates be determined?

A10. The algorithm used to price the proposed FT-P is consistent with the current rate design, including the changes identified in Section 2 of this Application. As explained in Section 2, all services (Receipt, Export Delivery and Intra-Delivery) require gas to be measured either onto or from the system. This is a standardized function and thus has an average standard metering cost of 1.6¢/Mcf on each of the receipt and delivery sides.

The FT-R rates also incorporate a transmission component to reflect the cost of facilities required to transport the gas. The transmission component for the average FT-R rate is 14.6¢/Mcf. The FT-R rate for a particular receipt point is based on the cost of the facilities designed to transport gas from the specific receipt point to the major delivery points so the rate of any particular receipt point will vary around the average. The average FT-R rate combines the receipt metering component of 1.6¢/Mcf with the average transmission component of 14.6¢/Mcf for a total average FT-R rate of 16.2¢/Mcf. The floor price defines the minimum rate to receive gas onto the system and consists of the receipt metering component of 1.6¢/Mcf and a minimum transmission component of 6.6¢/Mcf for a total of 8.2¢/Mcf. The ceiling price defines the maximum rate to receive gas onto the system and consists of the metering component of 1.6¢/Mcf and a maximum transmission component of 22.6¢/Mcf for a total of 24.2¢/Mcf.

Since the rate for the proposed FT-P is based on the full path cost of providing service from specific receipt points to a specific delivery point, it is comprised of the 1.6¢/Mcf receipt metering, a transmission component contained within the floor and ceiling range, and the 1.6¢/Mcf delivery metering component. To be consistent with FT-R, the minimum transmission component cost for the proposed FT-P will be 6.6¢/Mcf, the maximum transmission component cost will be 22.6¢/Mcf and the average transmission cost to move the average intra-Alberta distance of haul will be 14.6¢/Mcf. Rates for the proposed FT-P between the floor and ceiling values will be increased based on 25-km distance intervals. The average intra-Alberta distance of haul is 275 km (2001 Distance of Haul Study, rounded to the nearest 25 km). Therefore, there are 10 increments between the minimum FT-P distance of 25 km and the average distance of 275 km, resulting in a transmission cost component of 0.8¢/Mcf per 25-km increment. Table 3.2.2 illustrates the methodology.

Table 3.2.2

Maximum Distance		Receipt Metering Component	Transmission Component	Delivery Metering Component	FT-P Rate	Comparable FT-R Rate
km		¢/Mcf	¢/Mcf	¢/Mcf	¢/Mcf	¢/Mcf
From	To					
0	**25**	**1.6**	**6.6**	**1.6**	**9.8**	**1.6 + 6.6 = 8.2 Floor**
> 25	50	1.6	7.4	1.6	10.6	
> 50	75	1.6	8.2	1.6	11.4	
> 75	100	1.6	9.0	1.6	12.2	
> 100	125	1.6	9.8	1.6	13.0	
> 125	150	1.6	10.6	1.6	13.8	
> 150	175	1.6	11.4	1.6	14.6	
> 175	200	1.6	12.2	1.6	15.4	
> 200	225	1.6	13.0	1.6	16.2	
> 225	250	1.6	13.8	1.6	17.0	
> 250	**275**	**1.6**	**14.6**	**1.6**	**17.8**	**1.6 + 14.6 = 16.2 Average**
> 275	300	1.6	15.4	1.6	18.6	
> 300	325	1.6	16.2	1.6	19.4	
> 325	350	1.6	17.0	1.6	20.2	
> 350	375	1.6	17.8	1.6	21.0	
> 375	400	1.6	18.6	1.6	21.8	
> 400	425	1.6	19.4	1.6	22.6	
> 425	450	1.6	20.2	1.6	23.4	
> 450	475	1.6	21.0	1.6	24.2	
> 475	500	1.6	21.8	1.6	25.0	
> 500		**1.6**	**22.6**	**1.6**	**25.8**	**1.6 + 22.6 = 24.2 Ceiling**

Q11. Why is it appropriate to use one-half the FT-R fuel rate for FT-P?

A11. Gas destined for intra-Alberta markets travels on average about one-half the distance of gas destined to export markets. Therefore the fuel requirement for gas destined to intra-Alberta markets should be about one-half of the fuel requirement for gas delivered to export markets. Since there is no fuel component associated with FT-D, fuel is recovered through FT-R. By setting the fuel for the proposed FT-P at one-half the fuel rate for FT-R, the fuel requirement for gas delivered to intra-Alberta markets served by the proposed FT-P is one-half of the fuel requirement for gas destined to export markets.

Q12. Why is it appropriate for FT-P not to have access to NIT?

A12. The rate for the proposed FT-P is based on the maximum distance from the specific receipt points to the specific intra-Alberta delivery point identified in the customer's contract. Access to NIT would result in the customer being able to source gas from any receipt point, which is not consistent with a service that is designed and priced on the basis of a specific distance.

Q13. What are the benefits of the proposed FT-P to intra-Alberta delivery shippers?

A13. The proposed FT-P will provide intra-Alberta shippers with an additional choice of service in meeting their transportation needs at a price that is reflective of the service. Currently, intra-Alberta shippers pay for transportation indirectly through the price of gas, as the FT-R rate is one of the costs that parties incur in providing the gas, so the FT-R rate must be recovered when the gas is sold. With the proposed FT-P, intra-Alberta shippers will be able to contract directly for transportation from multiple receipt points to a delivery point and pay a direct, transparent transportation charge. Since the proposed FT-P rate better reflects the underlying cost of providing the transportation service, they will also be paying a more cost-reflective rate. To the extent that shippers can source their gas in proximity to the delivery point, they will be able to realize a lower cost as less facilities are required to provide the service.

Q14. Will there be an impact on other rates as a result of the proposed FT-P?

A14. Yes. However, the exact impact cannot be calculated until the amount of proposed FT-P is contracted and the breakdown between incremental and replacement service is determined. If no incremental service is generated and existing FT-R is replaced by the proposed FT-P, with an average FT-P rate lower than the average FT-R rate, then the FT-R and FT-D rates will increase marginally. If incremental service is generated, or the average FT-P rate is greater than the average FT-R rate, then the FT-R and FT-D rates will decrease marginally.

Q15. What are NGTL's estimates of the impact to FT-R and FT-D rates?

A15. Figure 5.1 in Section 5 illustrates the rate calculation process and estimated rates for 2003. NGTL has estimated that customers will subscribe for 524 MMcf/d volumes of the proposed FT-P that will generate $29.0 million in revenue. This estimate is based on one-half of the eligible intra-Alberta volumes (total intra-Alberta volumes less extraction volumes less storage volumes) subscribing for the service within a 100-km radius of the respective intra-Alberta delivery points, a fuel price of $5.21/Gj and a fuel usage for the proposed FT-P of 0.54%.

Contracting of the proposed FT-P will reduce the quantity of gas that would otherwise utilize both FT-R and FT-A. Thus the revenue associated with FT-R and FT-A will be decreased. As both volumes and revenues will be impacted, the net effect on price is difficult to estimate accurately. NGTL has provided analysis for four scenarios.

- Base case - Existing rate design and services with 0% of volumes utilizing the proposed FT-P;
- Case 1 - The proposed rate design and services with 25% of volume utilizing the proposed FT-P;
- Case 2 - The proposed rate design and services with 75% of volume utilizing the proposed FT-P; and

- Case 3 - The proposed rate design and services with 50% of volume utilizing the proposed FT-P.

The base case represents what would be in effect without the changes proposed in this Application. Case 3 represents NGTL's estimate for 2003 of 50% of the eligible quantities of gas contracted to the proposed FT-P.

Table 3.2.3 provides a summary for all four cases.

Table 3.2.3

Case	FT-P Volume (MMcf/d)	FT-A Volume (MMcf/d)	FT-R Volume (MMcf/d)	FT-P Revenue ($Million)	Average FT-R Rate (¢/Mcf)	FT-D Rate (¢/Mcf)
Base	0	1,047	10,151	0.0	16.3	15.8
1	262	785	9,889	14.5	16.2	15.7
2	785	262	9,366	43.6	16.2	15.8
3	524	523	9,627	29.0	16.2	15.8

Table 3.2.4 illustrates the changes relative to the base case.

Table 3.2.4

Case	FT-P Volume (MMcf/d)	FT-A Volume (MMcf/d)	FT-R Volume (MMcf/d)	FT-P Revenue ($Million)	Average FT-R Rate (¢/Mcf)	FT-D Rate (¢/Mcf)
1	262	(262)	(262)	14.5	(0.1)	(0.1)
2	785	(785)	(785)	43.6	(0.0)	(0.1)
3	524	(524)	(524)	29.0	(0.1)	(0.1)

3.3 CONCLUSIONS

Q16. What are the benefits of implementing the proposed FT-P?

A16. The main benefit of introducing the new service will be to provide customers an additional option to meet their transportation needs.

The proposed FT-P will be available to intra-Alberta shippers at a price that reflects the underlying cost of providing the service. This will improve the price transparency and direct cost accountability associated with intra-Alberta service. It is responsive to the Board's requirement to address issues related accountability and to the future principles raised by Parties to the Alberta System Rate Settlement. The proposed FT-P contains a fair and efficient short-haul rate for short-haul service within Alberta.

Q17. Does this conclude NGTL's evidence on the proposed FT-P?

A17. Yes.

CCA-NGTL-004(m)

Reference:

Section 2.2 Page 3 to 7

Request:

Please explain how other transportation service rates were reduced because the metering costs which were recovered via other transportation services are now recovered directly from the customer that holds the FT-A contract.

Response:

Without a charge for FT-A service, other transportation services would be required to generate the entire transportation revenue requirement. With a charge for FT-A service, other transportation services need only generate the transportation revenue requirement less the revenue generated from FT-A service. Therefore there will be a smaller revenue requirement spread over the same amount of billing determinants so the rates will be reduced (the exception being LRS rates which are predetermined).

CCA-NGTL-004(n)

Reference:

Section 2.2 Page 3 to 7

Request:

Please provide details on how it was determined that less the 2% of the total transmission costs are associated only with Intra-Alberta deliveries.

Response:

As per the February 2004 Update, NGTL has corrected its Phase 2 evidence to reflect transmission costs associated only with intra-Alberta deliveries is 0.2% and not 2%.

Please refer to Section 2.6 of NGTL's Phase 2 Application and the responses to BR-NGTL-003(a) and BR-NGTL-003(b).

CCA-NGTL-004(o)

Reference:

Section 2.2 Page 3 to 7

Request:

Please explain how the various rate design changes addressed other pipelines competitive offerings.

Response:

With the introduction of Receipt Point Specific Pricing, NGTL's rate design has an improved relationship between the cost of providing a particular service and the rate charged for that service. NGTL believes that this has improved the competitiveness of its services. NGTL is not proposing any rate design changes in this application.

CCA-NGTL-004(p)

Reference:

Section 2.2 Page 3 to 7

Request:

Please explain how other pipelines rates have been adjusted to respond to NGTL's rate design changes.

Response:

ATCO Pipelines has stated that certain rate changes made by ATCO are in response to changes in NGTL's rate design.

ATCO Pipelines' Industrial/Producer Settlement, approved by the Board in Decision 2001-053, contained a clause that would allow ATCO to re-open the Settlement if there were significant changes to NGTL tolls. NGTL is aware that ATCO made the following changes to its rates subsequent to the approval of NGTL's Products and Pricing Application:

- Established term-differentiated rates for delivery customers;
- Changed firm receipt rates to 100% demand from 90%/10% demand/commodity to be consistent with NGTL;
- Established seasonal short-term rates;
- Increased existing industrial rebates and implemented new rebates;
- Added an NGTL fuel component to the exchange fee; and
- Added exchange fee discounts at dually connected plants in the north and increased the existing discount in the south.

In addition, the Board also approved (Decision 2002-081) additional time-limited exchange fee discounts for dually connected receipt points. Any NGTL/ATCO dually connected station where ATCO's receipt toll plus exchange fee was greater than the NGTL toll would attract a reduced exchange fee. The exchange fee was calculated to ensure that the cost to the producer was always 1 cent/GJ less than the NGTL rate.

NGTL is not aware of any other pipelines that have characterized adjustments in their rates as a response to NGTL's rate design changes.

CCA-NGTL-005(a)

Reference:

Section 2.2 Page 7

Request:

Please list those benefits which are valued by customers that NGTL is attempting to preserve.

Response:

The primary benefits relate to the NIT market. Please refer to Section 2.3, page 10, for a complete discussion.

CCA-NGTL-005(b)

Reference:

Section 2.2 Page 7

Request:

For each rate please explain how NGTL determined which costs were associated for providing that service associated with the rate.

Response:

Please refer to Section 2.3, pages 10 to16, Q/A's 9, 10, 11 and 12 for a complete explanation of how the costs associated with each rate were determined.

CCA-NGTL-005(c)

Reference:

Section 2.2 Page 7

Request:

Please explain if there is any method under which Intra-Alberta short haul volumes can take part in the inventory transfer mechanisms of Nova or other pipelines.

Response:

FT-P service does not allow access to NIT. Once gas has been delivered to another pipeline it is subject to the conditions on that pipeline.

CCA-NGTL-006(a)

Reference:

Section 2.3 Page 9

Request:

Please provide a listing of all delivery meters of the NGTL system including the date the meters were purchased, the location and delivery pipeline, the gross and net book value of each meter, the date of installation, average annual volume at each meter, the meter type, the pressure available at the meter separated into Intra-Alberta delivery meters (industrial, producer, utility) and Ex-Alberta delivery meters (receipt, border, storage and extraction).

Response:

Please refer to Attachment CCA-NGTL-006(a).

NGTL declines to provide estimated net book values as they are confidential under contractual agreements between NGTL and customers at intra-Alberta delivery meter stations. The arrangements reflect customer commercial data, which is not otherwise publicly available.

The pressure available at the meter stations is not provided because the Alberta System is an integrated system and as a result the pressure available at intra-Alberta delivery stations will vary based on operating conditions.

Meter type is not provided as this information is not readily available.

M/S #	Meter Station Name	On-Stream Date	Delivery Station Type	Legal Location
2001	ABC SALES	1961-11-02	Border	12-11-008-05-W5
1332	AECO C	1976-10-23	Storage	01-04-019-09-W4
3473	AECO C SALES	1988-08-13	Storage	01-04-019-09-W4
2002	ALBERTA-MONTANA	1961-12-27	Border	NE-11-001-26-W4
3059	ALLISON CRK SLS	1975-10-08	ID-Producer	NE-11-008-05-W5
3562	AMOCO SALES TAP	1992-09-01	ID-Producer	SW-07-066-05-W4
3488	ARDLEY SALES	1992-09-22	ID-Industrial	11-32-039-22-W4
3413	ATMORE B SALES	1977-12-15	ID-Industrial	SE-32-067-17-W4
3489	ATUSIS CREEK SL	1992-12-01	ID-Utility	12-19-027-24-W4
3423	BASHAW WEST SLS	1977-10-01	ID-Producer	NE-06-042-22-W4
3068	BEAVER HILL SLS	1980-02-01	ID-Producer	NE-03-062-19-W5
3067	BIGSTONE SALES	1980-01-01	ID-Producer	SW-15-061-21-W5
3446	BITTERN LAKE SL	1983-12-22	ID-Producer	SE-30-046-21-W4
3468	BLEAK LAKE SLS	1987-09-16	ID-Utility	04-15-066-23-W4
3471	BLUE RIDGE E SL	1988-06-21	ID-Utility	15-23-059-11-W5
3002	BOUNDARY LK BDR	1962-10-30	Border	08-14-085-13-W6
3094	BRAZEAU N SALES	1988-08-24	ID-Producer	05-06-047-12-W5
3109	CALDWELL SALES	1994-09-01	ID-Producer	13-31-002-28-W4
3634	CANOE LAKE SALE	2002-02-18	ID-Producer	05-08-070-04-W4
1170	CARBON	1968-02-01	Storage	SW-16-029-22-W4
1171	CARBON SALES	1968-01-02	Storage	SW-16-029-22-W4
3484	CARIBOU LAKE SL	1990-12-01	ID-Producer	08-12-069-05-W4
3106	CARMON CREEK SL	1994-10-05	ID-Producer	04-31-085-20-W5
3101	CAROLINE SALES	1993-05-10	ID-Producer	NW-36-034-06-W5

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	On-Stream Date	Delivery Station Type	Legal Location
3060	CARROT CREEK SL	1975-09-01	ID-Utility	02-32-053-13-W5
3495	CAVALIER SALES	2001-04-01	ID-Producer	15-32-023-23-W4
3622	CHEECHAM W. SLS	1997-04-05	ID-Producer	15-09-084-06-W4
3097	CHICKADEE CK SL	1990-03-15	ID-Industrial	04-33-060-13-W5
3305	CHIGWELL N. SLS	1975-10-02	ID-Producer	04-17-041-24-W4
3496	CHIPEWYAN RIVER	2001-07-09	ID-Utility	03-29-092-20-W4
1417	COLD LAKE BDR	1978-02-15	Border	SW-12-062-01-W4
3052	COLEMAN SALES	1970-05-01	ID-Utility	NW-04-008-04-W5
3612	CONKLIN W SALES	1994-04-01	ID-Utility	09-23-077-09-W4
3416	COUSINS A SALES	1976-05-03	ID-Industrial	NW-14-013-06-W4
3458	COUSINS B SALES	1985-07-04	ID-Industrial	NW-14-013-06-W4
3418	COUSINS C SALES	1976-02-28	ID-Industrial	NW-14-013-06-W4
3483	CRAMMOND SALES	1990-12-11	ID-Producer	10-34-034-06-W5
3105	CRANBERRY LK SL	1993-12-30	ID-Producer	08-20-085-18-W5
1751	CROSSFIELD E #2	1994-11-12	Storage	02-23-028-01-W5
3102	CROSSFIELD E #2	1993-04-01	Storage	15-24-028-01-W5
5024	CROW LAKE SALES	1986-09-30	ID-Producer	NE-33-079-14-W4
3071	CYNTHIA SALES	1982-08-17	ID-Producer	SW-21-049-11-W5
3119	DEADRICK CK SLS	1999-02-19	ID-Producer	08-33-030-01-W5
3085	DEEP VLLY CR SL	1986-10-01	ID-Producer	NW-05-063-25-W5
3124	DEEP VY CK S SL	2000-03-21	ID-Producer	11-03-060-25-W5
2717	DEMMITT #2	1999-08-01	Storage	15-18-074-12-W6
3121	DEMMITT #2 SLS	1999-08-01	Storage	15-18-074-12-W6
3465	DEMMITT SALES	1986-10-06	ID-Producer	SE-03-074-12-W6

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	On-Stream Date	Delivery Station Type	Legal Location
3098	DUTCH CREEK SLS	1990-11-27	ID-Producer	SW-07-012-01-W5
3062	E. CALGARY B SL	1977-11-19	ID-Utility	SE-03-026-29-W4
3632	EAST CALGARY SA	2001-11-01	ID-Producer	SE-03-026-29-W4
3456	ELK POINT SALES	1985-08-07	ID-Producer	01-09-055-06-W4
3082	ELK RIVER S SLS	1986-11-20	ID-Industrial	06-10-047-14-W5
1958	EMPRESS BORDER	1957-06-01	Border	SE-12-020-01-W4
4000	ESTHER BORDER	1978-09-01	Border	NW-19-032-01-W4
3469	EVERGREEN SALES	1988-01-21	ID-Producer	06-16-038-04-W5
3112	FALHER SALES	1996-10-15	ID-Utility	08-06-078-20-W5
3107	FERGUSON SALES	1993-12-30	ID-Industrial	13-13-085-21-W5
3623	FERINTOSH N. SL	1997-06-01	ID-Producer	SE-32-045-21-W4
3430	FERINTOSH SALES	1982-01-21	ID-Producer	12-10-044-22-W4
3077	FIRE CREEK SALE	1984-09-26	ID-Producer	05-29-110-05-W6
3449	FLEET SALES	1984-01-23	ID-Producer	SW-26-037-14-W4
3304	FORESTBURG SLS	1975-08-27	ID-Utility	SW-34-040-16-W4
3490	GAETZ LAKE SLS	1992-05-20	ID-Producer	NE-36-038-27-W4
3616	GAS CITY SALES	1994-11-02	ID-Producer	13-02-013-06-W4
3118	GILBY N#2 SALES	1998-10-01	ID-Producer	01-15-041-03-W5
3624	GODS LAKE SALES	1997-08-01	ID-Producer	11-10-090-03-W5
3087	GOLD CREEK SLS	1987-03-01	ID-Producer	04-34-067-04-W6
2074	GORDONDALE BDR	1977-11-01	Border	03-12-079-12-W6
3424	GRANDE CENTRE S	1980-12-10	ID-Utility	13-13-062-02-W4
3055	GRANDE PRAIR SL	1972-10-15	ID-Utility	NE-26-067-05-W6
3453	GREEN GLADE SLS	1985-11-08	ID-Producer	NW-05-038-01-W4

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	On-Stream Date	Delivery Station Type	Legal Location
3464	GREENCOURT W SL	1986-04-01	ID-Producer	06-36-059-10-W5
3117	GRIZZLY SALES	1998-10-05	ID-Producer	07-10-061-22-W5
3414	HANNA S B SALES	1977-11-10	ID-Utility	NE-22-031-14-W4
3437	HARMATTAN SALES	1983-03-02	ID-Producer	04-05-032-03-W5
3093	HARMATTAN-LEDUC	1988-10-13	ID-Producer	NE-27-031-04-W5
3615	HAYNES SALES	1994-08-28	ID-Industrial	12-29-038-25-W4
3100	HEART RIVER SLS	1993-06-18	ID-Utility	05-11-077-16-W5
3611	HERMIT LAKE SLS	1993-11-22	ID-Utility	12-36-071-07-W6
5007	HOUSE RIVER	1982-07-23	ID-Industrial	NE-33-079-14-W4
3125	HUGGARD CREEK S	2001-09-25	ID-Industrial	05-11-069-22-W5
3419	INLAND SALES	1979-10-16	ID-Utility	NE-34-050-15-W4
3472	INNISFAIL SALES	1988-05-02	ID-Producer	NE-35-034-01-W5
1795	JANUARY CREEK	1997-04-07	Storage	10-27-054-14-W5
3620	JANUARY CRK SLS	1997-01-10	Storage	10-27-054-14-W5
3618	JENNER EAST SLS	1995-06-01	ID-Producer	04-21-020-08-W4
3491	JOFFRE SLS #2	1999-09-08	ID-Industrial	12-29-038-25-W4
3492	JOFFRE SLS #3	1999-09-22	ID-Industrial	12-29-038-25-W4
3078	JUDY CREEK SALE	1984-09-12	ID-Producer	10-25-064-11-W5
3445	KAKWA SALES	1983-08-01	ID-Producer	11-03-064-07-W6
3476	LAC LA BICHE SL	1989-01-19	ID-Producer	05-03-067-13-W4
3460	LANDON LAKE SLS	1986-01-01	ID-Producer	SW-36-054-06-W4
3605	LEMING LAKE SLS	1992-07-01	ID-Producer	SE-32-065-04-W4
3474	LLOYD CREEK SLS	1988-10-05	ID-Producer	NW-32-043-01-W5
3482	LONE PINE CK SL	1991-03-01	ID-Producer	SW-23-030-28-W4

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	On-Stream Date	Delivery Station Type	Legal Location
3606	LOSEMAN LAKE SL	1992-07-01	ID-Producer	07-05-067-04-W4
3621	LOSEMAN LK SL#2	1996-09-29	ID-Producer	07-05-067-04-W4
3080	LOUISE CREEK SL	1985-05-16	ID-Producer	SW-25-064-11-W5
3058	LUNDBRECK-COWLE	1971-09-01	ID-Utility	NE-07-007-02-W5
3604	MARGUERITE L SL	1992-07-01	ID-Producer	SW-08-066-05-W4
3110	MARSH HD CR W S	1995-04-27	ID-Producer	07-16-059-24-W5
6403	MCNEILL A BORDR	1982-09-01	Border	04-01-020-01-W4
1960	MERIDIAN LK BDR	1987-12-28	Border	16-01-056-01-W4
3493	MEYER B SALES	2000-01-01	ID-Producer	NW-02-070-25-W4
3123	MILDRED LK #2 S	1999-11-02	ID-Industrial	08-15-092-10-W4
3120	MILDRED LK SLS	1999-03-24	ID-Industrial	08-15-092-10-W4
3111	MINNOW LK S. SL	1996-03-15	ID-Producer	07-20-050-15-W5
3457	MITSUE SALES	1985-06-19	ID-Producer	10-30-072-04-W5
3411	MONARCH N. B SL	1977-02-11	ID-Utility	12-03-010-23-W4
3092	MOOSEHORN R SLS	1988-06-21	ID-Producer	02-06-067-10-W5
3462	NIPISI SALES	1986-03-19	ID-Utility	10-30-072-04-W5
3368	NOEL LAKE SALES	1992-08-28	ID-Utility	10-01-062-08-W5
3479	NOSEHILL CRK N.	1991-01-19	ID-Producer	01-01-057-22-W5
3470	NOSEHILL CRK SL	1988-10-26	ID-Producer	07-32-055-20-W5
3478	ONETREE SALES	1990-10-09	ID-Industrial	13-24-019-15-W4
3300	OTAUWAU SALES	1970-06-01	ID-Producer	NW-14-071-04-W5
3091	OUTLET CREEK SL	1988-07-09	ID-Producer	02-09-064-19-W5
3072	PADDY CREEK SLS	1983-02-02	ID-Producer	03-28-049-11-W5
3061	PEMBINA SALES	1962-03-01	ID-Utility	NW-17-047-09-W5

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	On-Stream Date	Delivery Station Type	Legal Location
3454	PENHOLD N SALES	1985-06-15	ID-Utility	SW-19-037-27-W4
3444	PINCHER CRK SLS	1983-04-01	ID-Producer	NW-23-004-29-W4
3086	PINE CREEK SLS	1987-03-01	ID-Producer	15-28-057-17-W5
3073	PRIDDIS SALES	1982-11-01	ID-Utility	SE-29-022-03-W5
3083	RAINBOW LK SLS	1986-04-01	ID-Producer	NE-06-109-07-W6
3076	RAINBOW SALES	1983-09-03	ID-Producer	15-07-108-06-W6
3610	RANFURLY SALES	1992-10-28	ID-Utility	01-28-050-09-W4
3065	RAT CREEK SALES	1980-02-15	ID-Producer	05-36-048-11-W5
3438	REDWATER 'B' SL	1983-05-02	ID-Producer	NE-29-057-21-W4
3406	REDWATER SALES	1976-03-30	ID-Utility	NW-29-057-21-W4
3477	RICINUS S SALES	1990-10-23	ID-Producer	03-05-034-06-W5
3405	RIM-WEST SALES	1974-11-17	ID-Utility	NW-32-043-01-W5
3448	ROSS CREEK SLS	1985-05-10	ID-Producer	SW-35-012-06-W4
3095	SAKWATAMAU SALE	1989-09-30	ID-Producer	04-02-065-13-W5
3050	SARATOGA SALES	1970-05-01	ID-Producer	NE-28-015-02-W5
3609	SARRAIL SALES	1992-09-23	ID-Industrial	12-32-068-19-W4
3301	SAULTEAUX SALES	1970-06-01	ID-Producer	SE-18-070-03-W5
3481	SAWRIDGE SALES	1990-10-16	ID-Utility	NE-30-072-04-W5
1821	SEVERN CREEK	1999-11-01	Storage	07-07-025-20-W4
3122	SEVERN CRK SLS	1999-11-01	Storage	07-07-025-20-W4
3613	SHANTZ SALES	1994-06-09	ID-Producer	16-15-031-03-W5
3439	SHEERNESS SALES	1983-11-01	ID-Utility	NE-32-028-13-W4
3485	SHORNCLIFFE CRK	1991-02-21	ID-Producer	06-27-040-07-W4
3494	SILVER VLY SLS	2000-11-01	ID-Producer	15-22-081-11-W6

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	On-Stream Date	Delivery Station Type	Legal Location
3051	SIMONETTE SALES	1970-04-01	ID-Utility	NW-05-063-25-W5
3099	SOUSA CRK E SLS	1992-09-16	ID-Industrial	02-10-109-08-W6
3429	ST. PAUL SALES	1983-12-16	ID-Utility	NE-18-059-10-W4
3600	STORNHAM COULEE	1993-01-01	ID-Producer	13-02-013-06-W4
3497	SUNDAY CREEK SO	2001-07-30	ID-Producer	13-05-076-06-W4
3422	THORHILD SALES	1980-10-29	ID-Utility	10-25-059-22-W4
3113	TWINLAKES CK SL	1998-01-14	ID-Producer	08-05-092-05-W5
1250	UNITY BORDER	1966-10-08	Border	09-11-038-01-W4
3115	USONA SALES	1998-06-01	ID-Utility	01-28-046-27-W4
3088	VALHALLA SALES	1967-06-13	ID-Producer	14-17-077-09-W6
3639	VEGREVILLE SALE	2002-10-31	ID-Utility	03-24-052-15-W4
3410	VIKING SALES	1977-09-09	ID-Utility	04-01-049-13-W4
3063	VIRGINIA HLS SL	1978-12-21	ID-Producer	05-20-063-11-W5
3103	VIRGO SALES	1993-10-01	ID-Producer	12-04-115-05-W6
3074	WATERTON SALES	1982-10-14	ID-Producer	08-24-004-01-W5
3412	WAYNE N B SALES	1977-01-28	ID-Utility	05-04-028-20-W4
3114	WEMBLEY SALES	1998-09-30	ID-Industrial	11-19-073-08-W6
3486	WESTERDALE SLS	1992-02-14	ID-Producer	04-35-031-04-W5
3427	WESTLOCK SALES	1981-01-20	ID-Utility	NW-24-060-26-W4
3069	WILSON CRK S SL	1981-09-15	ID-Producer	07-11-043-04-W5
3421	WIMBORNE SALES	1980-02-29	ID-Producer	06-11-033-26-W4
3425	WOOD RVR SALES	1981-01-28	ID-Utility	01-17-043-23-W4

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	Section	Estimated Book Cost as of Dec. 31, 2002 ($000)	Average 2002 actual volume in MMcf/day
2001	ABC SALES	BURTON CR. C/S TO ALBERTA/B.C. BDR.	9,950	2,137.3
1332	AECO C	PRINCESS C/S TO EAST LATERAL JCT.	3,203	190.6
3473	AECO C SALES	PRINCESS C/S TO EAST LATERAL JCT.	3,203	140.1
2002	ALBERTA-MONTANA	BURTON CR. C/S TO ALBERTA/B.C. BDR.	165	9.3
3059	ALLISON CRK SLS	BURTON CR. C/S TO ALBERTA/B.C. BDR.	97	0.6
3562	AMOCO SALES TAP	KIRBY/LOSEMAN LAKE TO FIELD L. C/S	23	0.0
3488	ARDLEY SALES	WOOD RIVER TO TORRINGTON C/S	289	1.2
3413	ATMORE B SALES	CALLING LAKE TO SEPTEMBER LAKE JCT.	253	-
3489	ATUSIS CREEK SL	BEISEKER C/S TO HUSSAR C/S	1,418	5.8
3423	BASHAW WEST SLS	WOOD RIVER TO TORRINGTON C/S	78	0.0
3068	BEAVER HILL SLS	KAYBOB/JUDY CREEK TO KNIGHT C/S	56	0.0
3067	BIGSTONE SALES	VALVE PRM-1 TO KNIGHT C/S	208	0.5
3446	BITTERN LAKE SL	WOOD RIVER TO TORRINGTON C/S	639	9.6
3468	BLEAK LAKE SLS	SEPTEMBER LAKE TO H. P. SMOKY C/S	173	1.3
3471	BLUE RIDGE E SL	SLAVE LAKE C/S TO BEAVER CREEK C/S	266	4.8
3002	BOUNDARY LK BDR	WORSLEY JUNCTION TO BOUNDARY LAKE	683	-
3094	BRAZEAU N SALES	KNIGHT C/S TO LODGEPOLE C/S	89	0.0
3109	CALDWELL SALES	BURTON CR. C/S TO ALBERTA/B.C. BDR.	254	0.4
3634	CANOE LAKE SALE	KIRBY/LOSEMAN LAKE TO FIELD L. C/S	511	0.1
1170	CARBON	TORRINGTON C/S TO HUSSAR C/S	1,145	80.3
1171	CARBON SALES	TORRINGTON C/S TO HUSSAR C/S	1,145	58.1
3484	CARIBOU LAKE SL	KIRBY/LOSEMAN LAKE TO FIELD L. C/S	200	-
3106	CARMON CREEK SL	MEIKLE RIVER C/S TO DUNVEGAN JCT.	31	0.0
3101	CAROLINE SALES	LODGEPOLE TO JAMES RIVER EXCHANGE	129	0.0

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	Section	Estimated Book Cost as of Dec. 31, 2002 ($000)	Average 2002 actual volume in MMcf/day
3060	CARROT CREEK SL	KNIGHT C/S TO LODGEPOLE C/S	349	3.2
3495	CAVALIER SALES	BEISEKER C/S TO HUSSAR C/S	308	0.1
3622	CHEECHAM W. SLS	GRAHAM/CHARD TO KIRBY	402	1.3
3097	CHICKADEE CK SL	KAYBOB/JUDY CREEK TO KNIGHT C/S	352	2.2
3305	CHIGWELL N. SLS	WOOD RIVER TO TORRINGTON C/S	51	0.4
3496	CHIPEWYAN RIVER	LIEGE TO HOUSE RIVER	849	8.2
1417	COLD LAKE BDR	SADDLE LAKE TO BENS LAKE C/S	544	27.8
3052	COLEMAN SALES	BURTON CR. C/S TO ALBERTA/B.C. BDR.	95	0.4
3612	CONKLIN W SALES	KIRBY/LOSEMAN LAKE TO FIELD L. C/S	594	8.5
3416	COUSINS A SALES	MEDICINE HAT LATERAL	280	-
3458	COUSINS B SALES	MEDICINE HAT LATERAL	280	89.0
3418	COUSINS C SALES	MEDICINE HAT LATERAL	280	0.1
3483	CRAMMOND SALES	CLEARWATER C/S TO DIDSBURY C/S	494	0.0
3105	CRANBERRY LK SL	MEIKLE RIVER C/S TO DUNVEGAN JCT.	870	15.5
1751	CROSSFIELD E #2	DIDSBURY C/S TO BEISEKER C/S	1,101	114.8
3102	CROSSFIELD E #2	DIDSBURY C/S TO BEISEKER C/S	1,101	30.8
5024	CROW LAKE SALES	LIEGE TO HOUSE RIVER	779	2.5
3071	CYNTHIA SALES	KNIGHT C/S TO LODGEPOLE C/S	495	-
3119	DEADRICK CK SLS	CLEARWATER C/S TO DIDSBURY C/S	217	0.5
3085	DEEP VLLY CR SL	VALVE PRM-1 TO KNIGHT C/S	132	0.5
3124	DEEP VY CK S SL	GOLD CREEK C/S TO EDSON	131	0.0
2717	DEMMITT #2	ELMWORTH TO GOLD CREEK C/S	457	33.6
3121	DEMMITT #2 SLS	ELMWORTH TO GOLD CREEK C/S	457	49.2
3465	DEMMITT SALES	ELMWORTH TO GOLD CREEK C/S	82	0.0

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	Section	Estimated Book Cost as of Dec. 31, 2002 ($000)	Average 2002 actual volume in MMcf/day
3098	DUTCH CREEK SLS	BURTON CR. C/S TO ALBERTA/B.C. BDR.	174	-
3062	E. CALGARY B SL	COCHRANE EXTR. TO BURTON CREEK C/S	425	5.4
3632	EAST CALGARY SA	COCHRANE EXTR. TO BURTON CREEK C/S	0	1.0
3456	ELK POINT SALES	SADDLE LAKE TO BENS LAKE C/S	274	1.3
3082	ELK RIVER S SLS	WOLF LAKE C/S TO NORDEGG C/S	346	-
1958	EMPRESS BORDER	EAST LATERAL JUNCTION TO EMPRESS	18,851	5,730.3
4000	ESTHER BORDER	ESTHER BORDER	321	5.0
3469	EVERGREEN SALES	RIMBEY TO TORRINGTON C/S	90	0.0
3112	FALHER SALES	DUNVEGAN JUNCTION TO VALLEYVIEW C/S	624	2.4
3107	FERGUSON SALES	MEIKLE RIVER C/S TO DUNVEGAN JCT.	465	3.5
3623	FERINTOSH N. SL	WOOD RIVER TO TORRINGTON C/S	112	0.0
3430	FERINTOSH SALES	WOOD RIVER TO TORRINGTON C/S	148	0.1
3077	FIRE CREEK SALE	ZAMA TO DRYDEN C/S	150	0.6
3449	FLEET SALES	RED WILLOW C/S TO FARRELL LAKE C/S	163	0.3
3304	FORESTBURG SLS	DUSTY LAKE C/S TO RED WILLOW C/S	135	0.7
3490	GAETZ LAKE SLS	RIMBEY TO TORRINGTON C/S	35	0.7
3616	GAS CITY SALES	MEDICINE HAT LATERAL	1,091	2.0
3118	GILBY N#2 SALES	RIMBEY TO TORRINGTON C/S	187	0.0
3624	GODS LAKE SALES	WOLVERINE RIVER TO SLAVE LAKE C/S	364	0.0
3087	GOLD CREEK SLS	VLYVW/CLKSN PLUS GOLD LAT TO PRM-1	84	1.2
2074	GORDONDALE BDR	GORDONDALE TO SADDLE HILLS C/S	666	-
3424	GRANDE CENTRE S	SADDLE LAKE TO BENS LAKE C/S	176	2.0
3055	GRANDE PRAIR SL	VLYVW/CLKSN PLUS GOLD LAT TO PRM-1	465	-
3453	GREEN GLADE SLS	WAINWRIGHT JCT/UNITY TO PROVOST NTH	179	-

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	Section	Estimated Book Cost as of Dec. 31, 2002 ($000)	Average 2002 actual volume in MMcf/day
3464	GREENCOURT W SL	SLAVE LAKE C/S TO BEAVER CREEK C/S	349	1.7
3117	GRIZZLY SALES	VALVE PRM-1 TO KNIGHT C/S	225	3.1
3414	HANNA S B SALES	FARRELL LAKE C/S TO CESSFORD N.E.	61	0.9
3437	HARMATTAN SALES	CLEARWATER C/S TO DIDSBURY C/S	182	0.4
3093	HARMATTAN-LEDUC	JAMES RIVER EXCH. TO WINCHELL C/S	60	-
3615	HAYNES SALES	RIMBEY TO TORRINGTON C/S	477	0.8
3100	HEART RIVER SLS	DUNVEGAN JUNCTION TO VALLEYVIEW C/S	50	1.2
3611	HERMIT LAKE SLS	ELMWORTH TO GOLD CREEK C/S	589	11.6
5007	HOUSE RIVER	LIEGE TO HOUSE RIVER	779	21.2
3125	HUGGARD CREEK S	VLYVW/CLKSN PLUS GOLD LAT TO PRM-1	573	1.5
3419	INLAND SALES	BENS LAKE C/S TO DUSTY LAKE C/S	810	72.1
3472	INNISFAIL SALES	RIMBEY TO TORRINGTON C/S	332	0.1
1795	JANUARY CREEK	EDSON TO WOLF LAKE C/S	1,445	70.2
3620	JANUARY CRK SLS	EDSON TO WOLF LAKE C/S	1,445	65.3
3618	JENNER EAST SLS	PRINCESS C/S TO EAST LATERAL JCT.	110	0.4
3491	JOFFRE SLS #2	RIMBEY TO TORRINGTON C/S	1,709	35.9
3492	JOFFRE SLS #3	RIMBEY TO TORRINGTON C/S	855	49.9
3078	JUDY CREEK SALE	KAYBOB/JUDY CREEK TO KNIGHT C/S	404	-
3445	KAKWA SALES	ELMWORTH TO GOLD CREEK C/S	131	-
3476	LAC LA BICHE SL	HELINA/TWEEDIE TO HANMORE C/S	254	0.4
3460	LANDON LAKE SLS	SADDLE LAKE TO BENS LAKE C/S	215	1.0
3605	LEMING LAKE SLS	KIRBY/LOSEMAN LAKE TO FIELD L. C/S	2,588	105.1
3474	LLOYD CREEK SLS	RIMBEY TO TORRINGTON C/S	425	-
3482	LONE PINE CK SL	DIDSBURY C/S TO BEISEKER C/S	156	1.4

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	Section	Estimated Book Cost as of Dec. 31, 2002 ($000)	Average 2002 actual volume in MMcf/day
3606	LOSEMAN LAKE SL	KIRBY/LOSEMAN LAKE TO FIELD L. C/S	675	27.9
3621	LOSEMAN LK SL#2	KIRBY/LOSEMAN LAKE TO FIELD L. C/S	320	2.1
3080	LOUISE CREEK SL	KAYBOB/JUDY CREEK TO KNIGHT C/S	938	0.1
3058	LUNDBRECK-COWLE	BURTON CR. C/S TO ALBERTA/B.C. BDR.	12	0.1
3604	MARGUERITE L SL	KIRBY/LOSEMAN LAKE TO FIELD L. C/S	525	5.8
3110	MARSH HD CR W S	GOLD CREEK C/S TO EDSON	330	0.8
6403	MCNEILL A BORDR	EAST LATERAL JUNCTION TO EMPRESS	10,169	2,129.8
1960	MERIDIAN LK BDR	MERIDIAN LAKE BORDER	260	15.4
3493	MEYER B SALES	SLAVE LAKE C/S TO SMOKY LAKE C/S	385	-
3123	MILDRED LK #2 S	BUFFALO C/S TO MILDRED LAKE SALES	530	32.2
3120	MILDRED LK SLS	BUFFALO C/S TO MILDRED LAKE SALES	1,359	111.9
3111	MINNOW LK S. SL	EDSON TO WOLF LAKE C/S	168	0.2
3457	MITSUE SALES	WOLVERINE RIVER TO SLAVE LAKE C/S	210	-
3411	MONARCH N. B SL	WATERTON TO MONARCH C/S	1,220	0.3
3092	MOOSEHORN R SLS	KAYBOB/JUDY CREEK TO KNIGHT C/S	705	2.8
3462	NIPISI SALES	WOLVERINE RIVER TO SLAVE LAKE C/S	210	-
3368	NOEL LAKE SALES	SLAVE LAKE C/S TO BEAVER CREEK C/S	1,091	7.4
3479	NOSEHILL CRK N.	GOLD CREEK C/S TO EDSON	269	0.5
3470	NOSEHILL CRK SL	GOLD CREEK C/S TO EDSON	218	1.1
3478	ONETREE SALES	MONARCH C/S TO PRINCESS C/S	202	2.1
3300	OTAUWAU SALES	WOLVERINE RIVER TO SLAVE LAKE C/S	255	0.1
3091	OUTLET CREEK SL	KAYBOB/JUDY CREEK TO KNIGHT C/S	489	0.0
3072	PADDY CREEK SLS	KNIGHT C/S TO LODGEPOLE C/S	164	4.8
3061	PEMBINA SALES	LODGEPOLE TO JAMES RIVER EXCHANGE	734	3.0

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	Section	Estimated Book Cost as of Dec. 31, 2002 ($000)	Average 2002 actual volume in MMcf/day
3454	PENHOLD N SALES	RIMBEY TO TORRINGTON C/S	207	15.3
3444	PINCHER CRK SLS	WATERTON TO MONARCH C/S	211	0.7
3086	PINE CREEK SLS	KAYBOB/JUDY CREEK TO KNIGHT C/S	92	0.5
3073	PRIDDIS SALES	COCHRANE EXTR. TO BURTON CREEK C/S	750	4.4
3083	RAINBOW LK SLS	ZAMA TO KEG RIVER JCT	527	-
3076	RAINBOW SALES	ZAMA TO DRYDEN C/S	304	0.0
3610	RANFURLY SALES	RANFURLY TO THOMAS LAKE C/S	952	7.7
3065	RAT CREEK SALES	KNIGHT C/S TO LODGEPOLE C/S	330	-
3438	REDWATER 'B' SL	SLAVE LAKE C/S TO SMOKY LAKE C/S	297	2.9
3406	REDWATER SALES	SLAVE LAKE C/S TO SMOKY LAKE C/S	359	7.1
3477	RICINUS S SALES	CLEARWATER C/S TO DIDSBURY C/S	340	-
3405	RIM-WEST SALES	RIMBEY TO TORRINGTON C/S	1,075	19.0
3448	ROSS CREEK SLS	MEDICINE HAT LATERAL	715	8.6
3095	SAKWATAMAU SALE	KAYBOB/JUDY CREEK TO KNIGHT C/S	317	2.4
3050	SARATOGA SALES	COCHRANE EXTR. TO BURTON CREEK C/S	31	0.5
3609	SARRAIL SALES	CALLING LAKE TO SEPTEMBER LAKE JCT.	549	4.8
3301	SAULTEAUX SALES	WOLVERINE RIVER TO SLAVE LAKE C/S	40	0.0
3481	SAWRIDGE SALES	WOLVERINE RIVER TO SLAVE LAKE C/S	382	3.3
1821	SEVERN CREEK	BEISEKER C/S TO HUSSAR C/S	544	63.8
3122	SEVERN CRK SLS	BEISEKER C/S TO HUSSAR C/S	544	26.3
3613	SHANTZ SALES	CLEARWATER C/S TO DIDSBURY C/S	210	0.2
3439	SHEERNESS SALES	FARRELL LAKE C/S TO CESSFORD N.E.	407	0.8
3485	SHORNCLIFFE CRK	WAINWRIGHT JCT/UNITY TO PROVOST NTH	321	-
3494	SILVER VLY SLS	GORDONDALE TO SADDLE HILLS C/S	198	0.1

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

M/S #	Meter Station Name	Section	Estimated Book Cost as of Dec. 31, 2002 ($000)	Average 2002 actual volume in MMcf/day
3051	SIMONETTE SALES	VALVE PRM-1 TO KNIGHT C/S	338	0.1
3099	SOUSA CRK E SLS	ZAMA TO DRYDEN C/S	1,098	0.5
3429	ST. PAUL SALES	SADDLE LAKE TO BENS LAKE C/S	92	1.9
3600	STORNHAM COULEE	MEDICINE HAT LATERAL	882	2.9
3497	SUNDAY CREEK SO	GRAHAM/CHARD TO KIRBY	346	1.6
3422	THORHILD SALES	SLAVE LAKE C/S TO SMOKY LAKE C/S	78	0.4
3113	TWINLAKES CK SL	WOLVERINE RIVER TO SLAVE LAKE C/S	218	0.0
1250	UNITY BORDER	WAINWRIGHT JCT/UNITY TO PROVOST NTH	790	34.7
3115	USONA SALES	RIMBEY TO TORRINGTON C/S	711	4.8
3088	VALHALLA SALES	WEMBLEY TO SADDLE HILLS C/S	102	0.3
3639	VEGREVILLE SALE	BENS LAKE C/S TO DUSTY LAKE C/S	306	1.3
3410	VIKING SALES	BENS LAKE C/S TO THOMAS LAKE C/S	341	7.8
3063	VIRGINIA HLS SL	KAYBOB/JUDY CREEK TO KNIGHT C/S	279	0.2
3103	VIRGO SALES	ZAMA TO DRYDEN C/S	175	0.4
3074	WATERTON SALES	BURTON CR. C/S TO ALBERTA/B.C. BDR.	172	20.0
3412	WAYNE N B SALES	TORRINGTON C/S TO HUSSAR C/S	85	1.9
3114	WEMBLEY SALES	WEMBLEY TO SADDLE HILLS C/S	218	3.6
3486	WESTERDALE SLS	CLEARWATER C/S TO DIDSBURY C/S	270	0.4
3427	WESTLOCK SALES	SLAVE LAKE C/S TO SMOKY LAKE C/S	361	0.7
3069	WILSON CRK S SL	WESTEROSE TO BINGLEY	101	0.4
3421	WIMBORNE SALES	TORRINGTON C/S TO HUSSAR C/S	60	-
3425	WOOD RVR SALES	WOOD RIVER TO TORRINGTON C/S	460	8.0

Note:
Please refer to the statement, in the response to ATCO-NGTL-037(a) and (b), regarding the original book cost estimates.

CCA-NGTL-006(b)

Reference:

Section 2.3 Page 9

Request:

Please identify if there are any meters which are used for determination of delivery volumes which are not owned by NGTL.

Response:

Yes, there is third party measurement provided for delivery volumes at approximately 1000 locations, primarily for rural gas service (i.e. ‘taps’).

CCA-NGTL-006(c)

Reference:

Section 2.3 Page 9

Request:

Please explain how many receipt and delivery points can be identified on the schedule of service for a FT-P rate.

Response:

Any number of receipt points and only one delivery point can be identified on an FT-P schedule of service.

CCA-NGTL-006(d)

Reference:

Section 2.3 Page 9

Request:

Please explain why extraction services should have the costs recovered through receipt export delivery and FT-P services.

Response:

Please refer to the response to R13-NGTL-001(b).

CCA-NGTL-006(e)

Reference:

Section 2.3 Page 9

Request:

Please identify the benefits and who benefits from extraction services.

Response:

Please refer to the response to AUMA/EDM/PICA-NGTL-007(b).

CCA-NGTL-006(f)

Reference:

Section 2.3 Page 9

Request:

Please provide the dollar figures and volumes associated with the simplified illustration of costs allocation and rate calculations by service found in figure 2.3-2.

Response:

This is an illustration of the process. Cost and volume numbers for 2002 are available in Section 2, Appendix E, of the Application. Revenue and volume numbers for 2004 are available in Section 5 of the Application.

CCA-NGTL-006(g)

Reference:

Section 2.3 Page 9

Request:

Please provide the criteria used by NGTL to determine the necessity of facility expansion over the years.

Response:

NGTL files an Annual Plan with the Board as directed by Informational Letter 90-8. NGTL's Annual Plans contain descriptions of criteria and assumptions (Chapter 2) that NGTL uses for facility expansions. The 1991/92 Annual Plan, filed in October 1990, was NGTL's initial Annual Plan. The criteria and assumptions in Chapter 2 have evolved over time and are updated yearly as required to reflect any revisions, for example, the Storage Assumption (Section 2.6.4), or the incorporation of the Guidelines for New Facilities (Section 2.4).

The current criteria are included in Chapter 2, Sections 2.4 through 2.7 of the December 2003 Annual Plan which was filed with the Board on December 15, 2003.

CCA-NGTL-006(h)

Reference:

Section 2.3 Page 9

Request:

Please provide NGTL's chart of accounts. For each general plant, working capital and g and a account, please provide the dollar amount associated with the cost of service study, the NGTL determined most appropriate cost driver, the cost allocation factor, and the allocation to the pipeline asset.

Response:

Attachment CCA-NGTL-006(h) provides NGTL's 2002 chart of accounts and corresponding references to General Plant, Working Capital and G&A accounts as reported in its Cost of Service Study. The attached chart of accounts includes both active and dormant accounts.

For the cost amounts related to General Plant, Working Capital and G&A accounts, please see Table 1 of NGTL's Cost of Service Study, as filed in Section 6, Appendix A, of NGTL's GRA Phase 1 application.

For explanations on allocators and their application in the Study, please see, Section 3 of the Study and refer to the responses to ATCO-NGTL-003(a) and ATCO-NGTL-005(c).

Code	Description	COS Study Account
10000	Cash	
10020	Treasury Clearing Account	
10100	Short Term Investments	
11000	A/R Trade	Cash Working Capital
11001	A/R Trade Accrual	Cash Working Capital
11200	Interest Receivable	Cash Working Capital
11202	Interest Rec - Financial Instruments	Cash Working Capital
11300	GST Receivable	
11320	QST Receivable	
11340	Employee Cash Advances	
11350	A/R Outsiders	Cash Working Capital
11500	Allowance for Doubtful Accounts	Cash Working Capital
11800	A/R Other	
11860	Capitalized Linefill	
11900	Short Term I/C Rec & Pay	
11910	Short-term A/R Affiliates	
11930	Interest Rec LT I/C Loans	
11950	Balance Khalix Line of Business	
11960	ET Cost Allocation	
11970	Short Term Intercompany Receivable	
11980	Intercompany Clearing - NGTL to TCPL	
12000	Inventory	Material & Supplies Inventory
12001	Inventory Accrual	Material & Supplies Inventory
12005	Inventory Under Construction	Material & Supplies Inventory
13000	Prepayments	Cash Working Capital
14000	Investment in Subsidiaries	
16000	GPUC - CWIP	
17000	GPUC - RWIP	
18500	Capital Assets-Energy Transmission	General Plant
18550	Non Reg - Nova Building	
18600	Capital Assets - ET Non-Unitized	General Plant
18860	Capitalized Linepack	Linepack Gas
19500	Accum Depreciation - Capital Assets	General Plant
19600	Accum Depreciation - Conversion	
21000	Deferred Charges and Other-History	
21100	Unamortized Debt Discount & Expense	Unamortized Debt Issue Costs
21300	Deferred Work Orders	Unamortized Debt Issue Costs
21400	Current Year Regulatory Amortization	
21432	Regulatory deferrals-FX LTDPrincipal	Cash Working Capital
21440	Regulatory Deferrals Other	Cash Working Capital
21510	Unamort Realized Gain/Loss-Fin Instr	

Code	Description	COS Study Account
21900	Other Deferred Charges	Unamortized Debt Issue Costs
27000	Other Assets	
30100	Long Term Debt - Current Portion	
31000	A/P Trade	
31001	A/P Trade Accrual	
31010	Goods Received/Not Invoiced	
31030	Holdback - Statutory	
31032	Holdback - Non Statutory	
31220	Transmission by Others Payable	
31310	GST Payable	
31320	Large Corportions Tax Payable	
31330	Withholding Tax Payable	
31340	PST Payable	
31600	A/P Other	
31700	Customer Deposits	
31800	Other Accruals	
31850	P Card Clearing	
31930	Interest Payable LT I/C Loans	
31970	Short Term Intercompany Loan Payable	
31980	Commercial Paper Contra	
32000	Income Taxes - Current	
32010	Investment Tax Credit on R&D	
32100	Other Non Income Taxes	
32300	Income Taxes - Current Deferred	
33100	Interest Payable	
33102	Interest Pay-Financial Instruments	
33150	NGTL Interest Payable Contra Account	
33200	Dividends Payable	
34000	Long Term Debt	
35000	Long Term Intercompany Payable	
36100	Deferred Income Taxes	Cash Working Capital
36200	Deferred Other Taxes	
37510	General Provision Reserve	
39100	Stock-Common Shares	
39110	Stock-Preferred Shares	
39300	Contributed Surplus	
39500	Retained Earnings Opening Balance	
39510	Retained Earnings Prior Period Adj	
39520	Retained Earnings Other Adds/Deducts	
39530	Dividends Declared-Common Shares	
39540	Dividends Declared-Preferred Shares	

Code	Description	COS Study Account
39550	Dividends Declared Common I/C	
39555	Dividends Declared Preferred Interco	
39560	Dividends Declared Equity Preferred	
41010	Transmission Rev - Domestic	
41011	Transmission Rev Accrual - Domestic	
41304	Income Equalization	
41305	Regulatory deferrals(FX-LTDPrincipal	
47000	Intercompany Operating Revenue	
49000	Revenue - Other Non Regulated	
61100	Ops Mtce & Admin (OM&A) Expense	G & A
65000	Transmission by Others	
65001	Transmission by Others - Accrual	
66000	Bad Debt Expense	
68000	Other Operating Expense	
68100	Other Operating Costs	
69900	I/C Operating Expenses	
70100	General and Administrative Expenses	G & A
70102	ER Portion of Payroll	
70110	Regulatory Expenses	
70500	Allocations In	G & A
70510	Allocations Out	G & A
70520	ET Allocation Adjustment	
71000	Depn Expense - General Plant	
71200	Amortization - Leasehold Improvement	
71500	Depn Expense - Capital Assets	
71800	Amort Cont in Aid of Const	
72000	Taxes Other than Income	
73500	Miscellaneous Regulatory Adjustments	
80000	Interest on Short Term Debt	
80002	Financial Instr-Short Term Debt	
80010	Non-Ded Interest Expense & Discounts	
80020	Unfunded Interest - NGTL	
80100	Interest on Long Term Debt	
80102	Financial Instruments-Long Term Debt	
80200	Intercompany Interest Expense	
80500	Gain/Loss on Interest Rate Mgmt	
81000	Amort Exp - Debt Expenses	
81310	Amortization-Def FX LTD Principal	
82000	FX Gains/Losses - System Generated	
82010	FX Gains/Losses - Manual Entry	
82012	FX G/L-NGTL	

Code	Description	COS Study Account
82050	FX G/L-USD I/C w/Foreign Company	
82060	FX G/L-USD I/C w/CDN Company	
82500	Gain/Loss on Foreign Exchange Mgmt	
83000	Financial Charge Allocations	
83500	Financial Charge Allocation In	
83510	Financial Charge Allocation Out	
84020	Carrying Charges	
84030	Financial Charges - Other	
84040	Bank Service Charges	
90000	AFUDC	
90500	Interest Income	
93000	Other Income	
93020	Gain/Loss On Disposal of Investments	
97000	Current Income Taxes	
97010	Large Corporations Tax	
97100	Current Deferred Income Taxes	
97300	Deferred Income Taxes-Long Term	
97400	Financial Charge Alloc - Current tax	
97550	Merger Integration Costs-Current Tax	
99000	Extraordinary Gains & Losses	
99500	Discontinued Operations	
99900	Suspense do not use	

CCA-NGTL-006(i)

Reference:

Section 2.3 Page 9

Request:

Please explain why NGTL considered it more appropriate to file its cost of service study in its phase I filing as apposed to its phase II filing.

Response:

As stated in Section 6, page 1, lines 14-15, of NGTL's Phase 1 Application:

"A Cost of Service Study prepared in 2003, attached as Appendix A, has been provided to illustrate the methodology used to determine the FT-A rate for 2004."

CCA-NGTL-006(j)

Reference:

Section 2.3 Page 9

Request:

Does NGTL consider that the record developed with respect to its phase I fling to be part of the hearing process for phase II, why or why not?

Response:

The Board, in a letter dated January 29, 2004 (Exhibit 001-03), stated the following with respect to the inclusion of the Phase 1 record in the Phase 2 record:

> ATCO Pipelines also requested that NGTL's 2004 GRA Phase I evidence and IR responses form part of the record of NGTL's 2004 GRA Phase II. The Board does not consider that a "rolling record" is necessary in this case. However, in accordance with customary practice, parties may file material from prior proceedings in the NGTL Phase II proceeding, provided that the material is relevant and the rules of fairness are observed.

CCA-NGTL-006(k)

Reference:

Section 2.3 Page 9

Request:

Are the average distances for the Intra-Alberta short haul delivery rates different from the average Alberta distance of hauls? If so, please provide the averages of both the 2003 short haul Intra-Alberta volumes and the 2002 or 2003 Intra-Alberta distance of haul if available.

Response:

No.

As shown in the table below, the distance bands for intra-Alberta short-haul delivery rates are based on the average Alberta distance of haul.

Distance Band	Maximum Distance Between Receipt Point and Delivery Point (km)		Receipt Metering Component	Transmission Component	Delivery Metering Component	FT-P Rate	Comparable FT-R Rate
	From	To	¢/Mcf	¢/Mcf	¢/Mcf	¢/Mcf	¢/Mcf
1	0	25	1.84	8.64	1.84	12.3	1.84 + 8.64 = 10.5 Floor
2	>25	50	1.84	9.53	1.84	13.2	
3	>50	75	1.84	10.42	1.84	14.1	
4	>75	100	1.84	11.31	1.84	15.0	
5	>100	125	1.84	12.20	1.84	15.9	
6	>125	150	1.84	13.09	1.84	16.8	
7	>150	175	1.84	13.97	1.84	17.7	
8	>175	200	1.84	14.86	1.84	18.5	
9	>200	225	1.84	15.75	1.84	19.4	
10	>225	250	1.84	16.64	1.84	20.3	1.84 + 16.64 = 18.5 Average
11	>250	275	1.84	17.53	1.84	21.2	
12	>275	300	1.84	18.42	1.84	22.1	
13	>300	325	1.84	19.31	1.84	23.0	
14	>325	350	1.84	20.20	1.84	23.9	
15	>350	375	1.84	21.09	1.84	24.8	
16	>375	400	1.84	21.97	1.84	25.7	
17	>400	425	1.84	22.86	1.84	26.5	
18	>425	450	1.84	23.75	1.84	27.4	
19	>450		1.84	24.64	1.84	28.3	1.84 + 24.64 = 26.5 Ceiling

CCA-NGTL-007(a)

Reference:

Section 2.3 Page 8

Request:

Please explain the non renewal aspect of the FT-RN rate.

Response:

FT-RN service, which resulted from the Alberta System Rates Settlement for 2001 – 2002 and was subsequently approved by the Board in Decision 2001-44, has the following attributes:

1. It is priced at a 10% premium to the 3-year FT-R price;
2. It is offered only when capacity is available for one year;
3. It is not renewable but has equal priority with other firm transportation; and
4. It is not included in NGTL's design of its facilities.

The one year non-renewable aspect of the FT-RN service is a term and condition of the service which enables the service to be excluded from the aggregate system design. In contrast, FT-R service is included in aggregate system design which may result in new facilities to accommodate FT-R service requests; as such, FT-R service requires a minimum three-year term to provide accountability for the integrated aggregate system.

CCA-NGTL-007(b)

Reference:

Section 2.3 Page 8

Request:

Why would service specific metering costs cause year to year volatility for Intra-Alberta customers?

Response:

While the total cost of service for a meter station is relatively stable, the volume of gas delivered by NGTL at an intra-Alberta delivery meter station may vary significantly from year to year. Change in demand is primarily due to factors such as the weather sensitivity of distribution company load and the commodity price sensitivity of deliveries to industrial customers. Consequently, the unit cost of service would vary significantly for groups of customers if metering charges were service-specific.

CCA-NGTL-008(a)

Reference:

Section 2.3 Page 20

Request:

Please explain which customers do not favour explicit rates for FT-X rate.

Response:

In the reference, NGTL is referring to the stakeholders who participated in the negotiation of the Alberta System 2003 Tariff Settlement as listed in CCA-NGTL-004(i).

In response to the 2003 Tariff Application, the North Core Customer Group filed a letter which included concerns about the zero FT-X rate. Therefore it may be assumed that the North Core Group is not in favor of the zero FT-X rate.

CCA-NGTL-008(b)

Reference:

Section 2.3 Page 20

Request:

Please identify any implicit rates which are associated with FT-X.

Response:

Please refer to the response to R13-NGTL-001(b).

CCA-NGTL-008(c)

Reference:

Section 2.3 Page 20

Request:

Please provide the volume associated with FT-X service. Please provide the broad industry benefits which are achieved by FT-X service.

Response:

Please refer to the response to ATCO-NGTL-035(a) for volume information. Please refer to the response to AUMA/EDM/PICA-NGTL-007(b) for industry benefits.

CCA-NGTL-009(a)

Reference:

Section 2.4

Request:

Does NGTL pay for new Intra-Alberta meters or Intra-Alberta delivery connections?

Response:

If capital expenditures are incurred by NGTL, such costs form part of Alberta System rate base and are recovered through Alberta System tolls. The customer(s) associated with new intra-Alberta facilities account for the associated cost of service through transportation tolls and FCS Charges, where applicable.

In some cases, all or a portion of such capital expenditures do not meet NGTL's facility accountability policy, in which case the customer associated with such expenditures may be required to pay for such capital expenditures and associated costs, e.g., provide a contribution in aid of construction to NGTL.

CCA-NGTL-009(b)

Reference:

Section 2.4

Request:

Please list which customers support NGTL's existing rate design.

Response:

Please refer to the response to BR-NGTL-001.

CCA-NGTL-009(c)

Reference:

Section 2.4

Request:

Please provide the volumes delivered Intra-Alberta and Ex-Alberta for each year of the last twenty years. Please also provide the net NGTL's rate base for each of the last twenty years.

Response:

NGTL is providing the requested data only from 1990 forward. Information from prior years is not readily available and it would take significant time and effort to retrieve and compile the data.

Please refer to the response to BR-NGTL-004(a) for the delivered volumes.

The table below sets out the average rate base ($ Millions) since 1990. As noted in the table, 2004 is a forecasted number.

1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004F
1,939	2,558	2,994	3,359	3,749	4,452	4,750	4,808	4,941	5,225	5,220	5,156	5,042	4,873	4,663

CCA-NGTL-009(d)

Reference:

Section 2.4

Request:

Please describe the service standard NGTL provides Intra-Alberta customers.

Response:

The terms and conditions associated with services are described in NGTL's Tariff.

CCA-NGTL-009(e)

Reference:

Section 2.4

Request:

Please explain who is responsible for building connections to the NGTL system from Intra-Alberta distribution and transmission utilities.

Response:

Parties other than NGTL may construct to connect to NGTL's existing infrastructure and NGTL will construct the meter station and the tie-in in accordance with established criteria. Alternatively, NGTL may construct new connections providing the criteria for the particular type of connection requested are met.

Please refer to the response to CCA-NGTL-006(g) and the response to R13-NGTL-007(a) for details on the criteria.

CCA-NGTL-009(f)

Reference:

Section 2.4

Request:

Please comment on the volume weighted average vintage of pipe used to service Intra-Alberta points as opposed to the volume weighted average vintage of pipe for receipt and mainline facilities.

Response:

NGTL does not have the ability to calculate a volume weighted average vintage of pipe. The Alberta System is integrated and its facilities are jointly used to serve both intra- and ex-Alberta markets. NGTL does not believe there would be a significant variation in the pipe vintages used to serve intra-Alberta markets versus the pipe used to serve export markets on an aggregate basis.

CCA-NGTL-009(g)

Reference:

Section 2.4

Request:

Please provide table 2.5.3-2 in cents/GJ/day.

Response:

The information is provided in Attachment CCA-NGTL-009(g). The heating value used for the conversion is: 37.43 GJ/m^3.

Table 2.5.3-2
Change in Illustrative Rates Resulting from Application of Cost Allocation
Using the DOH & COH Methodologies to Rates Determination
(cents/Gj/day)

Using DOH	**Revised Methodology**	**Alternative 1a) Functional Mainline Definition**	**Alternative 1b) Physical Mainline Definition**	**Alternative 1c) Physical Mainline Definition (>= 12")**	**Alternative 2 Excluding Extraction**
Receipt (FT-R)[1]	0.0	0.2	2.9	(0.1)	(11.0)
Border delivery (FT-D)[1]	0.0	(0.2)	(2.9)	0.1	11.0
Total Ex-Alberta Rate[2]	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Intra delivery (FT-A)	0.0	0.0	0.0	0.0	0.0
Total Intra-Alberta Rate[3]	**0.0**	**0.2**	**2.9**	**(0.1)**	**(11.0)**
Using COH					
Receipt (FT-R)[1]	6.2	1.2	3.4	4.2	1.3
Border delivery (FT-D)[1]	(6.2)	(1.2)	(3.4)	(4.2)	(1.3)
Total Ex-Alberta Rate[2]	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Intra delivery (FT-A)	0.0	0.0	0.0	0.0	0.0
Total Intra-Alberta Rate[3]	**6.2**	**1.3**	**3.4**	**4.2**	**1.4**

Notes:
1. FT-R and FT-D rates quoted include the metering charge.
2. Total Ex-Alberta Rate is the sum of the FT-R and FT-D rates.
3. Total Intra-Alberta Rate is the sum of the FT-R and FT-A rates.

CCA-NGTL-010(a)

Reference:

Section 2.7 Page 51

Request:

Please explain Intra-Alberta producer meters found in table 2.7-1, are these delivery meters?

Response:

Yes, the "producer" classification found in Table 2.7-1 is related to intra-Alberta delivery points. Such classification is based on the customer holding the FCS contract and NGTL's understanding of the intended purpose of the volume of gas being delivered. For example, a customer generally considered to be a producer who requires gas for the purpose of a miscible flood enhanced oil recovery project would be classified as a producer delivery meter.

CCA-NGTL-010(b)

Reference:

Section 2.7 Page 51

Request:

Please explain why utility and storage meters which have similar net book values at December 31, 2002 have significantly different total cost amounts.

Response:

As per the February 2004 Update, Table 2.7-1, has been updated to a total storage cost of $3.4 million and a utility metering cost of $6 million.

Please refer to the response to ATCO-NGTL-038(a) with regard to the allocation of metering costs to meter stations.

CCA-NGTL-010(c)

Reference:

Section 2.7 Page 51

Request:

Please provide the supporting calculations for table 2.7-2. Has NGTL applied different operating returns and depreciation rates to the various meter categories?

Response:

The operating return rate used in NGTL's Cost of Service Study (Section G, Appendix A, NGTL's 2004 Phase 1 GRA) is the same for all asset categories, whether metering, compression, transmission or general plant. In this instance, it can be easily verified by dividing the operating return figure for each meter station category on Table 2.7-2 on page 51 into the net book value of the same category in Table 2.7-1 on the same page. The resulting percentage for all meter station categories is the same.

A similar calculation as the above could be done with depreciation expenses. It would yield varying rates. The main reason for this is that depreciation expense is calculated against original book cost of assets, not net book value. NGTL's meter stations have a wide range of in-service dates and original book costs. Each metering category has its own mix of vintages and original book costs, making the proportions of depreciation expense vary across all categories.

CCA-NGTL-010(d)

Reference:

Section 2.7 Page 51

Request:

What volumes were used in the determination of table 2.7-5?

Response:

The volume for each category is the sum of the average daily flows of all meter stations in that category. The average daily flow of each meter station is the average of the actual measured flows that occurred at that station in each of the months of 2002.

CCA-NGTL-010(e)

Reference:

Section 2.7 Page 51

Request:

Please explain how Intra-Alberta receipts are handled for purposes of distance of haul and cost of haul studies. Are Intra-Alberta deliveries netted against Intra-Alberta receipts? Intra-Alberta receipts are defined as gas which is delivered to NGTL from other pipelines. Please provide the volume of receipts from intra-Alberta utilities for 2002, 2003 and forecast 2004.

Response:

This information is only available for 2002.

In the revised DOH and COH studies intra-Alberta deliveries at a particular meter station are netted against intra-Alberta receipts at the same meter station for each month. In the existing DOH study, as stipulated on page 5 of Appendix B of Section 2, these volumes are not netted off against intra-Alberta receipts, rather they are given a distance of .1 km, so they have a minimal impact on the study results.

Receipt volume data from all stations for 2002 were provided in the existing DOH study on pages 56 – 72 of Appendix B, Section 2.

CCA-NGTL-011(a)

Reference:

Section 2 Appendix A, Page 9

Request:

Please define typical operation of a pipeline system for each month. Is this based on the average flows for the month, the flows on the average temperature of the month?

Response:

The Distance of Haul Study is based on the actual measured flow data and the typical operational flow pattern of the pipeline system for the month being analyzed. The typical operational flow pattern includes such factors as the usage of compressors, block valve positions, control valve positions, etc. The flow is the average daily flow of the actual measured flow that occurred during that month for each Receipt and Delivery Meter Station. Temperature has an indirect impact in that it affects market demand and thus affects the actual measured flows and flow pattern.

CCA-NGTL-011(b)

Reference:

Section 2 Appendix A, Page 9

Request:

Please explain how the hydraulic simulation could be reviewed by parties for assurance that the assumptions and results are reasonable. Please provide the assumptions of the hydraulic simulation.

Response:

NGTL's hydraulic simulator is a tool used for the planning of NGTL's facilities. As evidenced through NGTL's annual plans and facilities applications over many years, the hydraulic simulator has been applied successfully to the design and the operational optimization of the Alberta System.

NGTL's hydraulic simulator is also used for the DOH to perform the material balance based on the actual monthly average flow measured by custody transfer receipt and delivery meter stations, together with the measured fuel gas usage from compressor stations and shrinkage at extraction plants. A typical operational flow pattern, as described in the response to CCA-NGTL-011(a), is the only assumption made in the calculation of the DOH using the hydraulic simulator.

CCA-NGTL-012

Reference:

Section 2 Appendix D

Request:

Please identify when the first cost of haul study was completed. If prior to the November 2003 version, please provide the previous cost of haul studies.

Response:

The first Cost of Haul Study was completed in November 2003 for the 2002 calendar year.

CCA-NGTL-013(a)

Reference:

Section 3.2

Request:

Why is NGTL proposing to extend the gas balancing agreement beyond the test year?

Response:

This is the term requested by the TransCanada PipeLines Mainline.

CCA-NGTL-013(b)

Reference:

Section 3.2

Request:

How is the Board to determine the reasonableness of the rate from the years 2005 to 2009?

Response:

Please refer to the responses to BR-NGTL-015(a) and BR-NGTL-015(b).

CCA-NGTL-013(c)

Reference:

Section 3.2

Request:

Please provide support for the reasonableness of the gas balancing fixed rate as compared to the cost of providing this service for the test year 2004.

Response:

Please refer to the responses to BR-NGTL-015(a) and BR-NGTL-015(b).

CCA-NGTL-014(a)

Reference:

Section 3.3

Request:

Please list the methods from which gas can be exported or consumed within Alberta after delivery to a storage delivery point.

Response:

NGTL interprets the request as referring to gas delivered to NGTL's storage delivery points that is not ultimately returned to the Alberta System.

Under such circumstances, the methods by which gas can be exported or consumed within Alberta after such delivery to NGTL's storage delivery points are:

1. Receipt of such gas by an other pipeline system which is directly connected to the storage facility system and which can remove gas from Alberta;

2. Receipt of such gas by an other pipeline system which is directly connected to the storage facility system and which is not to remove gas from Alberta (and is therefore consumed within Alberta); and

3. Consumption of such gas by the storage facility for operational purposes.

CCA-NGTL-014(b)

Reference:

Section 3.3

Request:

How does NGTL distinguish gas which is delivered to an ATCO Pipes delivery point for Calgary and then moves up the carbon storage line to the carbon storage facility for the purposes of determining which applicable rate to charge?

Response:

NGTL is not involved with transactions that occur behind NGTL's Storage Delivery Point, and as such, identification of the appropriate delivery type would be provided by the operator of the storage facility. The NGTL customer who executed the IT-S contract undertakes to cause the storage facility operator to provide any information necessary to satisfy NGTL as to the appropriateness of the delivery types.

CCA-NGTL-014(c)

Reference:

Section 3.3

Request:

Why is it necessary to change the contracts associated with the provision of information from gas storage facility operators, have there been specific instances where adequate information was not provided? If so, please provide general details.

Response:

As stated in Section 3.3 of the Application, page 1 of 2, Q/A 2,

> Historically, NGTL's customers used Alberta storage facilities primarily for temporary storage of gas and were not connected to these facilities for purposes other than storage. More recently, the storage business and NGTL's customers' use of the associated facilities have become more complex. Gas can now be exported from or consumed within Alberta after delivery to a storage delivery point.

Currently Rate Schedule IT-S only has language which deals with the distinction of receipt gas between storage receipts and non-storage receipt volumes. The proposed tariff amendments simply mirror such receipt language for delivery volumes and will enable NGTL to ensure that it can properly allocate volumes delivered to or received from storage facilities to the appropriate service and charge the appropriate corresponding rates.