NGTL 2005 GRA Phase 2 Application No. 1396409 Response to Russ Duncan-NGTL-001 June 24, 2005 Page 1 of 1

Russ Duncan-NGTL-001

Reference:

Section 2.2 Other Services and Tariff issues

Issue:

Transportation by Others (TBO), Pressure and CO2 Issues

Request:

The EUB approves the General Rate Applications for Alberta Utilities. ATCO has just applied under Application 1400690 and AltaGas has just received approval under Decision 2005-029 and made Application for General Rate 2005/2006 (1378000). Using this public information (or other information available to NGTL) and NGTL's Guidelines for TBO's and NGTL's requested rate design, what would NGTL's rates be if both ATCO and AltaGas' transportation costs were recovered through a NGTL General Rate Application.

It is understood NGTL will have to make some assumptions on behalf of other utilities that may be addressed in a separate hearing. This also assumes NGTL pays the approved Transportation associated costs annually for ATCO and AltaGas and not a purchase of those systems.

Response:

The determination of general transportation-by-other (TBO) policy for NGTL, the examination of specific TBO arrangements between NGTL and other parties, and NGTL's ability to recover TBO expenses in its revenue requirement are all outside the scope of the defined issues in this proceeding. Consequently, NGTL declines to provide the requested information because it is irrelevant to the Board's determination of the issues in this proceeding.

NGTL 2005 GRA Phase 2 Application No. 1396409 Response to Russ Duncan-NGTL-002 June 24, 2005 Page 1 of 1

Russ Duncan-NGTL-002

Reference:

Section 2.2 Other Services and Tariff issues

Issue:

Transportation by Others (TBO), Pressure and CO2 Issues

Request:

Does the NEB set the rate for the Foothills TBO?

Response:

NGTL 2005 GRA Phase 2 Application No. 1396409 Response to Russ Duncan-NGTL-003 June 24, 2005 Page 1 of 1

Russ Duncan-NGTL-003

Reference:

Section 2.2 Other Services and Tariff issues

Issue:

Transportation by Others (TBO), Pressure and CO2 Issues

Request:

NGTL has plans interconnect with the Mackenzie Valley Pipeline Project (Annual Plan). Could that project be extended into Alberta such that NGTL would not have to construct those facilities? Would the NEB be responsible for that TBO?

Response:

NGTL 2005 GRA Phase 2 Application No. 1396409 Response to Russ Duncan-NGTL-004 June 24, 2005 Page 1 of 1

Russ Duncan-NGTL-004

Reference:

Section 2.2 Other Services and Tariff issues

Issue:

Transportation by Others (TBO), Pressure and CO2 Issues

Request:

In the hearing for NGTL's General Rate Application 2004 (Application 1315423), NGTIL indicated it would likely reject an application from a residential end user because it only does big stuff. In the AltaGas Hearing for Application, AltaGas indicated NGTL was able to deliver 4 GJ for the month of July 2002 at Two Hills (TW007). It appears NGTL has significant flexibility in its delivery volumes. What are the delivery problems for a TBO for ATCO and AltaGas?

Response:

NGTL 2005 GRA Phase 2 Application No. 1396409 Response to Russ Duncan-NGTL-005 June 24, 2005 Page 1 of 1

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Reference:

Section 2.2 Other Services and Tariff issues

Issue:

Transportation by Others (TBO), Pressure and CO2 Issues

Request:

An ATCO and AltaGas TBO would have some unknowns upon set up. If there were significant variances could NGTL apply to the EUB for a Review and Variance as it has done for the TBO for TransCanada Pipeline Ventures Limited Partnership (Decision 2004-069)?

Response:

NGTL 2005 GRA Phase 2 Application No. 1396409 Response to Russ Duncan-NGTL-006 June 24, 2005 Page 1 of 1

Russ Duncan-NGTL-006

Reference:

Section 2.2 Other Services and Tariff issues

Issue:

Transportation by Others (TBO), Pressure and CO2 Issues

Request:

Would NGTL prefer the EUB to micro manage individual TBO applications or treat them as a blanket policy?

Response:

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Reference:

Section 2.2 Other Services and Tariff issues

Issue:

Transportation by Others (TBO), Pressure and CO2 Issues

Request:

The EUB has expressed concern over the increasing costs of this Hearing (per budgets). Would a TBO with ATCO and AltaGas reduce the number of hearings?

Response:

NGTL 2005 GRA Phase 2 Application No. 1396409 Response to Russ Duncan-NGTL-008 June 24, 2005 Page 1 of 1

Russ Duncan-NGTL-008

Reference:

Section 2.2 Other Services and Tariff issues

Issue:

Transportation by Others (TBO), Pressure and CO2 Issues

Request:

In ATCO's Application for a TBO into the Edmonton area (Application 1384279), ATCO indicated NGTL didn't meet its MDP and ATCO and NGTL would seek the least cost solution to solve the problem (Duncan-AP-9). Can a Utility apply for Pressure Service from NGTL? Please provide examples.

Response:

Yes. The Pressure/Temperature Service is available to all NGTL customers that meet the tariff requirements. For example, either ATCO or AltaGas may request the service.

NGTL 2005 GRA Phase 2 Application No. 1396409 Response to Russ Duncan-NGTL-009 June 24, 2005 Page 1 of 1

Russ Duncan-NGTL-009

Reference:

Section 2.2 Other Services and Tariff issues

Issue:

Transportation by Others (TBO), Pressure and CO2 Issues

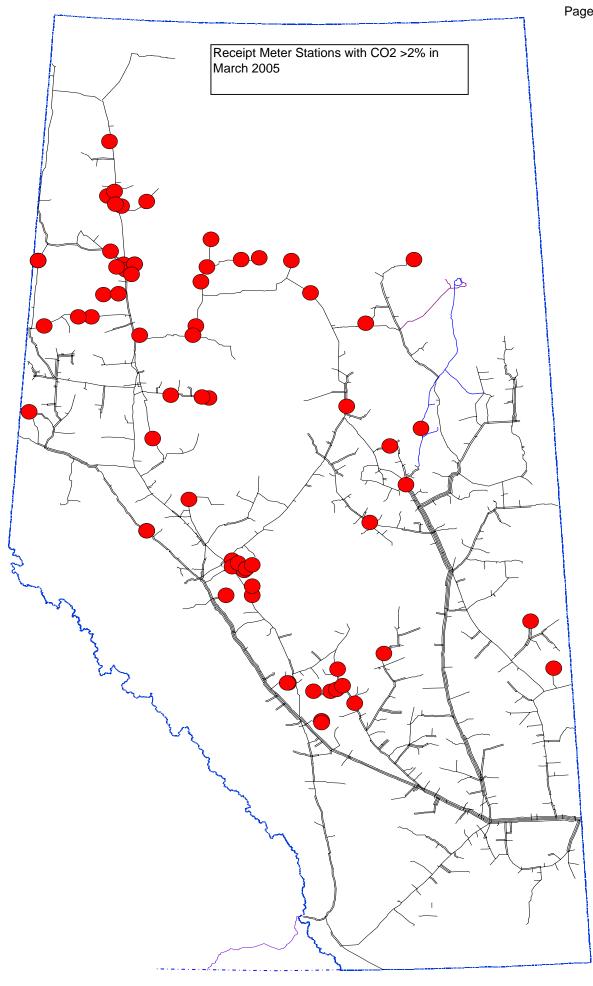
Request:

Please provide a CO2 Fort McMurray Service area plat indicating receipt stations over the 2 % limit and the stations which receive credit for CO2 reduction as per the policy.

Response:

Please refer to Attachment Russ Duncan-NGTL-009 for a map of the Alberta System which shows receipt meter stations where the CO2 level exceeds 2% in March 2005.

Under NGTL's tariff there is no provision for station credits for CO2 level reductions.



NGTL 2005 GRA Phase 2 Application No. 1396409 Response to Russ Duncan-NGTL-010 June 24, 2005 Page 1 of 1

Russ Duncan-NGTL-010

Reference:

Section 2.2 Other Services and Tariff issues

Issue:

Transportation by Others (TBO), Pressure and CO2 Issues

Request:

Both the Provincial and Federal governments are seeking to reduce Greenhouse gas emissions. If end users in Alberta could reduce the amount of CO2 in its natural gas, they would help in this challenge. What could the maximum amount of CO2 reduction be on the NGTL system? What would that be on a GJ or m3 basis? Using that calculation how much per GJ or m3 would an end user pay to reduce their greenhouse gas?

Response:

NGTL does not provide any services to facilitate the reduction of greenhouse gases for its customers. CO₂ Management Service improves NGTL's ability to manage the Alberta System CO₂ levels while recognizing and accommodating the diverse interests of producers and end-users.