
CCA-NGTL-001

Reference:

Section 2.4.1 Simmons Facilities Analysis

Request:

Please provide the analyses that support the “results of the analysis” which are shown in tables 2.4.1 – 1 through 2.4.1 – 3.

Response:

Please refer to Attachment CCA-NGTL-001.

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Unit Number	Estimated Net Book Value	Return	Total Depreciation	Total Income And Capital Taxes	Total Estimated Municipal Taxes	Station Maintenance Type	General Operating Assets	Field/Service			Cash Working Capital	Materials & Supplies Inventory	Linepack Gas	Unamortized			Other General Expenses	Other Expenses	Allocated Compression Costs
								Calgary Offices	Centers, Vehicles	Information Technology				Debt Issue Costs	Other Departments				
6000	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6001	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6002	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6003	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6004	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6005	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6006	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6007	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6008	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6009	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6010	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6011	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6012	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6014	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6015	615,595.59	4,598.30	639.20	1,905.03	750.00	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6016	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6017	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6019	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
6021	-	-	-	-	-	7,710.73 MS	9.26	6.68	15.25	19.87	10.58	1.64	0.00	1.79	36.50	35.45	15.80	0.00	
49183	-	-	-	-	-	25,364.48 CS	452.07	325.85	744.64	969.76	516.36	79.83	0.00	87.51	1781.60	1730.42	771.32	0.00	
49190	3,163,231.09	23,628.29	3,068.33	9,788.98	3,000.00	25,364.48 CS	452.07	325.85	744.64	969.76	516.36	79.83	0.00	87.51	1781.60	1730.42	771.32	0.00	
49193	-	-	-	-	-	4.88 P	0.32	0.23	0.53	0.69	0.37	0.06	0.07	0.06	1.27	1.23	0.55	1380.66	
49195	1,396,602.46	10,432.16	1,660.99	4,321.95	5,473.93	3,740.55 P	246.44	177.63	405.92	528.64	281.49	43.52	52.04	47.70	971.21	943.30	420.47	1380.66	
49196	-	-	-	-	-	32.52 P	2.14	1.54	3.53	4.60	2.45	0.38	0.45	0.41	8.44	8.20	3.66	136.54	
49197	1,452,821.11	10,852.09	1,727.85	4,495.92	5,694.27	3,891.12 P	256.36	184.78	422.26	549.92	292.82	45.27	54.14	49.62	1010.30	981.27	437.39	0.00	
49198	-	-	-	-	-	1.63 P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	136.54	
49199	-	-	-	-	-	1,561.00 P	102.84	74.13	169.40	220.61	117.47	18.16	21.72	19.91	405.30	393.66	175.47	136.54	
49200	-	-	-	-	-	1,837.43 P	121.05	87.25	199.40	259.68	138.27	21.38	25.56	23.43	477.08	463.37	206.54	136.54	
49201	-	-	-	-	-	13.01 P	0.86	0.62	1.41	1.84	0.98	0.15	0.18	0.17	3.38	3.28	1.46	483.13	
49202	-	-	-	-	-	13.01 P	0.86	0.62	1.41	1.84	0.98	0.15	0.18	0.17	3.38	3.28	1.46	483.13	
49203	424,979.01	3,174.45	505.43	1,315.15	1,665.69	1,138.23 P	74.99	54.05	123.52	160.86	85.65	13.24	15.84	14.52	295.53	287.04	127.95	1380.66	
49204	-	-	-	-	-	16.26 P	1.07	0.77	1.76	2.30	1.22	0.19	0.23	0.21	4.22	4.10	1.83	136.54	
49205	2,123,680.83	15,863.19	2,525.71	6,571.97	8,323.68	5,687.90 P	374.73	270.10	617.25	803.86	428.03	66.17	79.13	72.54	1476.82	1434.39	639.37	1380.66	
49208	984,129.97	7,351.13	1,170.43	3,045.50	3,857.26	2,635.82 P	173.65	125.17	286.04	372.51	198.35	30.66	36.67	33.61	684.37	664.71	296.29	1380.66	
49209	-	-	-	-	-	1.63 P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	47.57	
49210	-	-	-	-	-	213.01 P	14.03	10.12	23.12	30.10	16.03	2.48	2.96	2.72	55.31	53.72	23.94	47.57	
49211	1,228,189.34	9,174.17	1,460.70	3,800.77	4,813.84	3,289.49 P	216.72	156.21	356.97	464.90	247.54	38.27	45.77	41.95	854.09	829.55	369.76	1380.66	
49212	-	-	-	-	-	21.95 P	1.45	1.04	2.38	3.10	1.65	0.26	0.31	0.28	5.70	5.54	2.47	136.54	
49213	108,673.20	811.75	129.25	336.30	425.94	291.06 P	19.18	13.82	31.59	41.14	21.90	3.39	4.05	3.71	75.57	73.40	32.72	1380.66	
49218	112,922.99	843.50	134.30	349.45	442.60	302.44 P	19.93	14.36	32.82	42.74	22.76	3.52	4.21	3.86	78.53	76.27	34.00	1380.66	
49220	277,450.58	2,072.46	329.97	858.60	1,087.46	743.10 P	48.96	35.29	80.64	105.02	55.92	8.65	10.34	9.48	192.94	187.40	83.53	1380.66	
49221	-	-	-	-	-	3.25 P	0.21	0.15	0.35	0.46	0.24	0.04	0.05	0.04	0.84	0.82	0.37	136.54	
49222	430,443.03	3,215.27	511.93	1,332.06	1,687.10	1,152.87 P	75.95	54.75	125.11	162.93	86.76	13.41	16.04	14.70	299.33	290.73	129.59	1380.66	
49223	-	-	-	-	-	2.44 P	0.16	0.12	0.26	0.34	0.18	0.03	0.03	0.03	0.63	0.62	0.27	136.54	
49224	5,464.02	40.81	6.50	16.91	21.42	14.63 P	0.96	0.69	1.59	2.07	1.10	0.17	0.20	0.19	3.80	3.69	1.65	1380.66	
49225	-	-	-	-	-	2.60 P	0.17	0.12	0.28	0.37	0.20	0.03	0.04	0.03	0.68	0.66	0.29	271.87	
49226	-	-	-	-	-	448.79 P	29.57	21.31	48.70	63.43	33.77	5.22	6.24	5.72	116.52	113.18	50.45	1380.66	
49227	-	-	-	-	-	949.61 P	62.56	45.09	103.05	134.21	71.46	11.05	13.21	12.11	246.56	239.48	106.74	955.26	
49228	-	-	-	-	-	1.63 P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	752.89	
49229	-	-	-	-	-	1,951.25 P	128.55	92.66	211.75	275.77	146.84	22.70	27.15	24.88	506.63	492.07	219.34	955.26	
49230	-	-	-	-	-	829.28 P	54.64	39.38	89.99	117.20	62.41	9.65	11.54	10.58	215.32	209.13	93.22	136.54	
49231	-	-	-	-	-	829.28 P	54.64	39.38	89.99	117.20	62.41	9.65	11.54	10.58	215.32	209.13	93.22	136.54	
49232	-	-	-	-	-	3,131.76 P	206.33	148.72	339.86	442.61	235.67	36.43	43.57	39.94	813.14	789.78	352.03	955.26	
49233	-	-	-	-	-	1.63 P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	47.57	
49234	-	-	-	-	-	2,813.06 P	185.33	133.59	305.27	397.56	211.69	32.73	39.14	35.87	730.39	709.40	316.21	47.57	
49235	-	-	-	-	-	3,240.71 P	213.51	153.89	351.68	458.00	243.87	37.70	45.09	41.33	841.43	817.25	364.28	955.26	
49236	-	-	-	-	-	3.25 P	0.21	0.15	0.35	0.46	0.24	0.04	0.05	0.04	0.84	0.82	0.37	752.89	

Unit Number	Estimated Net Book Value	Return	Total Depreciation	Total Income And Capital Taxes	Total Estimated Municipal Taxes	Station Maintenance	Station Type	General Operating Assets	Field/Service			Cash Working Capital	Materials & Supplies Inventory	Unamortized			Other Expenses	General Expenses	Other Expenses	Allocated Compression Costs
									Calgary Offices	Centers, Vehicles	Information Technology			Linepack Gas	Debt Issue Costs	Other Departments				
49237	-	-	-	-	-	16.26	P	1.07	0.77	1.76	2.30	1.22	0.19	0.23	0.21	4.22	4.10	1.83	136.54	
49238	-	-	-	-	-	16.26	P	1.07	0.77	1.76	2.30	1.22	0.19	0.23	0.21	4.22	4.10	1.83	136.54	
49242	-	-	-	-	-	16.26	P	1.07	0.77	1.76	2.30	1.22	0.19	0.23	0.21	4.22	4.10	1.83	752.89	
49243	-	-	-	-	-	16.26	P	1.07	0.77	1.76	2.30	1.22	0.19	0.23	0.21	4.22	4.10	1.83	752.89	
49244	1,025,413.64	7,659.50	1,219.53	3,173.26	4,019.07	2,746.39	P	180.94	130.42	298.04	388.14	206.67	31.95	38.21	35.02	713.08	692.59	308.72	1380.66	
49245	-	-	-	-	-	1.63	P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	136.54	
49246	-	-	-	-	-	291.06	P	19.18	13.82	31.59	41.14	21.90	3.39	4.05	3.71	75.57	73.40	32.72	136.54	
49247	806,245.90	6,022.39	958.88	2,495.02	3,160.05	2,159.39	P	142.27	102.54	234.34	305.18	162.50	25.12	30.04	27.54	560.67	544.56	242.73	1380.66	
49248	-	-	-	-	-	1.63	P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	47.57	
49249	-	-	-	-	-	95.94	P	6.32	4.56	10.41	13.56	7.22	1.12	1.33	1.22	24.91	24.19	10.78	47.57	
49250	60,711.29	453.49	72.20	187.88	237.96	162.60	P	10.71	7.72	17.65	22.98	12.24	1.89	2.26	2.07	42.22	41.01	18.28	1380.66	
49251	-	-	-	-	-	1.63	P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	136.54	
49252	-	-	-	-	-	2,746.39	P	180.94	130.42	298.04	388.14	206.67	31.95	38.21	35.02	713.08	692.59	308.72	136.54	
49253	592,117.19	4,422.92	704.21	1,832.37	2,320.78	1,585.88	P	104.48	75.31	172.10	224.13	119.34	18.45	22.06	20.22	411.76	399.93	178.27	1380.66	
49254	-	-	-	-	-	1.63	P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	752.89	
49255	-	-	-	-	-	1,170.75	P	77.13	55.60	127.05	165.46	88.10	13.62	16.29	14.93	303.98	295.24	131.60	136.54	
49256	1,845,623.14	13,786.19	2,195.02	5,711.49	7,233.85	4,943.17	P	325.67	234.74	536.43	698.61	371.99	57.51	68.77	63.04	1283.46	1246.58	555.65	1380.66	
49257	86,210.03	643.96	102.53	266.79	337.90	230.90	P	15.21	10.96	25.06	32.63	17.38	2.69	3.21	2.94	59.95	58.23	25.95	1380.66	
49258	136,600.40	1,020.36	162.46	422.73	535.40	365.86	P	24.10	17.37	39.70	51.71	27.53	4.26	5.09	4.67	94.99	92.26	41.13	1380.66	
49259	46,140.58	344.65	54.88	142.79	180.85	123.58	P	8.14	5.87	13.41	17.47	9.30	1.44	1.72	1.58	32.09	31.16	13.89	1380.66	
49260	971.38	7.26	1.16	3.01	3.81	2.60	P	0.17	0.12	0.28	0.37	0.20	0.03	0.04	0.03	0.68	0.66	0.29	1380.66	
49261	1,281,008.16	9,568.71	1,523.51	3,964.23	5,020.86	3,430.95	P	226.04	162.93	372.33	484.89	258.19	39.92	47.73	43.75	890.82	865.23	385.67	1380.66	
49262	1,301,042.89	9,718.36	1,547.34	4,026.23	5,099.38	3,484.61	P	229.57	165.48	378.15	492.47	262.23	40.54	48.48	44.44	904.75	878.76	391.70	1380.66	
49263	2,385.90	17.82	2.84	7.38	9.35	6.50	P	0.43	0.31	0.71	0.92	0.49	0.08	0.09	0.08	1.69	1.64	0.73	1380.66	
49264	-	-	-	-	-	1.63	P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	752.89	
49265	-	-	-	-	-	1.63	P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	752.89	
49266	596.48	4.46	0.71	1.85	2.34	1.63	P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	1380.66	
49267	346,033.00	2,584.75	411.54	1,070.84	1,356.26	931.72	P	61.38	44.25	101.11	131.68	70.11	10.84	12.96	11.88	241.92	234.96	104.73	1380.66	
49268	4,175.33	31.19	4.97	12.92	16.37	11.38	P	0.75	0.54	1.24	1.61	0.86	0.13	0.16	0.15	2.96	2.87	1.28	1380.66	
49269	19,324.71	144.35	22.98	59.80	75.74	52.03	P	3.43	2.47	5.65	7.35	3.92	0.61	0.72	0.66	13.51	13.12	5.85	1380.66	
49270	8,947.14	66.83	10.64	27.69	35.07	24.39	P	1.61	1.16	2.65	3.45	1.84	0.28	0.34	0.31	6.33	6.15	2.74	1380.66	
49271	40,461.10	302.23	48.12	125.21	158.59	108.94	P	7.18	5.17	11.82	15.40	8.20	1.27	1.52	1.39	28.29	27.47	12.25	1380.66	
49272	432,445.01	3,230.22	514.31	1,338.25	1,694.95	1,178.88	P	77.67	55.98	127.93	166.61	88.71	13.71	16.40	15.03	306.09	297.29	132.52	1380.66	
49273	1,384.51	10.34	1.65	4.28	5.43	4.88	P	0.32	0.23	0.53	0.69	0.37	0.06	0.07	0.06	1.27	1.23	0.55	752.89	
49274	-	-	-	-	-	8.13	P	0.54	0.39	0.88	1.15	0.61	0.09	0.11	0.10	2.11	2.05	0.91	1380.66	
49275	-	-	-	-	-	694.32	P	45.74	32.97	75.35	98.13	52.25	8.08	9.66	8.85	180.28	175.10	78.05	47.57	
49276	-	-	-	-	-	1,144.74	P	75.42	54.36	124.23	161.78	86.14	13.32	15.93	14.60	297.22	288.68	128.68	1380.66	
49277	-	-	-	-	-	645.54	P	42.53	30.66	70.05	91.23	48.58	7.51	8.98	8.23	167.61	162.79	72.56	1380.66	
49278	-	-	-	-	-	3.25	P	0.21	0.15	0.35	0.46	0.24	0.04	0.05	0.04	0.84	0.82	0.37	752.89	
49280	-	-	-	-	-	206.51	P	13.61	9.81	22.41	29.19	15.54	2.40	2.87	2.63	53.62	52.08	23.21	1380.66	
49281	-	-	-	-	-	3.25	P	0.21	0.15	0.35	0.46	0.24	0.04	0.05	0.04	0.84	0.82	0.37	483.13	
49282	-	-	-	-	-	1,178.23	P	77.62	55.95	127.86	166.52	88.67	13.71	16.39	15.03	305.92	297.13	132.44	483.13	
49283	-	-	-	-	-	1.63	P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	271.87	
49284	-	-	-	-	-	453.67	P	29.89	21.54	49.23	64.12	34.14	5.28	6.31	5.79	117.79	114.41	51.00	271.87	
49286	-	-	-	-	-	195.13	P	12.86	9.27	21.17	27.58	14.68	2.27	2.71	2.49	50.66	49.21	21.93	752.89	
49287	-	-	-	-	-	1.63	P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	752.89	
49288	-	-	-	-	-	1.63	P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	752.89	
49289	-	-	-	-	-	235.78	P	15.53	11.20	25.59	33.32	17.74	2.74	3.28	3.01	61.22	59.46	26.50	1380.66	
49290	-	-	-	-	-	3.25	P	0.21	0.15	0.35	0.46	0.24	0.04	0.05	0.04	0.84	0.82	0.37	752.89	
49291	-	-	-	-	-	302.44	P	19.93	14.36	32.82	42.74	22.76	3.52	4.21	3.86	78.53	76.27	34.00	1380.66	
49293	-	-	-	-	-	32.52	P	2.14	1.54	3.53	4.60	2.45	0.38	0.45	0.41	8.44	8.20	3.66	1380.66	
49294	-	-	-	-	-	79.68	P	5.25	3.78	8.65	11.26	6.00	0.93	1.11	1.02	20.69	20.09	8.96	1380.66	
49300	-	-	-	-	-	4.07	P	0.27	0.19	0.44	0.57	0.31	0.05	0.06	0.05	1.06	1.03	0.46	1380.66	
49301	-	-	-	-	-	0.33	P	0.02	0.02	0.04	0.05	0.02	0.00	0.00	0.00	0.08	0.08	0.04	1380.66	
49302	117.81	0.88	0.14	0.36	0.46	0.33	P	0.02	0.02	0.04	0.05	0.02	0.00	0.00	0.00	0.08	0.08	0.04	1380.66	
49303	-	-	-	-	-	0.33	P	0.02	0.02	0.04	0.05	0.02	0.00	0.00	0.00	0.08	0.08	0.04	1380.66	
49304	-	-	-	-	-	0.33	P	0.02	0.02	0.04	0.05	0.02	0.00	0.00	0.00	0.08	0.08	0.04	752.89	
49305	-	-	-	-	-	0.33	P	0.02	0.02	0.04	0.05	0.02	0.00	0.00	0.00	0.08	0.08	0.04	1380.66	

Unit Number	Estimated Net Book Value	Return	Total Depreciation	Total Income And Capital Taxes	Total Estimated Municipal Taxes	Station Maintenance Type	General Operating Assets	Calgary Offices	Field/Service Centers, Vehicles	Information Technology	Cash Working Capital	Materials & Supplies Inventory	Linepack Gas	Unamortized Debt Issue Costs	Other Departments	General Expenses	Other Expenses	Allocated Compression Costs
49306	-	-	-	-	-	0.33 P	0.02	0.02	0.04	0.05	0.02	0.00	0.00	0.00	0.08	0.08	0.04	752.89
49308	-	-	-	-	-	0.33 P	0.02	0.02	0.04	0.05	0.02	0.00	0.00	0.00	0.08	0.08	0.04	483.13
49309	-	-	-	-	-	0.33 P	0.02	0.02	0.04	0.05	0.02	0.00	0.00	0.00	0.08	0.08	0.04	1380.66
49310	-	-	-	-	-	0.33 P	0.02	0.02	0.04	0.05	0.02	0.00	0.00	0.00	0.08	0.08	0.04	1380.66
49311	-	-	-	-	-	0.65 P	0.04	0.03	0.07	0.09	0.05	0.01	0.01	0.01	0.17	0.16	0.07	483.13
49615	607.11	4.53	0.72	1.88	2.38	1.63 P	0.11	0.08	0.18	0.23	0.12	0.02	0.02	0.02	0.42	0.41	0.18	1380.66
60329	-	-	-	-	-	0.49 P	0.03	0.02	0.05	0.07	0.04	0.01	0.01	0.01	0.13	0.12	0.05	483.13

CCA-NGTL-002

Reference:

Section 2.4.1 Simmons Facilities Analysis

Request:

Was the Simmons Facility valued at the depreciated net book value of the assets when first placed in public service and if not, please explain the evaluation method. Please explain how the amount above book value, if any, should be treated for rate purposes?

Response:

The actual acquisition and associated transition costs for the Simmons facilities as approved by the Board in Decision 2004-069 were included in the Alberta System rate base when the facilities were placed into service in 2004.

CCA-NGTL-003

Reference:

Section 2.4.1 Simmons Facilities Analysis

Request:

- (a) Please explain why annualized numbers based on December 2004 results are viewed by NGTL to be reasonable.
- (b) Please provide the calculations showing how the annualization was completed.
- (c) Are the Simmons revenue and expenses to be treated as a separate deferral account or part of other deferral accounts? If other deferral accounts, please provide details of which deferral accounts.

Response:

- (a) Please refer to the response to BR-NGTL-017(d).
- (b) Please refer to Attachment CCA-NGTL-001. With the exception of NBV, the sum of the costs for each cost category was multiplied by 12 to obtain an annual volume.
- (c) Neither. Please refer to the response to CCA-NGTL-006(a).

CCA-NGTL-004

Reference:

Section 2.4.1 Simmons Facilities Analysis

Request:

- (a) Please explain why only directly associated meter station revenue is used in the calculations.
- (b) Please confirm that \$2.7 million of indirect FT-R revenue was not included in the calculations. Please provide the accounting treatment and rate treatment of the \$2.7 million.
- (c) Please explain how indirect revenue is associated with the Simmons Facility.
- (d) Please provide any associated revenues which are not included in table 2.4.1-3 which are related with the Simmons Facility.

Response:

- (a) Only directly associated meter station revenues were used in the calculation of the revenue in Table 2.4.1-3 to illustrate that these facilities generated more revenue than the associated costs without attributing any indirectly related revenue to them.
- (b) Confirmed. Please refer to the response to CCA-NGTL-006(a).
- (c) In December of 2004, the delivery stations connected to the Simmons facilities had more delivery volumes than the receipt stations connected to the Simmons facilities had receipt volumes. Consequently, receipts from other parts of the Alberta System must have been delivered at Simmons stations. These other volumes are the indirect receipt revenue that is associated with Simmons facilities.
- (d) Other than the \$2.7 million in indirect receipt revenue, NGTL is not aware of any other revenue associated with the Simmons facilities that is not included in Table 2.4.1-3.

CCA-NGTL-005

Reference:

Section 2.4.1 Simmons Facilities Analysis

Request:

- (a) Please provide all references to AEUB decisions concerning the Simmons Facilities. What is wanted is decision numbers and page references.
- (b) Please provide all public NGTL committee resolutions concerning the Simmons Pipeline Facility.

Response:

- (a) Please refer to Board Decision 2004-069, Pages 78 to 80. NGTL does not know what Board decisions relating to the Simmons facilities may have been issued prior to its ownership.
- (b) NGTL does not have any public committee resolutions dealing with the purchase of the Simmons facilities.

CCA-NGTL-006-1

Reference:

Section 2.4.1 Simmons Facilities Analysis

Request:

- (a) How should excess and deficient revenue be allocated from Simmons Facility?
- (b) Should Simmons, intra-Alberta or export customers be benefited or responsible for the excesses or deficient amounts? Please provide reasons.

Response:

- (a) The analysis in Section 2.4.1 was provided to illustrate the fact that costs for these facilities were recovered through associated service revenues. This analysis was included in the Application only as a means to respond to the Board's directive in Decision 2004-097 to include the facilities purchased from Simmons in the updated COH study, something that is not possible for calendar year 2003. This analysis demonstrates that the revenues that can be associated with the Simmons facilities exceed the costs that can be associated with the facilities.

The Alberta System is highly integrated, and as such, benefits and costs are shared by all customers. NGTL accounts for over or under collections at a system level and, as approved by the Board, defers such amounts to the subsequent year. Therefore, any over or under collections are included in the total revenue requirement that is used to determine the rates of all services. As a result all customers share in any over and under collections.

- (b) Please refer to the response to (a).

CCA-NGTL-006-2

Reference:

Reference: Section 4.0 Contract Demand Quantity and Throughput

Preamble:

The overview section describes the data provided in the section as 2005 illustrative rates, tolls and charges. The tables provided in the phase II for contract demand, quantity and throughput differ from those provided in the phase I application.

Request:

- (a) Please explain why the contract demands, quantity and throughput are different from the phase I and phase II applications for 2005.
- (b) Is NGTL requesting a variance from the phase I numbers? If so do, the new contract demand, quantity and throughput forecasts need to be tested in the phase II hearing process? Please explain why or why not.

Response:

- (a) The 2005 forecast values for contract demands and throughput in each of NGTL's 2005 GRA Phase 1 and GRA Phase 2 Applications are different because the forecasts were completed at different times. The forecast used for the Phase 1 Application was completed approximately four months earlier than the Phase 2 Application, and prior to the end of 2004. More information regarding customer contract demands, quantity and throughput for 2005 was known at the time of the Phase 2 Application and was included in the Phase 2 forecast.
- (b) A variance is not required.

The GRA Phase 1 Application was withdrawn and replaced by an application for approval of NGTL's 2005 - 2007 Revenue Requirement Settlement Application. Appendix F of the Revenue Requirement Settlement Application contained updated contract and volume information; the identical information is contained in Section 4 of this Application. In addition, the Revenue Requirement Settlement provides for the use of deferral accounts for variations in revenue due

CCA-NGTL-006-2

to variances between forecasted contract and throughput volumes and actual contract and throughput volumes. The Board approved the Revenue Requirement Settlement Application in Decision 2005-057.

CCA-NGTL-007

Reference:

Table 5.2-1 Phase I application Table 4.2-1 Phase II application

Request:

Please explain the differences between the 2005 forecast Phase I and II amounts in the above noted tables. Please support each of the changes.

Response:

Please refer to the response to CCA-NGTL-006-2(a).

CCA-NGTL-008

Reference:

Table 5.2.-2 Phase I application and Table 4.2-4 Phase II application

Request:

Please explain the differences between the 2004 forecast Phase I and II amounts in the above noted tables. Please support each of the changes.

Response:

NGTL notes the referenced tables relate to 2005 forecasts, not 2004 forecasts as stated in the request.

Table 5.2-2 in the Phase 1 Application is the 2005 Monthly Firm Transportation Receipt Point Contract Demand, whereas Table 4.2-4 in the Phase 2 Application is 2005 Firm Transportation Export Delivery Point Contract Demand. Receipt Point Contract Demand would not match Export Delivery Point Contract Demand, because they are different types of demands, and the contracts may be held by different customers.

Please also refer to the response to CCA-NGTL-006-2(a).

CCA-NGTL-009(a)

Reference:

Table 5.2.-3 Phase I application and Table 4.2-3 Phase II application

Request:

Please explain the differences between the 2004 forecast Phase I and II amounts in the above noted tables. Please support each of the changes.

Response:

For the year 2004, both tables have identical values. However, if CCA intended to refer to 2005 in its question, the difference between the tables results from a difference in the timing of the forecasts that supported the two applications.

Please refer to the response to CCA-NGTL-006-2(a).

CCA-NGTL-009(b) and (c)

Reference:

Table 5.2.-3 Phase I application and Table 4.2-3 Phase II application

Request:

- (b) Please explain if different volumes at an export delivery point results in different per unit revenues. For example, does one Bcf-d at either Empress, McNeill, Alberta/B.C., or other borders result in the same revenue?
- (c) Please explain why 2003 values include STFT at Alberta–Montana. Do 2004 and 2005 forecasts also include STFT at Alberta- Montana? Please explain why or why not.

Response:

- (b) There is a uniform FT-D rate under the existing rate design. Consequently, differences in volumes at different export delivery points do not impact revenues, provided that total export volumes stay the same.
- (c) There was a very small amount of STFT service contracted at the Alberta/Montana Border in 2003, which is reflected in the 2003 Firm Transportation Export Delivery Point Contract Demand numbers in Table 4.2-3. There was no STFT service contracted in 2004 at any border. At the time of preparing the 2005 forecast, NGTL had not received any requests for STFT service and did not believe that it would receive any requests in 2005. Therefore no STFT volumes have been forecast for 2005.

CCA-NGTL-010

Reference:

Table 5.3-2 and 5.3-3 Phase I application and Tables 4.3- and 4.3-3 Phase II application

Request:

- (a) Please explain the differences between the 2004 forecast Phase I and II amounts in the above noted tables. Please support each of the changes.
- (b) Please provide the per unit average revenue per service category for both receipt and delivery throughput for actual 2004 and forecast 2005.
- (c) Please provide by service category the effect on revenue for the changes of 2005 forecast receipt and delivery throughput between the phase I and phase II applications

Response:

- (a) Please refer to the response to CCA-NGTL-006-2(a).
- (b) Please refer to Table 5.1-1 in Section 5 of the Phase 2 Application, for information on 2004 and 2005 service rates.
- (c) There is no material change in revenue due to difference in throughput forecast in each of the 2005 GRA Phase 1 and Phase 2 Applications.