



NGTL System and Foothills Pipelines Ltd.

CUSTOMER OPERATIONS MEETING

OCTOBER 13, 2022

FOR INFORMATIONAL PURPOSES ONLY

Welcome and Thank You for Joining Us

Participating via WebEx:

- Please sign-in through WebEx application including your full name and company
- To reduce background noise and improve audio quality, all WebEx participants will be placed on mute when entering the meeting
- Please submit your questions via using the raise hand function and coming off mute or the chat function and we will answer at the best possible opportunity



Forward Looking Information

This presentation includes certain forward-looking information. Statements that are forward-looking are based on certain assumptions and on what we know and expect today and generally include words like anticipate, expect, believe, may, will, should, estimate or other similar words.

The information provided is for informational purposes only and is not to be relied upon for any other purpose whatsoever. The information is based upon certain assumptions that may or may not be accurate, and therefore is subject to various risks and uncertainties. TC Energy shall not be liable for damages sustained as a result of any use or reliance on such information.

The outages listed in this presentation are not an exhaustive list. Outage date, duration, and impact may be subject to change. Refer to the Daily Operating Plan (DOP) for all planned outages with potential service impact.

No
impact to FT

Refers to outage periods where FT impact is not expected

Potential
impact to FT

Refers to outage periods where there is potential of FT impact

Partial
impact to FT

Refers to outage periods where FT impact is expected



Important Notes



Outage information in this presentation may not be accurate beyond the October 13, 2022 NGTL/Foothills Customer Operations (WebEx only) meeting



For current outage information, please refer to the most recent Daily Operating Plan (DOP) on [my.TC Customer Express](#)



This meeting covers operational and project-related topics on the NGTL and Foothills systems. For information on focused Commercial and Regulatory topics, please contact your Marketing Representative

The 7 Types of Rest you Need



1. Physical: Passive & Active



2. Mental



3. Sensory



4. Creative



5. Emotional



6. Social



7. Spiritual



Agenda

1. Projects Update
2. Review of September/October Operations
3. Review of DOP Outages
4. 2023 Outage Communications
5. 2021 SXP Customer Mitigation Update



Project Updates

FOR INFORMATIONAL PURPOSES ONLY

2021 Expansion Project Update – ISD Summary (since Sept. 13, 2022 update)



Note: EDML/Clearwater/West Path 2022 capacity requires 100% of NGTL 2021 Expansions to be in service



2021 Expansion Project Update (since Sept. 13, 2022 update)

Facilities already in-service (Map I.D. # 1, 2, 3, 4, 8, 9)

Deep Valley South (DVS) (Map I.D. # 5)

- **Activities remaining:**
 - LTO application submitted Oct. 12, 2022. LTO approval typically takes approximately 5 – 10 business days
 - Final tie-ins and commissioning typically will take 2 – 5 days after LTO approval
- **ISD expected latter half of October 2022** (*no change from last communication)

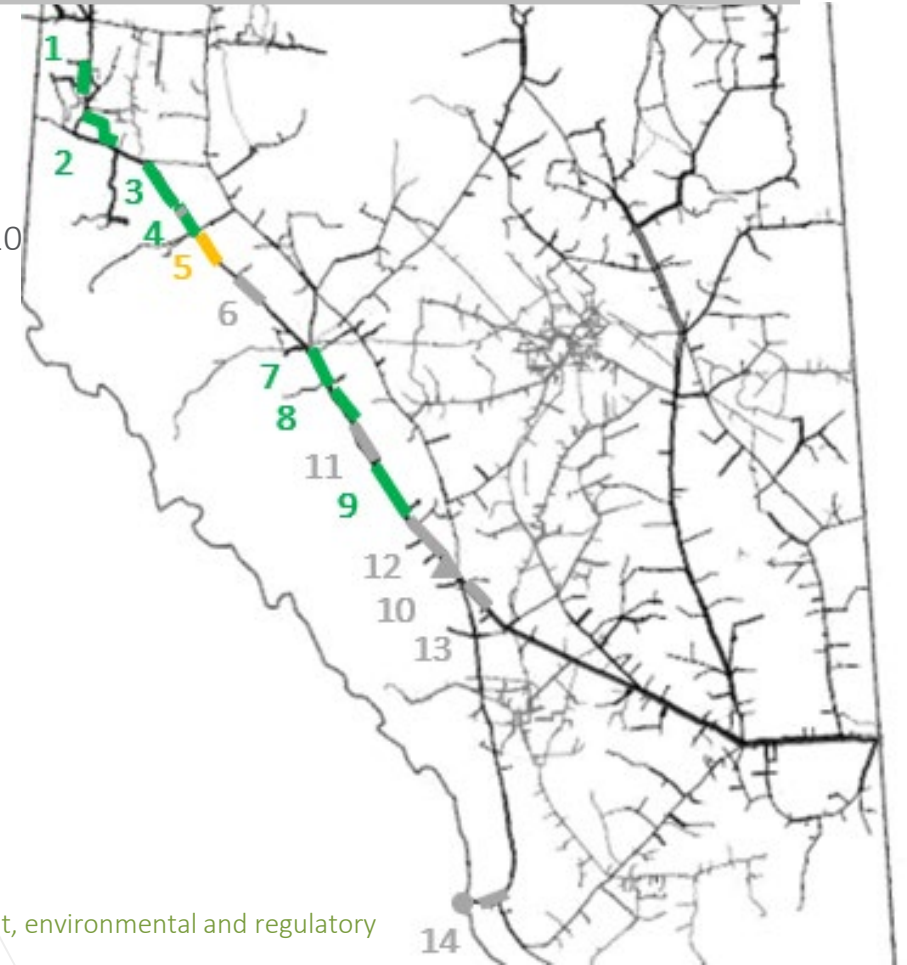
Colt (Map I.D. # 5)

- **Activities remaining:** ~ 9 km of mainline
 - Construction has commenced in high ground areas
 - **ISD expected latter half of Q1 2023**

3 km of Pipe Adjacent to Little Smoky R that connects DVN/DVS (Map I.D. # 4)

- **Activities remaining:** ~ 3 km of mainline
 - February 15th Caribou RAP
 - Accelerating mainline construction into Q3
- **ISD expected latter half of Q1 2023**

Availability of capacity remains subject to: Ground conditions, weather & road access/conditions, heated labour market, environmental and regulatory requirements and LTO approval by the CER



Project team continues to evaluate opportunities to expedite construction safely and in compliance with applicable regulatory requirements



Other Project Updates – ISD Summary

NGTL Projects: *No changes to estimated in-service dates since last update*

Edson Mainline Expansion	ISD Nov 2022
North Corridor Expansion	Bear Canyon, North Star, Red Earth, Hidden Lake North U/A (ISD Apr 2023)
Intra-Basin Expansion	Sunrise, Saturn, Saddle Hills U/A (ISD Nov 2023) Emerson Creek C/S (ISD April 2024)
WestPath 2022/2023	ABC and Raven (ISD Nov 2022) Turner Valley, Lundbreck and Longview (ISD Nov 2023)

FH Projects:

Yahk Section Loop	ISD Jan 2023 <i>*change since last update</i>
Elko Section Loop	ISD Nov 2023



Other Project Updates – NGTL

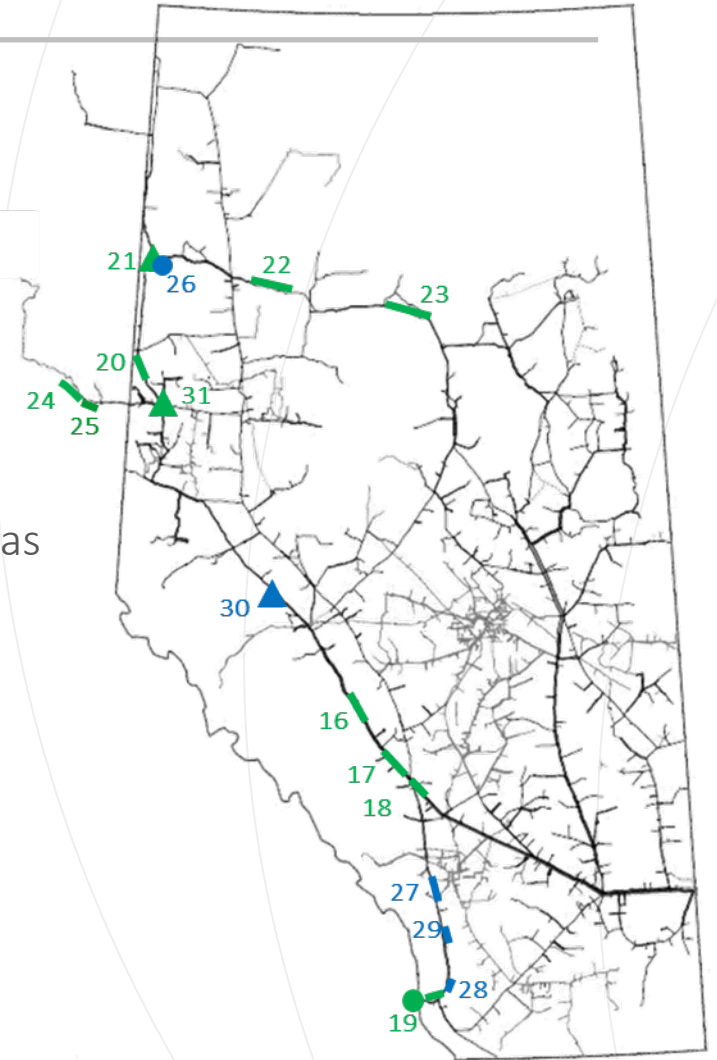
Edson Mainline Expansion

- Elk River (Map I.D. # 16) – In service October 7, 2022
- Alford Creek (Map I.D. # 17) – LTO filed. Final tie-ins and commissioning
- ISD November 2022

North Corridor Expansion (Bear Canyon (Map I.D. # 20), North Star (Map I.D. # 22), Red Earth (Map I.D. # 23), Hidden Lake North U/A (Map I.D. #21))

- North Star Construction has completed stripping and grading, pipe stringing has commenced
- Red Earth Construction plans continue to be assessed to mitigate risks around Caribou Restrictive Activity Period (RAP) on sections of Red Earth
 - All sections are required to be in service for full NCE capacity
 - Camp construction continues
- Hidden Lake North Unit Addition on track
- ISD April 2023

Note: EDML/Clearwater/West Path 2022 capacity requires 100% of NGTL 2021 Expansions to be in service



Other Project Updates – NGTL

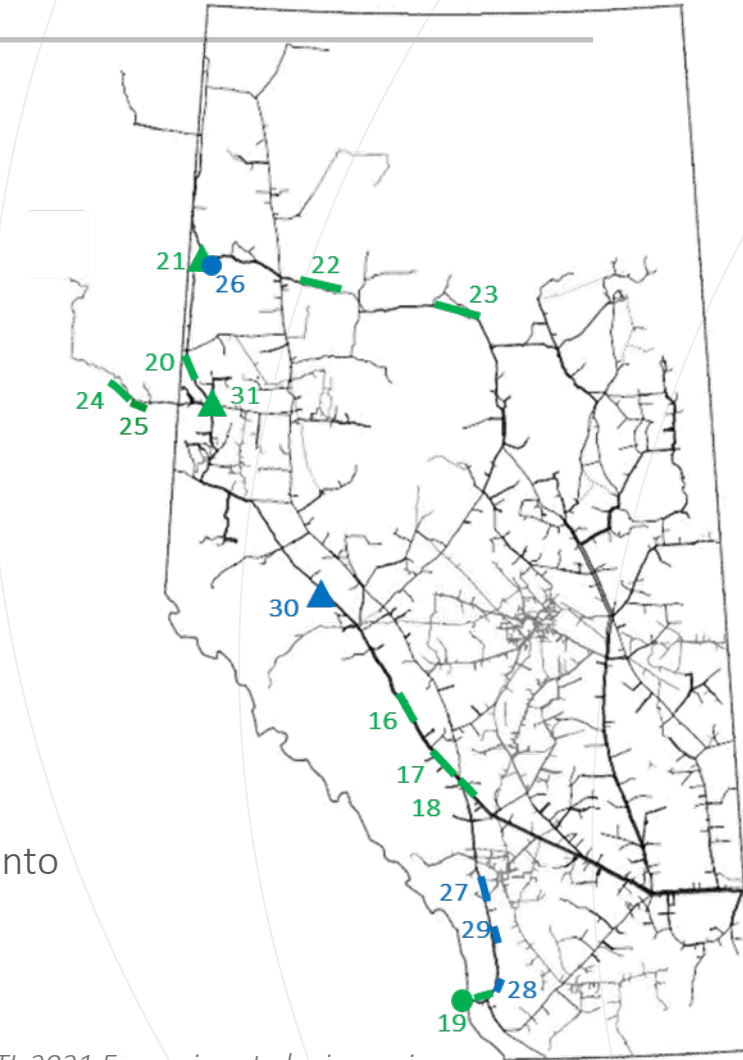
Intra-Basin Expansion (Sunrise (Map I.D. # 24), Saturn (Map I.D. # 25), Emerson Creek C/S (Map I.D. #30), Saddle Hills U/A (Map I.D. #31))

- Sunrise – Stripping and grading has commenced
- Saturn pending BC OGC permits – continue consultation with Rightsholder
 - ISD November 2023
- Emerson Creek C/S construction commenced in July
 - ISD April 2024

West Path 2022/2023

- Raven (Map I.D. # 18) /ABC (Map I.D. # 19) – Mainline construction ongoing for ABC
 - Raven LTO filed with CER. Final tie-ins and commissioning
 - ISD November 2022
- Turner Valley (Map I.D. # 27) /Lundbreck (Map I.D. # 28) /Longview (Map I.D. # 29)
 - CER issued Recommendation report in May 2022. On July 19, 2022, NGTL received notice that the Governor in Council (GIC) decision to grant the Certificate of Public Convenience and Necessity for the NGTL West Path 2023 project had been delayed into November 2022
 - Working closely with other federal agencies to provide the required information for outstanding permits and land rights
 - ISD November 2023

Note: EDML/Clearwater/West Path 2022 capacity requires 100% of NGTL 2021 Expansions to be in service

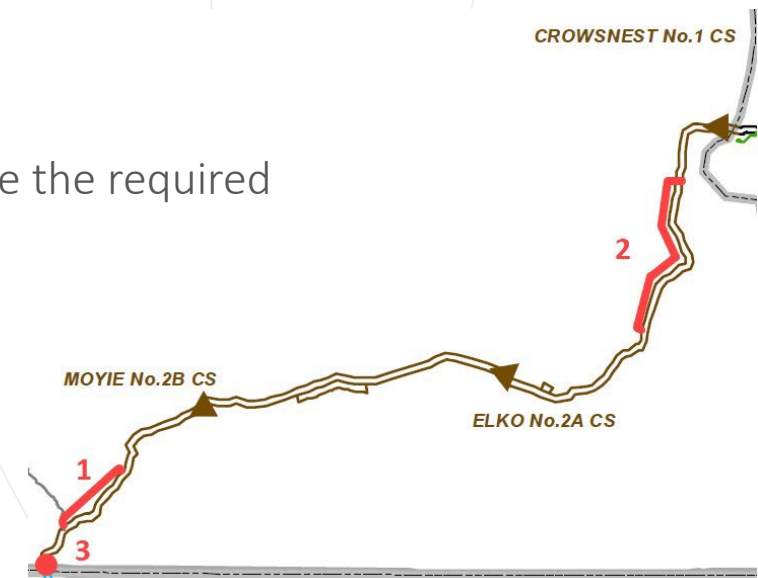


Other Project Updates – FH

West Path 2022/2023

- **Yahk** (Map I.D. # 1)
 - Grade and blasting continues to progress
 - Mainline activities have commenced
 - ISD January 2023
- **Elko** (Map I.D. # 2)
 - Clearing is complete. Grade and blast continues to progress
 - Watercourse crossing installations are underway
 - Working closely with municipal and federal agencies to provide the required information for outstanding permits and land rights
 - ISD November 2023

Note: NGTL WestPath 2022 capacity requires 100% of NGTL 2021 Expansions to be in service



Review of September/October Operations

West Gate

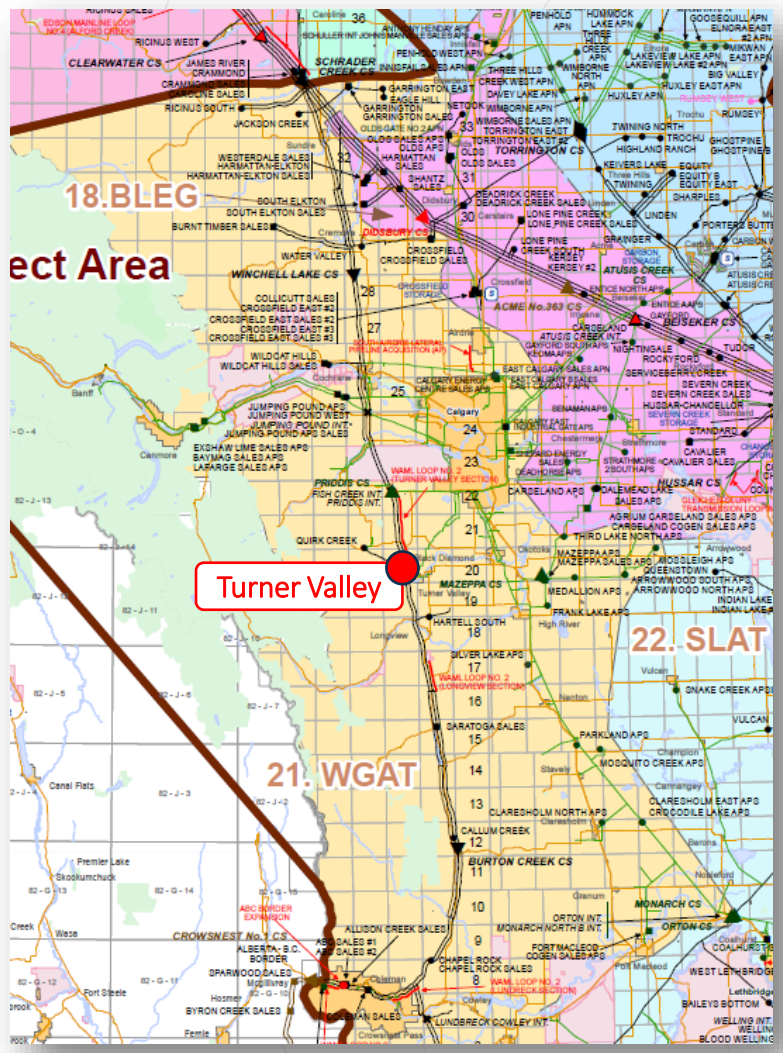
Turner Valley A1 & A2 Compressor Station Maintenance

Background:

- **Planned:** Turner Valley A1 & A2 Compressor Maintenance: Oct 2 – 6
- **Capability communicated in DOP:** 76 10⁶m³/d
- **Service Allowable:** 0% IT-D, Partial FT-D

Bulletin Date	Effective Date	Service Allowable	Comments
Sep 28	Oct 2 (08:00 MST)	0% IT-D, Partial FT-D (76 10 ⁶ m ³ /d) (NGTL: AB-BC + AB-MN)	Bulletin issued
			100% IT-D and 100% FT-D was authorized (effectively unrestricted) due to downstream maintenance limiting capacity on the full path followed by nominations coming in lower than capability
			Compressor maintenance completed as scheduled on Oct 6

0% IT-D, Partial FT-D remains in place due to the NPS 42 Western Alberta System Mainline Loop Pipeline Maintenance



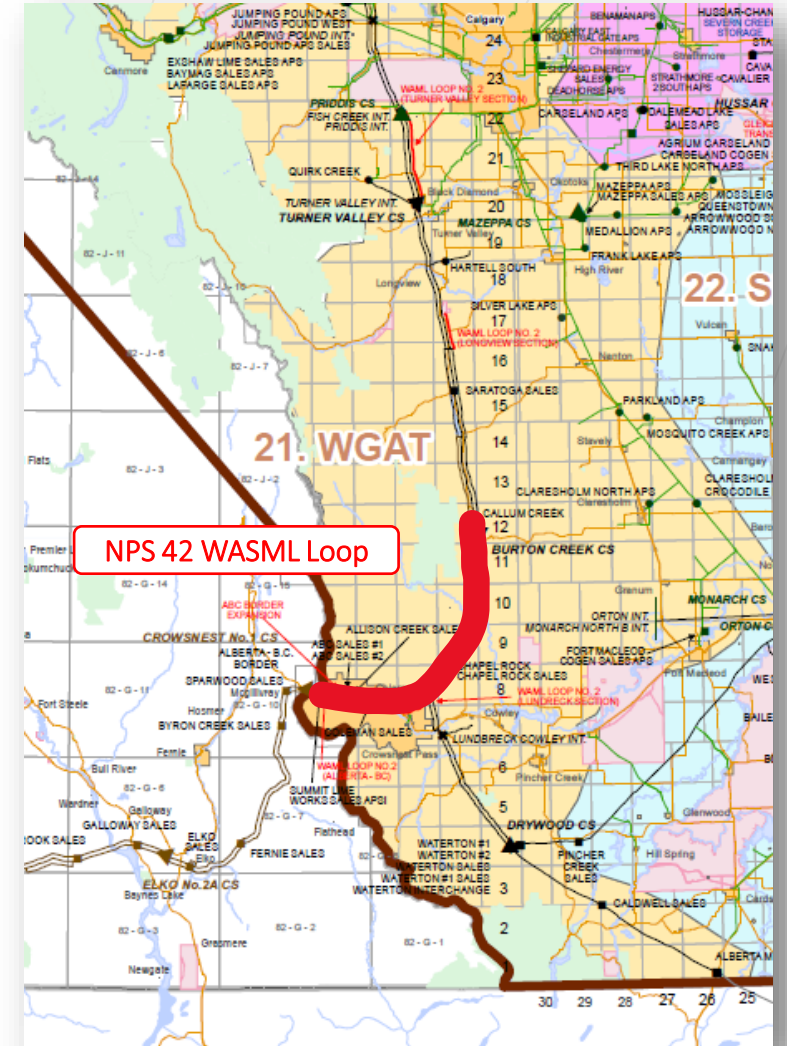
NPS 42 Western Alberta System Mainline Loop – Pipeline Maintenance

Background:

- **Planned:** NPS 42 WASML Loop Pipeline Maintenance: Oct 7 – 10
- **Capability communicated in DOP:**
 - October 7-9: 70 10⁶m³/d
 - October 10: 52 10⁶m³/d
- **Service Allowable:** 0% IT-D, Partial FT-D

Bulletin Date	Effective Date	Service Allowable	Comments
	Oct 7 (08:00 MST)	0% IT-D, Partial FT-D (70 10 ⁶ m ³ /d) (NGTL: AB-BC + AB-MN)	NPS 42 WASML Loop Pipeline Maintenance starts
			Pipeline inspection runs proceed as planned
	Oct 10 (08:00 MST)	0% IT-D, Partial FT-D (52 10 ⁶ m ³ /d) (NGTL: AB-BC + AB-MN)	Last inspection run completed as scheduled

0% IT-D, Partial FT-D remains in place due to the Burton Creek Compressor Station Maintenance

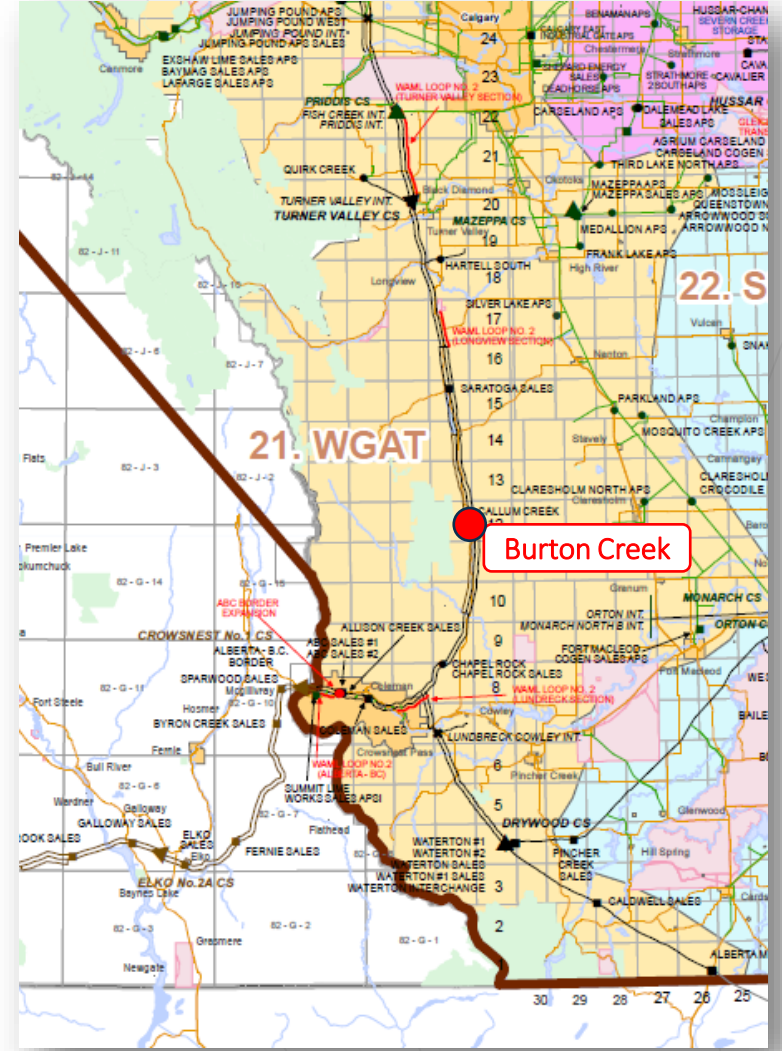


Burton Creek – Compressor Station Maintenance

Background:

- **Planned:** Burton Creek Compressor Station Maintenance: Oct 11 – 13
- **Capability communicated in DOP:** 66 10⁶m³/d
- **Service Allowable:** 0% IT-D, Partial FT-D

Bulletin Date	Effective Date	Service Allowable	Comments
	Oct 11 (08:00 MST)	0% IT-D, Partial FT-D (66 10 ⁶ m ³ /d) (NGTL: AB-BC + AB-MN)	Burton Creek Compressor Station Maintenance starts
			Compressor Station Maintenance on schedule to be completed Oct 13



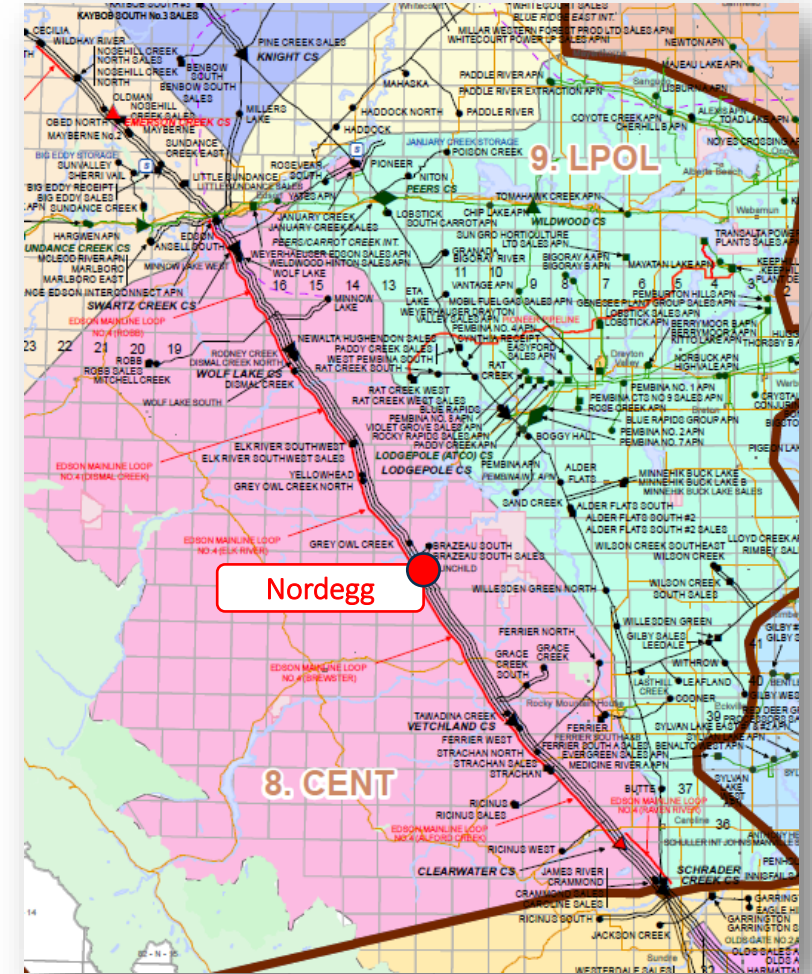
Upstream James River/ East Gate

Nordegg B3 & B5 Compressor Station Maintenance

Background:

- **Planned:** Nordegg B3 & B5 Compressor Unit Maintenance: Sept 20 – 26
- **Capability communicated in DOP:** USJR: 335 10⁶m³/d, EGAT: 136 10⁶m³/d
- **Service Allowable:** USJR: 0% IT-R, Lower EGAT: Partial IT-D, 100% FT-D

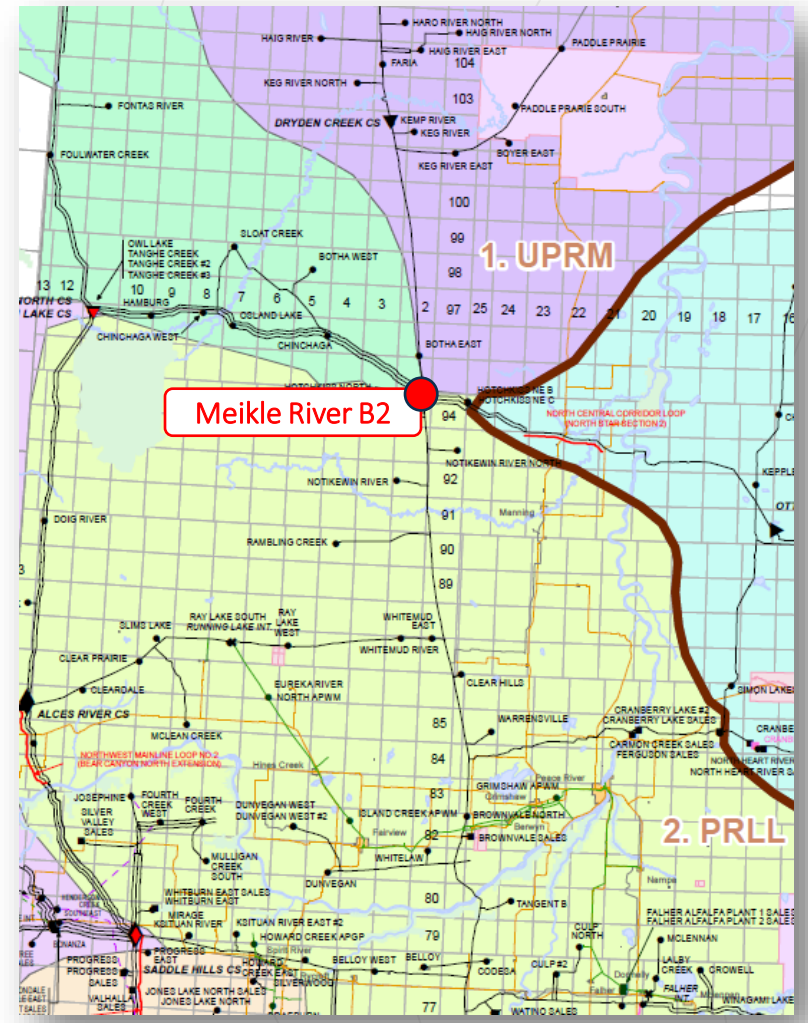
Bulletin Date	Effective Date	Service Allowable	Comments
Sep 1	Sep 7 (08:00 MST)	USJR: 0% IT-R Lower EGAT: Partial IT-D, 100% FT-D	Bulletin issued (prior to Wolf Lake Compressor Station maintenance start)
	Sep 20 (08:00 MST)	USJR: 0% IT-R Lower EGAT: Partial IT-D, 100% FT-D	Nordegg B3 & B5 Compressor Station maintenance starts
			EGAT authorization level increased from 136 to 140 for Sept 22 due to lower demand than authorized quantities and additional observed receipt capability in USJR
			Compressor maintenance completed as scheduled on Sept 26



Meikle River B2 Compressor Station Maintenance

Background:

- **Planned:** Meikle River B2 Compressor Unit Maintenance: Sept 27 – 29
- **Capability communicated in DOP:**
 - USJR: 340 10⁶m³/d
 - EGAT: 142 10⁶m³/d
- **Service Allowable:**
 - USJR: 0% IT-R
 - Greater EGAT: Partial IT-D, 100% FT-D



Bulletin Date	Effective Date	Service Allowable	Comments
Sep 22	Sep 27 (08:00 MST)	USJR: 0% IT-R Greater EGAT: Partial IT-D, 100% FT-D	Bulletin issued
			Compressor maintenance completed as scheduled on Sept 29

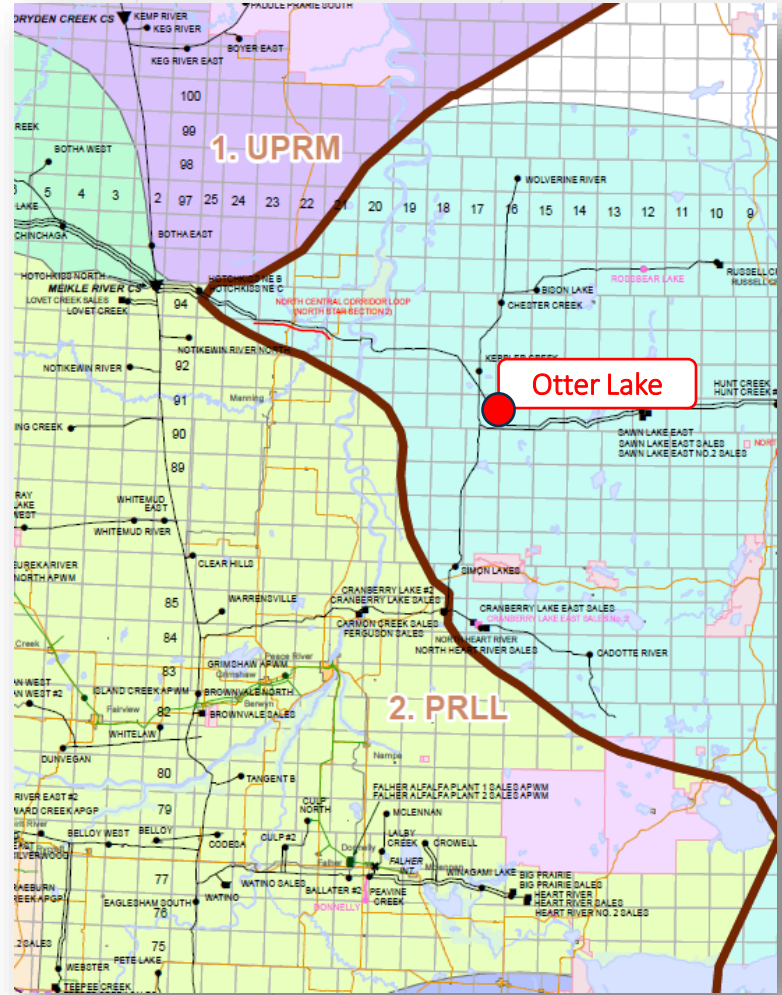
Partial IT-D, 100% FT-D remains in place due to Otter Lake Compressor Station Maintenance



Otter Lake Compressor Station Maintenance

Background:

- Planned: Otter Lake Compressor Unit Maintenance: October 3 – 7
 - Unplanned extension to October 10
- Capability communicated in DOP:
 - USJR: 343 10⁶m³/d
 - EGAT: 139 10⁶m³/d
- Service Allowable:
 - USJR: 0% IT-R
 - Greater EGAT: Partial IT-D, 100% FT-D



Bulletin Date	Effective Date	Service Allowable	Comments
	Oct 3 (08:00 MST)	USJR: 0% IT-R Greater EGAT: Partial IT-D, 100% FT-D	Otter Lake Compressor Station Maintenance starts
Oct 5		USJR: 0% IT-R Greater EGAT: Partial IT-D, 100% FT-D	Bulletin communicating unplanned extension of outage to Oct 10
		USJR: 0% IT-R Greater EGAT: Partial IT-D, 100% FT-D	Compressor maintenance completed



Saddle Hills B3 – Compressor Station Maintenance

NPS 36 Grande Prairie Mainline – Pipeline Maintenance

1 Prioritize Firm Service

Optimize Throughput

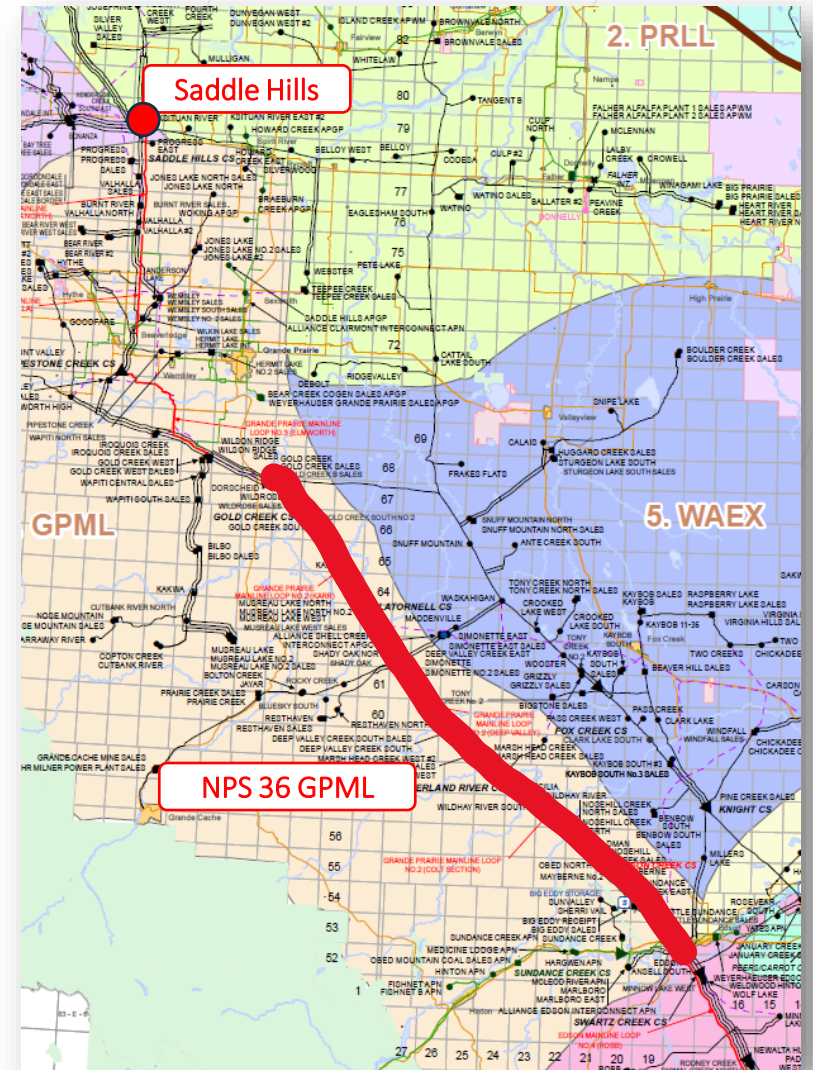
2

Guiding Principles

Communicate Outages

Background:

- Planned:
 - Saddle Hills B3 – Compressor Station Maintenance: October 11
 - NPS 36 Grande Prairie Mainline Pipeline Maintenance: October 11 – 14
- Capability communicated in DOP:
 - USJR: 337 10⁶m³/d (Saddle Hills B3), 336 10⁶m³/d (NPS 36 GPML)
 - EGAT: 132 10⁶m³/d (Saddle Hills B3), 132 10⁶m³/d (NPS 36 GPML)
- Service Allowable:
 - USJR: 0% IT-R
 - Lower EGAT: Partial IT-D, 100% FT-D

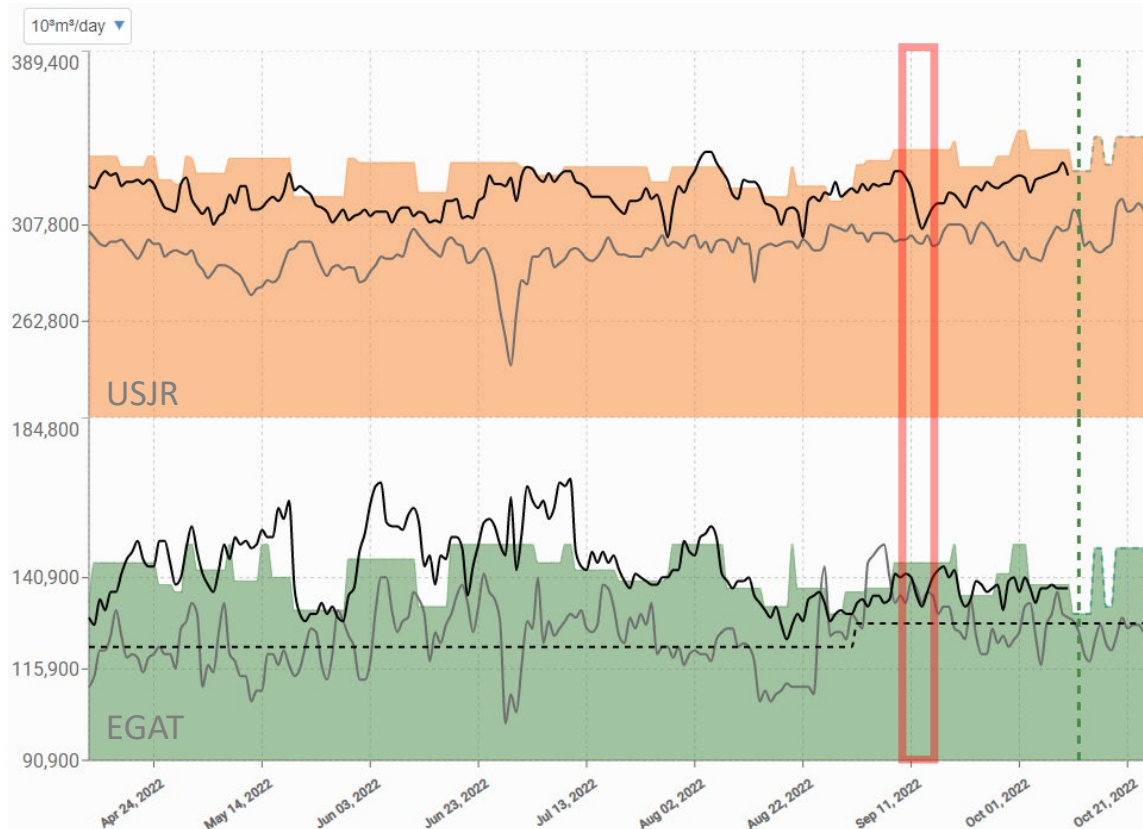


Bulletin Date	Effective Date	Service Allowable	Comments
Oct 5	Oct 11 (08:00 MST)	USJR: 0% IT-R Lower EGAT: Partial IT-D, 100% FT-D	NPS 36 GPML Pipeline Maintenance starts Pipeline maintenance on schedule to be completed Oct 14



EGAT Authorization Levels

Why wasn't the EGAT authorization level increased when the USJR flows significantly decreased at the beginning of September?



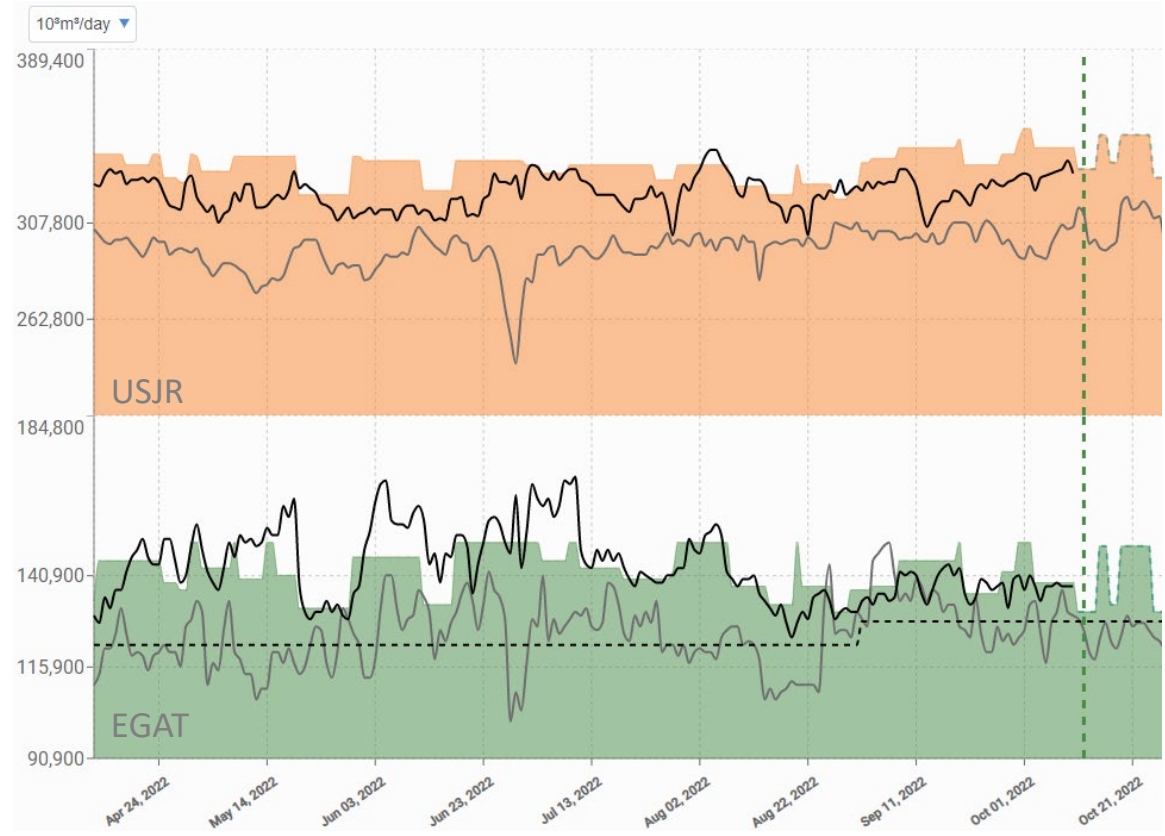
Unreported Power Outage + Opportunistic Plant Maintenance

- There was a planned power outage in the West of Saddle Hills area. Plants affected by the power outage completed opportunistic maintenance
- The maintenance/turnaround information was not reported to NGTL in advance. In the absence of prior notification, and given the short window, there was limited opportunity to significantly increase authorization EGAT levels

Your plant maintenance/turnaround information is VERY important to us!

EGAT Authorization Levels

Why wasn't the EGAT authorization level increased when USJR flows look to be lower than the stated capability?



Higher Ambient Temperatures

- High than typical ambient temperatures across the province resulting in lower system throughput efficiency

Supply distribution

- Supply in the West of Saddle area remained strong and mostly unchanged despite the broad area restriction in place
- Field receipts decreased in USJR; however, was in areas with a lower hydraulic equivalency requiring a further reduction in EGAT authorization to manage supply upstream of the bottleneck



Review of DOP Outages

From DOP as of Wednesday October 12

Daily Operating Plan (DOP) – Current Assumptions

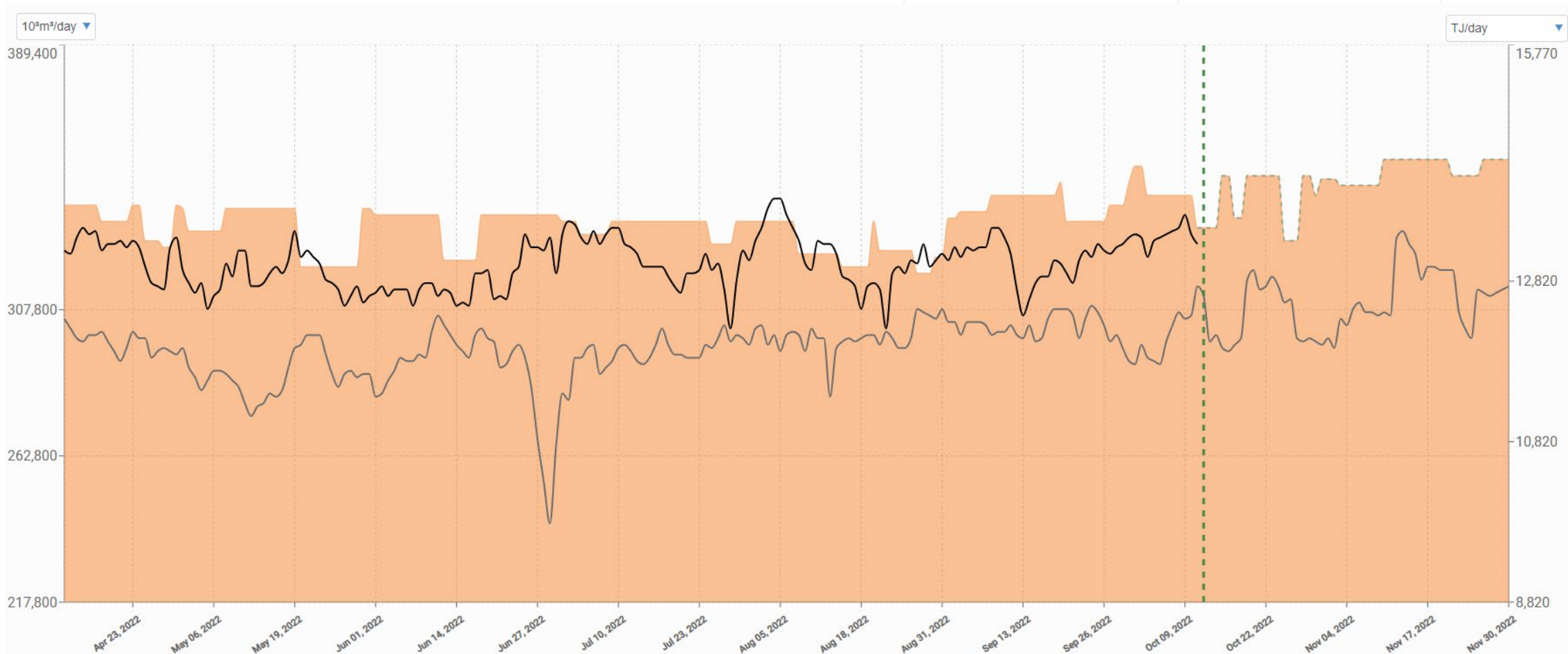
- Current day to October 30, 2022 assumes all 2021 expansion facilities are in-service with the exception of the Deep Valley South section, Colt section, and a 3km section adjacent to Little Smoky River that connects to DVN/DVS (65% scenario)
- Beyond October 31, 2022 assumes all 2021 expansion facilities are in-service with the exception of the Colt section and 3km section adjacent to Little Smoky River that connects to DVN/DVS (90% scenario)

Outages and/or maintenance work is posted to the DOP if there is reasonable expectation that the event could or will result in a change to service authorization levels.

Optimization efforts are ongoing and we will continue to focus on safety, optimizing system capacity, and minimizing outage impacts.

Upstream James River

■ Capacity - Actual Flow - Historical Flow



This slide may not be accurate beyond the October 13 NGTL/Foothills Customer Operations meeting on WebEx. Please refer to the DOP on TC Customer Express for current outage information



Upstream James River Receipt Area (USJR)

No
impact to FT

Potential
impact to FT

Partial
impact to FT

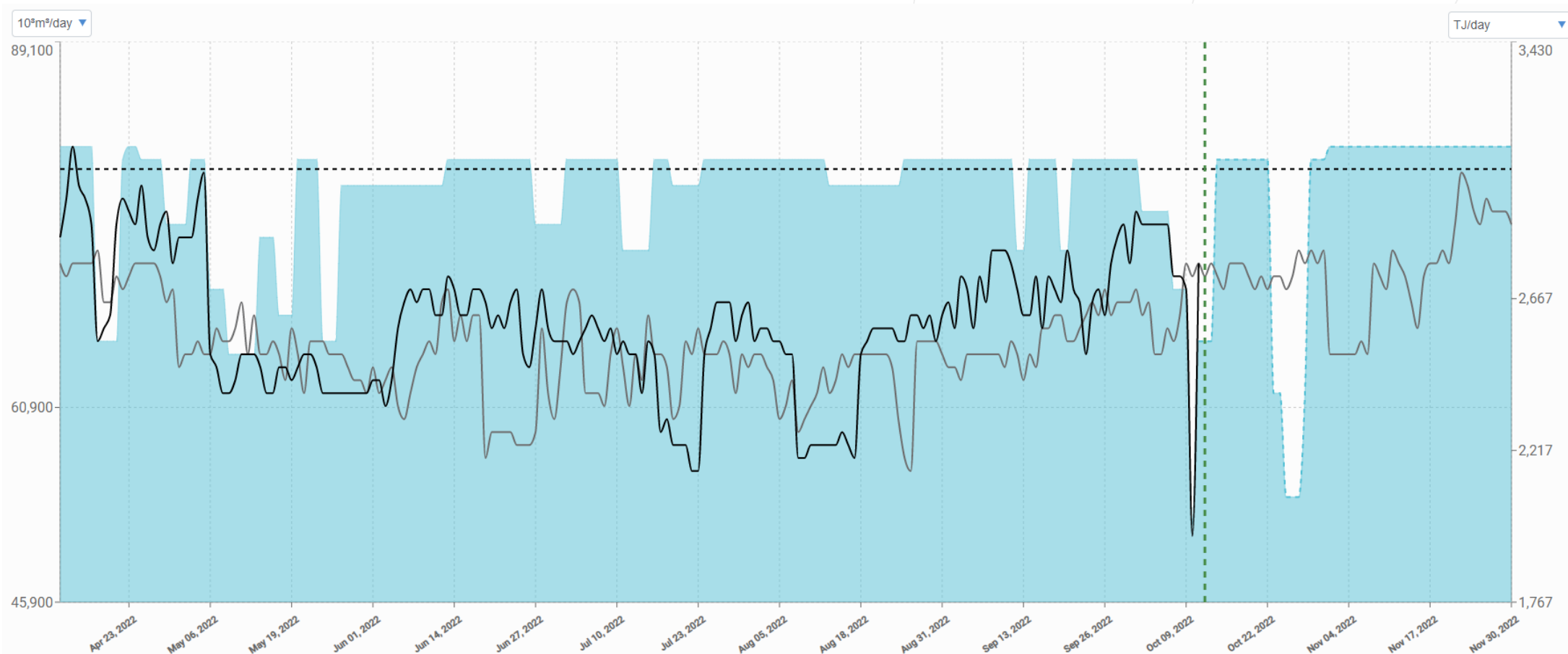
Outage Description	Start	End	USJR Outage Capability (10 ⁶ m ³ /d)	USJR Impact (10 ⁶ m ³ /d)	Area Outage Capability (10 ⁶ m ³ /d)	Outage Area Typical Flows (10 ⁶ m ³ /d)	Service Allowable Location/Area
NPS 36 Grande Prairie Mainline – Pipeline Maintenance	11-Oct-22	14-Oct-22	333	16	N/A	280-320	Potential impact to FT-R USJR
Paul Lake – Compressor Station Maintenance	17-Oct-22	18-Oct-22	336	13	N/A	280-320	Potential impact to FT-R USJR
Alces River – Compressor Station Maintenance	17-Oct-22	18-Oct-22	337	12	N/A	280-320	Potential impact to FT-R USJR
NPS 48 Edson Mainline Loop 3 – Pipeline Modifications	25-Oct-22	27-Oct-22	329	20	N/A	280-320	Potential impact to FT-R USJR
NPS 36 Northwest Mainline Loop – Pipeline Modifications	30-Oct-22	3-Nov-22	343 (Oct) 348 (Nov)	6	225	160-190	Potential impact to FT-R USJR U/S of Latornell
Hidden Lake – Compressor Station Modifications	3-Nov-22	9-Nov-22	346	8	N/A	280-320	Potential impact to FT-R USJR U/S of Latornell
Clearwater – Compressor Station Maintenance	21-Nov-22	25-Nov-22	349	5	N/A	280-320	Potential impact to FT-R USJR

This slide may not be accurate beyond the October 13 NGTL/Foothills Customer Operations meeting on WebEx. Please refer to the DOP on TC Customer Express for current outage information



Alberta-B.C. Border (includes both NGTL and Foothills BC outages)

■ Capability — Actual Flow - - Historical Flow - - Contracts



This slide may not be accurate beyond the October 13 NGTL/Foothills Customer Operations meeting on WebEx. Please refer to the DOP on TC Customer Express for current outage information



West Gate Delivery Area (WGAT) Foothills Zone 8 (FHBC)

No
impact to FT

Potential
impact to FT

Partial
impact to FT

Outage Description	Start	End	Capability/ Allowable (10 ⁶ m ³ /d)	Impact (10 ⁶ m ³ /d)	System	Service Allowable Location/Area
Burton Creek – Compressor Station Maintenance	11-Oct-22	13-Oct-22	66	14	NGTL	Potential Impact to FT-D Alberta/BC and Alberta/Montana Borders
NPS 36 BC Mainline – Pipeline Maintenance	23-Oct-22	24-Oct-22	62	18	FHBC	Potential Impact to FT Alberta/BC Border Foothills BC
NPS 36 BC Mainline – Pipeline Maintenance	25-Oct-22	27-Oct-22	54	26	FHBC	Potential Impact to FT Alberta/BC Border Foothills BC
NPS 36 BC Mainline – Pipeline Maintenance	28-Oct-22	28-Oct-22	62	18	FHBC	Potential Impact to FT Alberta/BC Border Foothills BC

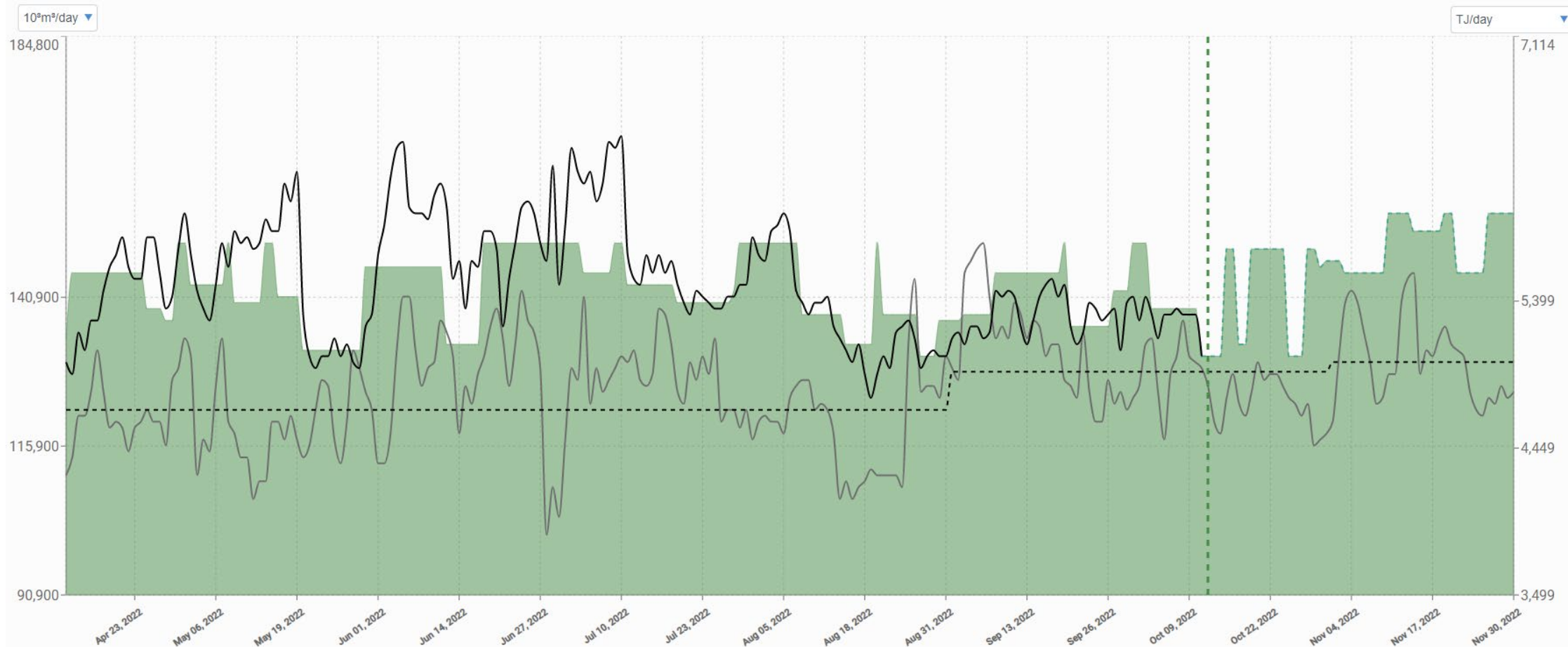
Note: Outages located in the USJR area show up in the WGAT table in DOP to indicate a broad area restriction could be applied to reduce flows through the bottleneck but have been excluded from this slide to avoid duplication

This slide may not be accurate beyond the October 13 NGTL/Foothills Customer Operations meeting on WebEx.
Please refer to the DOP on TC Customer Express for current outage information



East Gate

■ Capability - Actual Flow - Historical Flow - - Contracts



This slide may not be accurate beyond the October 13 NGTL/Foothills Customer Operations meeting on WebEx. Please refer to the DOP on TC Customer Express for current outage information



East Gate Delivery Area (EGAT)

No
impact to FT

Potential
impact to FT

Partial
impact to FT

Outage Description	Start	End	Capability (10 ⁶ m ³ /d)	Impact (10 ⁶ m ³ /d)	System	Service Allowable Location/Area
Schrader Creek East A3 – Compressor Station Maintenance	17-Oct-22	21-Oct-22	145	5	FHAB	No impact to FT-D anticipated Empress/McNeill Borders Segments 15, 16, 17, 18, 19, 20, 23, partial 21, and partial 28
Beiseker B3 – Compressor Station Maintenance	14-Nov-22	18-Nov-22	152	3	NGTL	No impact to FT-D anticipated Empress/McNeill Borders Segments 15, 16, 17, 18, 19, 20, 23, partial 21, and partial 28
Clearwater – Compressor Station Maintenance	21-Nov-22	25-Nov-22	145	10	NGTL	No impact to FT-D anticipated Empress/McNeill Borders Segments 15, 16, 17, 18, 19, 20, 23, partial 21, and partial 28

Note: Beyond these known events impacting EGAT capability, NGTL continues to execute plans to address concerns raised by landowners regarding noise levels at one of our compressor stations.

Note: Outages located in the USJR area show up in the EGAT table in DOP to indicate a broad area restriction could be applied to reduce flows through the bottleneck but have been excluded from this slide to avoid duplication.

This slide may not be accurate beyond the September 13 NGTL/Foothills Customer Operations meeting on WebEx. Please refer to the DOP on TC Customer Express for current outage information



Foothills Zone 9 (FHSK)

No
impact to FT

Potential
impact to FT

Partial
impact to FT

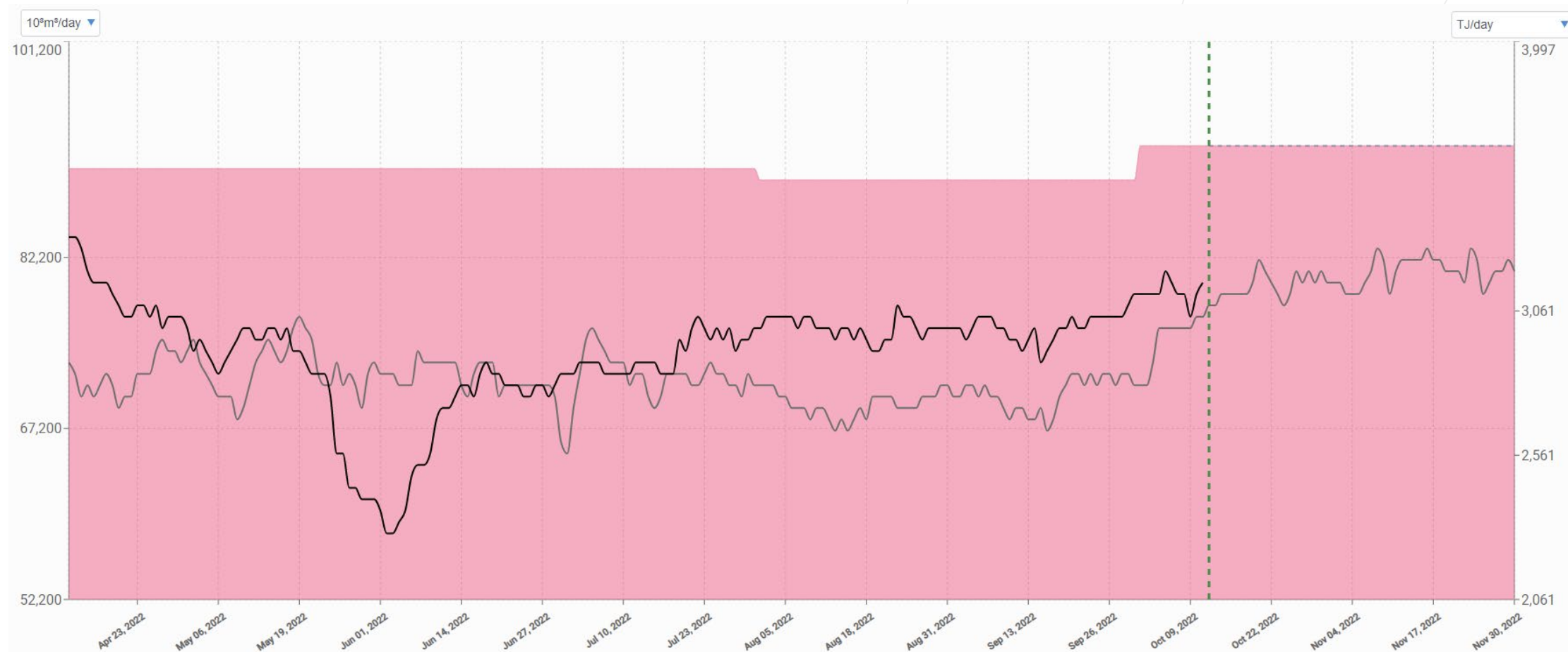
Outage Description	Start	End	Capability (10 ⁶ m ³ /d)	System	Service Allowable Location/Area
NPS 42 Foothills Mainline Zone 9 – Pipeline Maintenance	16-Nov-22	28-Nov-22	25	FHSK	No impact to FT anticipated Monchy Border Foothills Saskatchewan

This slide may not be accurate beyond the October 13 NGTL/Foothills Customer Operations meeting on WebEx. Please refer to the DOP on TC Customer Express for current outage information



Oil Sands Delivery Area

■ Capability — Actual Flow — Historical Flow



This slide may not be accurate beyond the October 13 NGTL/Foothills Customer Operations meeting on WebEx. Please refer to the DOP on TC Customer Express for current outage information



Northeast Delivery Area (NEDA) Oil Sands Delivery Area (OSDA)

No
impact to FT

Potential
impact to FT

Partial
impact to FT

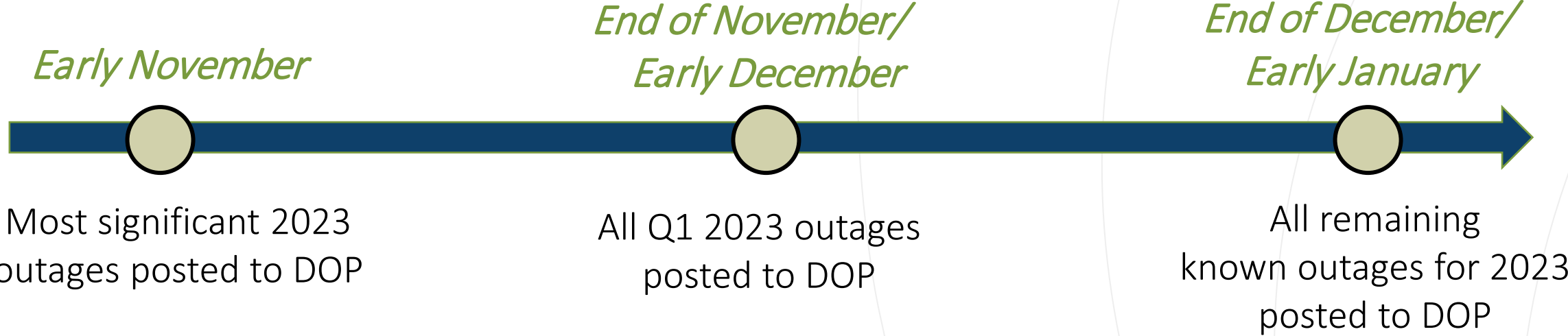
There are currently no outages planned that are
specific to OSDA or NEDA

This slide may not be accurate beyond the October 13 NGTL/Foothills Customer Operations meeting on WebEx.
Please refer to the DOP on TC Customer Express for current outage information



2023 Outage Communications

2023 Outage Communication Schedule | Next Steps



Refer to the Daily Operating Plan (DOP) for the most current outage information



Plant Turnaround Information

- Where possible, we will continue to make all efforts to align maintenance with customer maintenance activities to maximize coordination opportunities and minimize impacts
- All customer specific information received will remain strictly confidential within the outage planning and coordination teams

Most common places to find the form:

- Customer Express
- Bottom of the Daily Operation Plan (DOP)

Where to send the form: ab_bc_ops_planning@tcenergy.com

The image shows a screenshot of a web form titled "PLANT TURNAROUND INFORMATION FORM" with the TC Energy logo in the top right corner. The form includes fields for "Date:" and "Email to: ab_bc_ops_planning@tcenergy.com". A section titled "Your Contact Information:" contains fields for "Your Name:", "Company Name:", "Phone:", "Secondary Phone (Optional):", and "Email:". Below this is a section "Please select one of the following:" with two checkboxes: "Information for new Plant Turnaround" and "Update to existing Plant Turnaround information". The "Plant Turnaround Information:" section includes fields for "NGTL Meter Station Name:", "NGTL Meter Station Number:", "Start Date:", "End Date:", "Start Time:", and "End Time:". It also has a "Type of Plant Turnaround:" section with checkboxes for "Complete Turnaround (Zero Flow)" and "Partial Turnaround:", followed by "Expected Flow during turnaround:" (with a value of 10³m³/d) and "Typical Flow:" (with a value of 10³m³/d). An "Additional Comments:" section is at the bottom. At the very bottom of the form, it says "Email this form to: ab_bc_ops_planning@tcenergy.com. Direct any questions to the Pipeline @ (403) 920-7473."

Plant turnaround information is VERY important to us!
Please report your maintenance and turnaround schedules for 2023 and beyond
Click [HERE](#) for the PTA form



2021 SXP Customer Mitigation Update

2021 SXP Customer Mitigation: Status Update

Sep
15

NGTL proposed a means of enabling early commencement of service in a fair and efficient way for all parties with pending contracts impacted by delayed expansion projects (includes 2021 SXP, Clearwater, EDML & West Path 2022), with no anticipated impact on existing firm system customers

Sep
20

Concept discussed further at the TTFP after which NGTL received feedback from some parties with pending contracts

Oct
6

NGTL discussed the feedback and a possible alternative with parties who have pending contracts; none of those parties opposed the direction of adopting the alternative concept; suggested some tweaks

Oct
13

NGTL shares the revised concept and details with all customers

Oct
18

NGTL to raise the revised concept with the TTFP, and proceed with issuing election forms if no threshold concerns have been raised

Revised Concept: Early Commencement of Service with Conditions ("Revised Conditional Service")

Key changes from Sept proposal:

- Revised Conditional Service for ~150 TJ/d - significantly less than the Sept proposal of ~400 TJ/d
 - Capacity uncertain until impacts of summer maintenance on winter operation are known, expected by mid-Nov
- Service availability allocated on a monthly basis (could vary by month and within the month) – allocation 4 to 5 business days prior to next month, as opposed to Sept proposal which specified allocation on a daily basis at the evening nom window

Common elements from Sept proposal:

- Same election process as Sept proposal, with Revised Conditional Service awarded on a pro-rata basis
- Customer pays demand charges on Revised Conditional Service CDQ, regardless of monthly allocation
- No anticipated impact on existing firm service
 - Absent any Conditional Service, the same capacity allocated each month to the Revised Conditional Service contract holders could have been marketed as STFT on a monthly basis

Responsive to feedback from parties with pending contracts:

- Sept proposal was of low value
 - No certainty in the timely window for next day trading (evening cycle is too late for next day trading)
- Better to offer a lower amount of early commencement of service with conditions
 - Amount offered more certain to be available each day and less likely to be UDC
- Tranche 3 monthly allocation process worked well

Illustrative Example: Revised Conditional Service Election and Allocation

Suppose NGTL determines in mid-Nov that the amount of Revised Conditional available is **150 TJ/d**

	Elected Amounts (TJ/d)	Prorated amounts* Billed monthly (TJ/d)	Month 1 allocation (TJ/d)	Month 2 allocation (TJ/d)	Month 3 allocation (TJ/d)	Month 4 allocation (TJ/d)
Customer 1	90	30	30	29	30	30
Customer 2	90	30	30	29	30	30
Customer 3	90	30	30	29	30	30
Customer 4	90	30	30	29	30	30
Customer 5	90	30	30	29	30	30
	450	Actual volume available 150	150	145	150	150

Revised Conditional Service contract holders will pay **demand charges on their full pro-rated amount regardless of the monthly allocated volume.** In this example, all participating customers pay monthly demand charges on 30 TJ/d

*pro-ration calculation in this example: $90 \times (150/450)$



Next Steps and Discussion

- NGTL testing with the balance of customers (Customer Ops & TTFP) to ensure no threshold concerns
- If no threshold concerns raised at Customers Ops (Oct 13) and TTFP meeting (Oct 18), election forms will be issued to parties with pending contracts
 - process likely to lead to **Dec 1** start of the Revised Conditional Service



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