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ENBRIDGE

July 10, 2013

VIA COURIER, EMAIL and RESS

Ms. Kirsten Walli
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Re: Enbridge Gas Distribution Inc. ("Enbridge")
EB-2012-0451 - Greater Toronto Area ("GTA") LTC Project

We are writing in respect of certain very recent developments that have transpired between Enbridge and TransCanada. These developments may impact the method of demonstrating compliance with Storage and Transportation Access Rule ("STAR"), and potentially elements of the Application.

First, Enbridge acknowledges that the principles of STAR do apply to a pipeline that provides transportation service such as Segment A of the GTA project as currently proposed. In Enbridge's view the pre-eminent concern around the concept of joint use of the Segment A pipeline is the provision of non-discriminatory access to the transportation services element of the project and allocation of the transmission capacity through a fair and transparent process. Enbridge had always intended that the principles of STAR should apply to Segment A. Further, the opening up of market access for eastern Ontario is crucial for managing the supply for Enbridge's Eastern Delivery Area ("EDA"). The need for such a solution was embodied in the terms of the Memorandum of Understanding ("MOU") between Enbridge and TransCanada.

Enbridge had intended, as was acknowledged by TransCanada, that Segment A was a distribution pipeline for Enbridge and that TransCanada would utilize the transmission allocation of the Segment A pipeline to provide market access to short haul transportation services on a non-discriminatory basis. In this way, the principles of STAR would be respected, which was always Enbridge's position. The overarching intent was to provide a solution for the most efficient use of existing and proposed regional pipeline infrastructure that satisfied the needs of Enbridge, TransCanada and shippers. There was no intent on Enbridge's part to thwart or curtail market access to short haul transportation services to eastern Ontario and Quebec.

Recent discussions between TransCanada and Enbridge have focussed on the fulfillment of the intent of the MOU. On July 5, 2013, Enbridge clearly expressed its need to have certainty regarding these issues in order to ensure compliance with STAR. A copy of the letter Enbridge has sent to TransCanada is attached. It is clear that without a clearly articulated path forward from TransCanada, Enbridge would not have the required assurance to achieve the intent of the MOU nor a path to STAR compliance. Subsequently, on July 10, 2013, Enbridge notified TransCanada that Enbridge was terminating the MOU. A copy of this letter is attached. A joint letter to the National Energy Board ("NEB"), from the Eastern LDC's, expressing concerns with TransCanada's actions subsequent to the recent NEB decision on tolls, is also attached for further context.

From Enbridge's position the GTA Project is and was always intended to meet its needs for providing safe and reliable distribution service to the GTA Influence Area. Enbridge has been working toward a November 2015 in-service date due to the time sensitive issues the GTA Project addresses. Enbridge continues to work toward that in-service date in order to realize the benefits of the GTA Project. Enbridge has noted that the GTA Project will result in savings of $1,465 million from 2015 to 2025. Enbridge has noted other non-monetary benefits that are important with respect to timing of the project. The GTA project allows the company to maintain forecast minimum system pressures on the XHP system, which will be violated without additional facilities being in place by winter 2015/16. The proposed facilities also allow for the lowering of pressures on vintage, large diameter, high pressure pipelines within the GTA, allowing for a more reliable delivery of natural gas to customers.

Enbridge had made the Application on the basis that either NPS 36 or NPS 42 for Segment A is in the public interest. Enbridge believes that STAR does not require an open season to be conducted to determine the size of a proposed pipeline rather it is intended to provide a framework to allocate capacity. Enbridge would note that a NPS 42 Segment A will meet the distribution needs of Enbridge and is feasible using the Board's economic analysis E.B.O. 188. Further, an NPS 42 would provide flexibility to meet the transmission needs of Enbridge for the EDA and the needs of Union Gas, GMi and TransCanada.

Enbridge has heard that many parties, in addition to Enbridge, want to ensure that sufficient capacity exists for supplying eastern Ontario and Quebec through Segment A. Enbridge acknowledges that there is a demonstrated demand[1] for transmission service along the proposed path for Segment A and points beyond. In addition, through recent new firm capacity, existing firm capacity, discretionary service open seasons and its recent Tariff Amendment application TransCanada is seeking to force shippers back to higher cost, longer term, long haul firm transportation service from Empress. It is likely that other shippers, besides Union, GMi and Enbridge, have an interest in sourcing supply closer to market and transporting those supplies via short haul service relative to

[1] Union and GMi have indicated that collectively they require approximately 370 TJ/d of short haul capacity from Parkway to their respective markets (2015). TransCanada has indicated that it requires approximately 500 TJ/d of short haul of capacity for its own use. Enbridge requires 170 TJ/d to the EDA (2016). Union and GMi will require an additional 400 TJ/d (2016).

the option of long haul transportation and supplies sourced from Empress. Also, TransCanada has indicated that that the Energy East pipeline project will reduce capacity by over 1,000 TJ/d. Should the Energy East Pipeline proceed, some of this requirement could be met through the expansion of the Parkway to Maple path enabled by Segment A.

Enbridge commits to become STAR compliant through the non-discriminatory allocation of transportation services of Segment A, including performing a new capacity open season. Enbridge will conduct the open season as soon as reasonably possible and it shall commence no later than July 25, 2013. Enbridge will continue to work with Union, TransCanada and GMi on the required facilities between Albion and Maple to provide non-discriminatory market access to short haul services.

As noted above, the GTA Project, with Segment A sized as NPS 42, is still feasible as a distribution pipeline. In addition to the benefits to Enbridge of the GTA Project described above, Union Gas and GMi have stated that there are annualized savings of $103 and $138 million for their ratepayers should the necessary approvals be received to permit Segment A be used to open up short-haul access. Given the proposed transport capacity reductions as a result of TransCanada's Energy East project and the market needs discussed above, Enbridge believes that a NPS 42 pipeline is required for Segment A. Further, Enbridge believes it is in the interest of Ontario and Quebec ratepayers to have these facilities in place prior to November 2015 to begin to realize the benefits of the GTA Project as soon as possible.

Sincerely,

[original signed]

Malini Giridhar
Vice-President, Gas Supply

Attachments

cc: EB-2012-0451, EB-2012-0433, and EB-2013-0074 Interested Parties

ENBRIDGE

500 Consumers Road
North York ON M2J 1P8
Canada
P.O. Box 650
Scarborough ON M1K 5E3
Canada

July 5, 2013

Via Facsimile: 403.920.2467

TransCanada PipeLines Limited
450 – 1st Street, S.W.
Calgary, AB
T2P 5H1

Attention: Corporate Secretary

Dear Ms. Johnston:

Re: Memorandum of Understanding (MOU) dated January 28, 2013 between TransCanada PipeLines Limited (TransCanada) and Enbridge Gas Distribution Inc. (EGD)

TransCanada's recent actions raise a serious and immediate concern for EGD that directly jeopardizes the MOU. By restricting access to transmission capacity in Eastern Canada and proposing to provide short haul capacity only upon discriminatory terms and prices, and ignoring principles underpinning the Ontario Energy Board's Storage and Transportation Access Rule which requires that any new transmission capacity in Ontario be offered through an open season in a non-discriminatory manner, TransCanada has violated the spirit and intent of the MOU and breached obligations that go to its root. EGD cannot seek regulatory approvals for the proposed Segment A sharing arrangement on this basis, or in any way endorse TransCanada's actions.

Unless TransCanada takes immediate steps to rectify these issues by July 10th as outlined below, EGD will have no option but to terminate the MOU.

To date, EGD has provided TransCanada with several opportunities to demonstrate how TransCanada will honor the MOU and the regulatory principles fundamental thereto, set out in section 2.1. TransCanada has failed to do this, and instead issued a New Capacity Open Season (NCOS) on June 28, 2013 that further aggravated its breach of the MOU and confirmed TransCanada's intentions to abandon its core obligations under the MOU, effectively repudiating it.

Contrary to these principles, and other obligations in the MOU, TransCanada:

1) is restricting gas transmission capacity from the EDA portion of its Mainline System by withholding capacity and, in its place, offering a quantity that is only a small fraction of the short haul service made available to TransCanada under the

MOU. TransCanada has failed in its obligation to use reasonable efforts to provide EGD with short haul capacity to enable EGD to properly serve its distribution customers and has instead only offered capacity upon terms designed to restrict short haul capacity;

2) issued the NCOS in a manner that is non-compliant with TransCanada's Transportation Access Procedures (TAPS) under its tariff approved by the National Energy Board;

3) has failed in its obligation to work with the Eastern LDCs in a cooperative and timely manner to expand the TransCanada system for short haul service requests on a commercially reasonable basis by issuing the NCOS and seeking regulatory authorizations inconsistent with the MOU; and

4) is failing to support EGD's regulatory applications necessary under the MOU, amongst other things, by taking the above actions.

EGD has clearly informed TransCanada of its needs for the GTA project to be successful. Contrary to the fundamental purpose of the MOU, TransCanada's actions have already jeopardized EGD's efforts to undertake the GTA project in a timely and efficient manner.

As always, EGD is available and willing to discuss and resolve the above matters in a consultative manner. However, time for this is critically short and EGD cannot wait any longer than July 10, 2013 for TransCanada to rectify the situation by reissuing the NCOS in a TAPS compliant manner that will provide the required short haul services, reinstating the FT-NR Capacity as renewable in accordance with TransCanada's existing tariff provisions, and committing to revise its regulatory applications to reflect non-discriminatory terms and conditions of services provided to EGD.

Sincerely,

Tania Persad

for Malini Giridhar
Vice-President, Gas Supply

cc (via email):
Karl Johannson, TransCanada
Stephen Clark, TransCanada
Dave Schultz, TransCanada
Don Bell, TransCanada

ENBRIDGE

July 10, 2013

Via Facsimile: 403.920.2467

TransCanada PipeLines Limited
450 – 1st Street, S.W.
Calgary, AB
T2P 5H1

Attention: Corporate Secretary

Dear Ms. Johnston:

Re: TransCanada PipeLines Limited (TransCanada) letter dated July 9, 2013 and Memorandum of Understanding (MOU) dated January 28, 2013 between and Enbridge Gas Distribution Inc. (EGD) and TransCanada

In accordance with section 2.6(a)(ii) of the MOU, EGD has determined that it is unable to meet its obligations under the MOU due to applicable laws, as a result of TransCanada's unmitigated actions (set out in EGD's letter of July 5, 2013). EGD is therefore providing notice of termination of the MOU. TransCanada's actions are contrary to the principles of non-discriminatory access and just and reasonable tolls required under the National Energy Board (NEB) Act and decisions, and impair EGD's ability to comply with the Ontario Energy Board's Storage and Transportation Access Rule (STAR) which requires that any new transmission capacity in Ontario be offered through an open season in a non-discriminatory manner. EGD also affirms its view that TransCanada has breached its obligations under the MOU and effectively deprived EGD of its expected benefits thereunder. EGD (together with Union Gas and GMi) is also in the course of filing submissions with the NEB that detail the manner in which TransCanada's actions are discriminatory and unjust, amongst other things.

By way of illustration, section 16 of Schedule "B" of the MOU requires TransCanada to use reasonable commercial efforts under the TAPS procedures to accommodate EGD's request for incremental gas transportation service through or along the Parkway to Maple path. Through its March 26, 2013 open season, TransCanada restricted access to gas transmission capacity from the EDA portion of its Mainline System by withholding 0.97 PJ/day as of October 31, 2015. By letter dated June 14, 2013, EGD therefore requested TransCanada to take the necessary steps to offer new short haul service of up to 170,000 GJ/day commencing October 2015 from Parkway to the Enbridge EDA so that EGD can serve its Ottawa customers. The June 28, 2013 open season (NCOS) offers only 0.3 PJ/day of short haul capacity to the Enbridge EDA, GMi and downstream locations in November 2015, despite the fact that the MOU would provide TransCanada with the opportunity to take at least 0.8 PJ/day of additional capacity as of November 2015.

In addition, the NCOS tolls are clearly discriminatory to shippers seeking to take short haul service, given that the tolls are set at the same level as tolls for the equivalent long haul service (approximately 8 times the distance). This is despite the fact that the removal of capacity affects both long haul and short haul and either service request will require replacement capacity. TransCanada's capacity restrictions and discriminatory tolling practices are inconsistent with the principles of STAR, the NEB's open access principle, and prevent EGD from obtaining the required capacity to reliably serve its customers in the EDA.

TransCanada references our numerous discussions in its July 9 letter, which have included discussions about the required access to short haul services. TransCanada led EGD to believe that the NCOS would be issued in a manner that would be compliant with TAPS (as the MOU requires) and would be offered on the basis of commercially reasonable tolls. In reliance, EGD continued working with TransCanada on this basis and waited to review and consider the NCOS. The NCOS fell far short of TransCanada's representations and has led EGD to conclude that TransCanada is not willing to work with the eastern LDCs in a cooperative and timely manner as required by the MOU.

EGD has also discussed with TransCanada the fact that TransCanada's application of the "commercially reasonable" standard to tolls offered in the NCOS (and for existing services through TransCanada proposed tariff revisions) serves the interests of TransCanada, but does not serve the interests of EGD (or the other eastern LDCs). The MOU is meant to meet the needs of both parties.

While TransCanada has expressed a willingness to work with the eastern LDCs to provide the required access to short haul services in a non-discriminatory manner, TransCanada's actions of issuing the NCOS, proposing tariff revisions that would have a significant negative effect on existing services, and proposing to further restrict capacity and increase tolls through its Energy East project have demonstrated a contrary intention. As EGD has explained to TransCanada on several occasions, these actions have jeopardized the timely consideration and planning of EGD's GTA project. The purposes of the MOU to meet the capacity needs of and manage rate impacts and other risks to the parties' current and future respective customers, and ensure reliability and adequacy of the parties' services are also not being met.

EGD cannot continue with the MOU, particularly in the light of the NCOS, when doing so would violate the very principles upon which the MOU is based. In the absence of immediate and reliable efforts by TransCanada to remediate its actions, as EGD required in its letter of July 5, 2013, EGD must terminate the MOU.

EGD remains committed to working with TransCanada to achieve a negotiated solution to these access and rate concerns that preserve the principles set out in the MOU and adhere to the principles underpinning applicable OEB and NEB requirements. As part of the solution, EGD intends to issue an open season for any available transmission capacity on Segment A of the GTA project pipeline into which TransCanada may choose to bid to receive service similar to that which is contemplated in the MOU. EGD will provide further details of this proposal as part of the GTA project proceeding later today.

Sincerely,

Malini Giridhar
Vice-President, Gas Supply

cc (via email): Karl Johannson, TransCanada
Stephen Clark, TransCanada
Dave Schultz, TransCanada
Don Bell, TransCanada

July 10, 2013

Ms. Sheri Young
Secretary of the Board
National Energy Board
444 - 7th Avenue SW
Calgary AB T2P 0X8

Dear Ms. Young:

Re: TransCanada PipeLines Limited ("TransCanada") – Tolls and Tariff Complaint Against TransCanada by Union Gas Limited ("Union") and Gaz Métro Limited Partnership ("Gaz Métro") and Enbridge Gas Distribution Inc. ("EGD") (collectively the "Complainants")

1. Introduction

Union, Gaz Métro and EGD hereby file a Complaint pursuant to Parts I and IV of the *National Energy Board* Act, R.S.C., 1985, c. N-7 (the "**NEB Act**") concerning recent actions taken by TransCanada including but not limited to cancellation of accepted service requests for new capacity; unjust and unreasonable tolls and conditions of service imposed upon future access to short haul service on the pipeline as confirmed by TransCanada management (Mr. Johannson's letter dated June 17, 2013, **Attachment 1**), and by certain Open Seasons initiated by TransCanada seeking to carry these unjust and unreasonable tolls and conditions of service into effect.

In particular, on June 27, 2013, TransCanada announced the initiation of its 2015/2016 New Capacity Open Season ("**2015/2016 NCOS**") that is scheduled to close on July 29, 2013 (**Attachment 2**). On its face, TransCanada's 2015/2016 NCOS contains provisions that are contrary to the NEB Act and this Board's Decision in RH-3-2011. In particular, TransCanada's 2015/2016 NCOS:

(a) is unjustly discriminatory and sets tolls that are not just and reasonable and not consistent with the Board's findings on tolling and rate structures in the RH-3-2011 Decision;

(b) contravenes the Board's findings in the RH-3-2011 Decision by stipulating incremental eastern short haul service commencing in 2016 will only be available at tolls which are several times higher than the tolls determined in the RH-3-2011 Decision;

(c) substitutes a 15-year minimum term requirement for the 10-year minimum term requirement in its 2014 NCOS;

(d) contravenes the Open Access principle and constitutes an abuse of market power.

In view of TransCanada's contravention of the NEB Act and of the directions set out in the RH-3-2011 Decision, each of Union, Gaz Métro and EGD hereby complain to this Board pursuant ss. 12 and 13 of the NEB Act and ss. 2 and 19 of the *National Energy Board Rules of Practice and* Procedure, *1995*, SOR/95-208 (the "**NEB Rules**"). The Complainants seek this Board's intervention to preserve their rights, bring an end to and prevent further contravention of the NEB Act, protect the open access principle, and ensure that its RH-3-2011 Decision is fully respected. In respect of the 2015/2016 NCOS, therefore, Union, Gaz Métro and EGD respectfully request, *inter alia*, an immediate stay of that Open Season pending resolution of this complaint.

2. The Complainants

Union is regulated under the *Ontario Energy Board Act (1998)* and serves approximately 1.4 million customers in northern, eastern and southern Ontario through an integrated network of over 67,000 kilometres of natural gas pipelines. Union operates storage and transmission assets that include 163 Bcf of underground natural gas storage at the Dawn Hub and the Dawn-Parkway transmission system. Union's northern and eastern in-franchise customers are served solely off of the TransCanada Mainline system. Some customers in Union's southern franchise area are served solely off of the TransCanada Mainline system.

Gaz Métro is a natural gas distributor within the meaning of s. 2 of *An Act respecting the Régie de l'énergie*, R.S.Q. c. R-6.01. Pursuant to s. 77 of *An Act respecting the Régie de l'énergie*, Gaz Métro is required to supply and deliver natural gas to every person who so requests within the territory served by Gaz Métro's distribution system.

EGD is the largest regulated natural gas distribution utility in Canada and serves over 2 million customers. EGD carries on the business of selling, distributing, transmitting and storing natural gas within Ontario. EGD has an obligation to reliably serve its franchise area customers and believes diversity of both supply and transportation options are vital to fulfilling this obligation.

In order to perform their respective contractual and statutory obligations to supply and deliver natural gas to persons within their delivery areas, each of the Complainants necessarily rely on long haul and short haul transportation services provided by TransCanada.

3. Relevant Facts

a. The New Capacity Open Seasons

TransCanada's Transportation Tariff approved by the NEB includes a Transportation Access Procedure (**Attachment 3**). Section 5 of the Transportation Access Procedure provides a process by which TransCanada may offer new transportation capacity through a "New Capacity Open Season".

i. TransCanada's 2014 NCOS

On or about March 30, 2012, pursuant to the Transportation Access Procedure, TransCanada announced a new capacity open season on its Mainline for firm transportation service to delivery points east of Parkway in Ontario, including delivery to Gaz Métro's delivery area ("**2014 NCOS**") (**Attachment 4)**. The new capacity would be made available beginning in November 2013 or November 2014.

TransCanada's 2014 NCOS was intended to provide an opportunity for shippers of natural gas to access additional volumes of natural gas from abundant supplies located in the Marcellus region and to allow producers to connect these supplies to markets in Ontario, Québec and the Northeast United States at competitive tolls.

Pursuant to TransCanada's 2014 NCOS, the transportation toll offered for the new capacity was the existing approved Mainline Toll. Moreover, 2014 NCOS provided for a minimum term commitment of 10 years.

TransCanada's 2014 NCOS promised incremental firm short haul service along the Parkway to Maple path in competition with Union's earlier Open Season. As a result, both Union and Gaz Métro made service requests for 110,000 GJ/d (10,000 GJ/d Parkway to Union NDA and 100,000 GJ/d Parkway to Union EDA) and 258,000 GJ/d (Parkway to GMi EDA) respectively, which were accepted by TransCanada and Precedent Agreements ("**PAs**") were tendered and executed. Union and Gaz Métro's access to incremental TransCanada capacity, therefore, was fully consistent with and governed by the approved Tariff and its Transportation Access Procedure.

Union and Gaz Métro's decisions to contract for incremental short haul service from Parkway, and their decisions not to renew certain long haul contracts from Empress were discussed in the RH-3-2011 proceeding and were relied upon, in part, for some of the Board findings[1].

It is worth noting that, on July 6, 2012, Gaz Métro had already applied to the Régie for the approval of its most recent gas supply plan[2]. Gaz Métro sought approval to move its source of supply to the Dawn Hub from Empress. The Régie characterized the request as a "fundamental strategy orientation"[3], intended to reflect the recent significant changes in the natural gas market in Canada[4].

In addition to the economic benefits and the reduction of the distance between supply and market, the change in supply source is intended to enable Gaz Métro to reduce its vulnerability and dependence on the TransCanada Mainline[5]. TransCanada intervened aggressively before the Régie and contested Gaz Métro's application[6]. TransCanada did so despite the fact that it had

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[1] Ex 64-23-2 at pp 1-2; Gaz Métro's shift to short haul was specifically mentioned by the Board (at page 85) as part of its rationale for eliminating toll zones.

[2] Demande d'approbation du plan d'approvisionnement et de modification des conditions de service et tarif de Société en commandite Gaz Métro à compter du 1er octobre 2012, File number R-3809-2012, Phase 1 (translated version) (**Attachment 5**).

[3] Régie de l'énergie Decision D-2012-175, para. 52 (translated version) (**Attachment 6**).

[4] Régie de l'énergie Decision D-2012-175, paras. 15-20 (translated version) (**Attachment 6**).

[5] Régie de l'énergie Decision D-2012-175, paras. 26 and 28 (**Attachment 6**).

[6] TransCanada filed its Request for Intervention on August 10, 2012.

contracted with Gaz Métro for new short haul capacity between the Dawn Hub and GMi-EDA pursuant to its 2014 NCOS[7].

In September 2012, TransCanada advised that its in-service date had slipped to November 1, 2015.

On December 18, 2012, the Quebec Régie de l'énergie (“**Regie”**) approved Gaz Métro's new gas supply and transportation arrangements, rejected TransCanada’s position and concluded:

> [43] The Régie shares the distributor’s opinion and deems that remaining with Empress and not acquiring additional carrying capacities for the Dawn-GMi-EDA route would leave the distributor’s customers captive of [TransCanada]’s FTLH tolls.
>
> [44] The Régie agrees with the IGUA in saying that transferring to Dawn would give Gaz Métro and its customers greater selection and flexibility. As a matter of fact, transferring to Dawn would give access to new supply sources from Northeastern America while continuing to have the possibility of purchasing natural gas from Empress while going through Dawn, if it turned out to be the most economical solution. […]
>
> [54] For all these reasons, the Régie approves Gaz Métro’s proposal to transfer the supply structure from Empress to Dawn, a proposal that is materializing through the tenders submitted by Gaz Métro for the calls for tenders launched in 2012 by Union and [TransCanada], who retained them8.

On March 27, 2013, this Board issued its Decision RH-3-2011. Pursuant to the RH-3-2011 Decision, on May 1, 2013, TransCanada made compliance filings with the NEB (**Attachment 7**). Included in such compliance filings are compliance tolls extrapolated from the benchmark multi-year fixed toll of $1.42 per GJ/d set for FT service from Empress to Dawn.

On April 29, 2013 Union and Gaz Métro received letters from TransCanada cancelling its Eastern Mainline Expansion projects for 2015 (**Attachment 8**). With respect to Gaz Métro, who had executed its PA, TransCanada took the position that its Board of Director’s failure to approve the Eastern Mainline Expansion projects signified that a condition precedent in the PA was not satisfied. This Board’s Decision in RH-3-2011 is given as the sole reason for the failure to approve the transactions. In cancelling TransCanada’s 2014 NCOS, TransCanada undermined the award of incremental short haul services pursuant to a process which complied with all tariff requirements.

ii. TransCanada’s 2015/2016 NCOS

As noted above, on or about June 27, 2013, TransCanada announced its 2015/2016 NCOS, a second new capacity open season on its Mainline for firm transportation service to delivery points east of Parkway in Ontario, including delivery to Gaz Métro’s delivery area in Québec. The new capacity would be made available beginning in November 2015 or November 2016.

[7] Régie de l’énergie Decision D-2012-175, paras. 32 and following and paras. 51-53 (Attachment 6).
[8] Régie de l’énergie Decision D-2012-175, paras. 43-44 and 54 (Attachment 6). .

Having delayed and cancelled Union and Gaz Métro's earlier service requests and PAs, TransCanada now seeks to compel them both to re-bid on much more onerous terms.

TransCanada's 2015/2016 NCOS is purportedly aimed at providing an opportunity for shippers of natural gas to access additional volumes of natural gas from abundant supplies located in the WCSB as well as the Marcellus region and to allow producers to connect these supplies to markets in Ontario, Québec and the Northeast United States.

It is telling that, contrary to 2014 NCOS, TransCanada's 2015/2016 NCOS does not mention that one of its objectives is to provide such access at competitive tolls.

Pursuant to 2015/2016 NCOS, bids must now be for a minimum term commitment of 15 years. Moreover, rather than referring to TransCanada's current approved Mainline Toll, 2015/2016 NCOS stipulates that fixed transportation tolls must be accepted by the prospective shipper in order to obtain the requested service (**Attachment 2, Table 1**). Such transportation tolls make no distinction between long haul and short haul transportation services despite the different distances and costs involved in these two services; indeed, some short haul tolls are higher:

<u>Table 1: 2015/2016 NCOS Tolls</u>

Delivery Point									
Receipt Point	**Enbridge EDA**	**Union EDA**	**KPUC EDA**	**GMi EDA**	**Iroquois**	**Cornwall**	**Napierville**	**Philipsburg**	**East Hereford**
Empress	$1.62	$1.65	$1.68	$1.73	$1.63	$1.64	$1.72	$1.73	$1.40
Parkway	$1.62	$1.65	$1.68	$1.73	$1.63	$1.64	$1.72	$1.73	$1.40
Niagara Falls	$1.72	$1.75	$1.78	$1.83	$1.73	$1.74	$1.82	$1.83	$1.50
Chippawa	$1.72	$1.75	$1.78	$1.83	$1.73	$1.74	$1.82	$1.83	$1.50

As may be readily observed from the tolls proposed in the 2015/2016 NCOS (with the exception of the tolls proposed for delivery to East Hereford), the long haul tolls proposed in the 2015/2016 NCOS (i.e. receipt point Empress) are precisely the compliance tolls filed by TransCanada pursuant to the RH-3-2011 Decision. Remarkably, however, TransCanada seeks to charge exactly the same toll for long haul transportation to delivery points east of Parkway as it would charge for short haul transportation from Parkway to those same delivery points.

To take Gaz Métro's situation as an example, TransCanada proposes under 2015/2016 NCOS to charge $1.73 per GJ/d for transportation irrespective of whether the natural gas is transported from Empress or merely transported over 638 kilometres from Parkway. The same pattern is observed for all delivery points mentioned in TransCanada's 2015/2016 NCOS.

b. Existing Capacity Open Season

i. TransCanada's 2013-2015 FT-NR Open Season (FT-NROS)

In addition, based on the new market environment that results from the recent TransCanada decisions, customers who had previously elected to source their transportation needs from the secondary market and/or through discretionary services are now requesting firm transportation services, as the Board contemplated in the RH-3-2011 Decision. TransCanada, however, sought to unreasonably curtail the ability of shippers to renew those firm service requests over the long term to serve long term distribution requirements as the tariff had permitted

Gaz Métro and EGD, therefore, were able to secure additional transportation capacity through the FT-NR existing capacity open season held by TransCanada. However, the capacity could only be secured for a period of two years in the form of Firm Transportation – Non Renewable (FT-NR) as this was the only service offered by TransCanada. No option was provided to commit to that existing capacity for a longer term nor were the existing tariff provisions respecting revewals made available that might have secured the same result.

In Union, Gaz Métro and EGD's respectful submission, it is unjust and unreasonable that shippers were not given the opportunity to commit for firm service on longer terms in this existing capacity Open Season.

The demand served by this capacity will not disappear in two years and a viable solution must be found in order to serve this market A new open season permitting shippers to commit to existing short haul capacity for renewable firm service without any restriction on the length of the contract requested would be fairer to shippers and would represent a more accurate picture of the market's needs.

c. Presumed Oil Conversion

TransCanada's 2015/2016 NCOS anticipates the approval of its preferred outcome arising from its yet-to-be-filed oil conversion application in support of the Energy East Project.

In conjunction with its recent FT-NR Open Season, the 2015/2016 NCOS threatens existing customers with the loss of existing Eastern Triangle capacity (one of the two loops of the North Bay Shortcut) which remains fully utilized and for which there is no existing alternative.

Gaz Métro and EGD subscribed for 130,000 GJ/d and 146,250 GJ/d respectively in the recent FT-NR Open Season and subsequent FT-NR Daily Open Season. Some of these requirements relate to a firming up of their discretionary services as contemplated by the RH-3-2011 Decision.

What is critical to Union, Gaz Métro and EGD, however, is that TransCanada did not make <u>existing</u> capacity available for either short haul or long haul service after November 1, 2015. Eastern shippers, therefore, have no option but to subscribe for service in the 2015/2016 NCOS in order to ensure their ability to continue to serve their markets over the long term since

TransCanada simply assumes approval of its application to withdraw fully utilized facilities on the North Bay Shortcut from gas service and further assumes that the Board will allow it to replace those facilities with more costly new capacity, charging short haul tolls several times higher than the short haul tolls found to be just and reasonable in RH-3-2011 and requiring long term commitments of 10 years for long haul but 15 years for short haul service.

With respect, it is wrong to expect shippers to make contracting decisions now based on such contentious hypotheticals. The Open Seasons themselves unduly restrict the efficient functioning of the market and have prevented shippers from committing for firm service for longer terms according to their needs in a fair, reasonable and transparent existing capacity Open Season.

4. TransCanada's 2015/2016 NCOS is Contravening the NEB Act

The tolls stipulated by TransCanada in order to obtain the required transportation services in TransCanada's 2015/2016 NCOS unjustly discriminate against shippers of natural gas requiring short haul transportation services. Moreover, the tolls stipulated in TransCanada's 2015/2016 NCOS are neither just nor reasonable since they greatly exceed the tolls contemplated in the RH-3-2011 Decision. As a result, TransCanada is acting in contravention of ss. 62 and 67 of the NEB Act and the open access principle. TransCanada is also clearly acting in contravention of the Decision.

a. TransCanada is Unjustly Discriminating Against Shippers Requiring Short haul Transportation Services

Pursuant to s. 67 of the NEB Act, TransCanada may discriminate in its discretionary tolls and services but it cannot unjustly discriminate in its firm tolls and services as its firm tolls serve as a recourse rate for captive shippers. By charging exactly the same amount for long haul and short haul transportation services under 2015/2016 NCOS, TransCanada is conceptually offering its proposed new capacity to short haul shippers with a surcharge equal to the difference between the compliance long haul and short haul tolls. Moreover, it charges higher tolls for the same service over the same path to shippers under the 2015/2016 NCOS than the RH-3-2011 toll charged to existing short haul shippers over that same path.

Such treatment unjustly discriminates against shippers, such as the Complainants, seeking short haul transportation services. As a result, TransCanada's 2015/2016 NCOS does not treat short haul shippers in a fair and equal manner and constitutes an offer of services on an unjustly discriminatory basis in contravention of s. 67 of the NEB Act and the open access principle.

b. *TransCanada is Seeking to Charge Tolls that are Not Just and Reasonable*

Pursuant to s. 62 of the NEB Act, TransCanada must charge just and reasonable tolls. Moreover, TransCanada must charge the same toll with respect to all traffic of the same description carried over the same route under substantially similar circumstances and conditions. Failure to do so will result in a toll that is unjustly discriminatory. Conversely, where the same toll is charged for traffic carried over different routes, such toll is unlikely to be just and reasonable.

The benchmark for a just and reasonable tolls for long haul and short haul FT service at this time can be none other than that set by the Decision and the tolls listed in compliance therewith in TransCanada's compliance filings. These tolls were recently reconfirmed in the Board's rejection of TransCanada's Review and Variance Application (NEB letter dated June 11, 2013, Order TG-006-2013). The following table compares the tolls charged under TransCanada compliance tolls with the tolls proposed in TransCanada's 2015/2016 NCOS:

Table 2: Comparison between Compliance Tolls and 2015/2016 NCOS Tolls

Receipt Point	Delivery Point	Compliance Tolls (RH-3-2011) (GJ/d)	2015/2016 NCOS Tolls (GJ/d)	Price Difference (GJ/d)	Increase
Empress	Union EDA	$1.65	$1.65	Nil	0%
Empress	GMi EDA	$1.73	$1.73	Nil	0%
Empress	Enbridge EDA	$1.62	$1.62	Nil	0%
Empress	East Hereford	$1.83	$1.40	-$0.43	-24%
Parkway	Union EDA	$0.25	$1.65	$1.40	560%
Parkway	GMi EDA	$0.41	$1.73	$1.32	322%
Parkway	Enbridge EDA	$0.32	$1.62	$1.30	406%
Parkway	East Hereford	$0.51	$1.40	$0.89	175%
Niagara	Union EDA	$0.32	$1.75	$1.43	447%
Niagara	GMi EDA	$0.48	$1.83	$1.35	281%
Niagara	Enbridge EDA	$0.39	$1.72	$1.33	341%
Niagara	East Hereford	$0.58	$1.50	$0.92	159%
Chippawa	Union EDA	$0.32	$1.75	$1.43	447%
Chippawa	GMi EDA	$0.48	$1.83	$1.35	281%
Chippawa	Enbridge EDA	$0.39	$1.72	$1.33	341%
Chippawa	East Hereford	$0.58	$1.50	$0.92	159%

As may be readily observed, the short haul tolls proposed by TransCanada in 2015/2016 NCOS are many times higher than the compliance tolls that flow the Decision.

Manifestly, the tolls proposed by TransCanada for short haul transportation under TransCanada's 2015/2016 NCOS are not cost-based as determined by the RH-3-2011 Decision and are inconsistent with the criteria established for Multi-Year Fixed Price services. On the contrary, it is obvious that TransCanada has arbitrarily sought to set short haul tolls at the same level as its compliance tolls for long haul transportation .

TransCanada's purpose in doing so can only be to recover revenue foregone by reason of volumes being switched from long haul to short haul (clearly stated in Mr. Johannson's letter of TransCanada's President dated June 17, 2013, **Attachment 1**) or to discourage the use of short haul transportation services, thereby abusing its market power and acting in a manner contrary to the open access principle creating a barrier to accessing alternative supplies. In either case, the tolls proposed in TransCanada's 2015/2016 NCOS cannot be described as just and reasonable.

The unreasonable and unjust character of the tolls proposed in TransCanada's 2015/2016 NCOS is also demonstrated by the fact that TransCanada proposes short haul and long haul tolls for transportation to East Hereford – which involves transportation of natural gas over a further distance than any other delivery point under TransCanada's 2015/2016 NCOS – at tolls that are lower than any other delivery point contemplated by TransCanada's 2015/2016 NCOS. The proposed long haul tolls for East Hereford are, in fact, substantially lower than even the compliance tolls for that delivery point. TransCanada will likely argue that these preferential tolls are justified to attract new business from new service applicants. What this ignores, however is that, by removing existing capacity on the basis that it is not needed to serve existing load, all load using the yet-to-be constructed new infrastructure is new load having all the same characteristics as new load to East Hereford. TransCanada therefore is not treating all new service applicants in a fair and equitable manner as required by its Tariff in Section 2.1 of the Transportation Access Procedure. To the extent that the RH-3-2011 compliance toll is less than a fully allocated cost-of-service rate, the 2015/2016 NCOS toll to East Hereford is certainly further below a fully allocated cost-of-service rate. According to TransCanada, neither toll would allow them to recover existing capital or, especially, new capital.

In addition, it is worth noting that the short haul tolls for transportation offered to Union CDA and Enbridge CDA are to be the tolls in effect at the time of service (i.e. the compliance tolls) for these delivery points, which is not consistent with the approach followed to other delivery areas.

c. *TransCanada is Acting in a Manner Contrary to this Board's Decision in RH-3-2011*

Pursuant to s. 12 of the NEB Act, this Board has full and exclusive jurisdiction to inquire into, hear and determine any matter where it appears that a person is contravening one of its orders or directions. The 2015/2016 NCOS contravenes to the Board's Decision RH-3-2011, for the following reasons:

The 2015/2016 NCOS does not provide any RH-3-2011 derived tolls as a recourse rate to the new short haul tolls stipulated in the open season despite the fact that, amongst other things, the new tolls would relate to at least part of the multi-year fixed toll period. In fact, TransCanada's enormous increase in tolls for eastern short haul service from Dawn/Parkway and Niagara Falls/Chippawa receipt points without any reference to the availability of an RH-3-2011 recourse rate is a clear violation of the RH-3-2011 Decision.

Moreover, it is inconsistent with the Board's findings in RH-3-2011 that TransCanada, rather than its captive shippers, bear the cost of TransCanada's excess capacity; and it is inconsistent with longstanding principles assuring fair and transparent, open access to the TransCanada system. These principles were not overturned by the RH-3-2011 Decision. The tolls TransCanada intends to charge customers for incremental short haul service directly contradicts that finding as Mr. Johannson's letter confirms.

d. *TransCanada is Acting in Contravention of the Open Access Principle and Abusing its Market Power*

The open access principle has been a necessary and key component of the natural gas market since deregulation. The hallmark elements of the open access principle, namely non-discrimination, equality, prohibition on abuse of the market or unjust actions such as those creating barriers to access of alternative gas supplies, are present in the NEB Act. Indeed, the Board is fully cognizant of the necessity of upholding the open access principle by virtue of its importance in enabling the effective and efficient operation of the market and must intervene in the present matter[9].

As stated in Board Decision RH-3-2004:

> "*The Board must intervene to prevent the abuse of market power. In the Board's view, this implies the prevention of discriminatory pricing, of inappropriate barriers to the efficient functioning of the market, and of favourable treatment of affiliates. An implication of this principle is that the tools provided to pipelines to compete should not provide them the tools to compete unfairly.*" (RH-3-2004, at p. 8; emphasis added)

Indeed, and in line with the foregoing section on TransCanada's attempt to defeat the Board's decision in RH-3-2011, the tools given to TransCanada cannot be used abusively, and the existence of such abuse therefore requires the Board's intervention. The 2015/2016 NCOS providing for, *inter alia,* a five to sevenfold increase in rates in a captive market without justification and in a manner inconsistent with normal market forces constitutes an abuse of market power. This conduct by TransCanada strikes at the very core of the open access principle, and consequently creates a barrier to the functioning free market that the Canadian regulators sought to create, foster and maintain.

Critically, TransCanada's intentions to utilize its market power to the prejudice of its shippers and the means by which it purports to exert that market power are manifest on the face of its recent correspondence with the Complainants. That correspondence confirms TransCanada's insistence that eastern short haul shippers must bear the costs of TransCanada's assets which are underutilized as a prerequisite to securing incremental short haul service (Mr. Johannson letter dated June 17, 2013, **Attachment 1,** and Mrs. Brochu letter dated June 7, 2013, **Attachment 9**). As Mr. Johansson's letter indicates, the only basis upon which TransCanada is prepared to accept incremental short haul service requests is as outlined in TransCanada's 2015/2016 NCOS. TransCanada's purpose is to undermine its acceptance of incremental short haul service requests made fully in accord with the relevant provisions of TransCanada's tariff . Now, TransCanada, having delayed and cancelled Union and Gaz Métro's earlier service requests and PAs, compels Union and Gaz Métro to re-bid into the 2015/2016 NCOS on much more onerous terms.

That correspondence, combined with the 2015/2016 NCOS and other actions taken by TransCanada, have clearly had the effect of denying access to incremental short haul service on the Parkway to Maple Path unless shippers agree to pay tolls higher than RH-3-2011-derived tolls. The 2015/2016 NCOS does not make RH-3-2011-derived tolls for short haul firm service

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[9] The Board has stated in no uncertain terms that "*open access to transportation capacity is an important prerequisite to enable the effective and efficient operation of the market*". (OH-1-2007, at p. 20)

available as a recourse rate to the significantly higher tolls stipulated therein. As noted above, a comparison of the RH-3-2011 tolls and the 2015/2016 NCOS tolls appears in Table 2 above.

The financial impact of TransCanada's actions are significant, particularly when one considers that it is the shippers and ultimately the consumers who will bear the costs. Denial of access to this incremental short haul service is estimated to cost Union and Gas Metro's customers between $103 million and $138 million per year in increased gas costs. Acquiescing to the terms demanded by TransCanada in its 2015/2016 NCOS for the same service requests accepted in May 2012 and now deliberately frustrated by TransCanada would increase costs to consumers by up to $2 billion over the 15 year term of the required contract relative to the alternative requested and accepted following the 2014 NCOS. Bearing in mind that such costs to consumers results from TransCanada's efforts to pass on the costs of assets that are underutilized, TransCanada's actions are evidently abusive and in contravention of the RH-3-2011 Decision and the open access principle.

5. Market Impacts of 2015/2016 NCOS

TransCanada's actions are highly disruptive to the market. Union, Gaz Métro and EGD are captive shippers to TransCanada. They rely on eastern short haul service to satisfy their own obligations to serve their distribution customers. Whatever may be the state of underutilization of other parts of the TransCanada system, the Eastern Triangle not only remains fully utilized but continues to require expansion. Union, Gaz Métro and EGD require access to that capacity to serve their continuing market requirements as do their direct purchase industrial customers.

The Eastern Triangle, including the North Bay Shortcut, is not a surplus asset. TransCanada acknowledges that fact when it advises customers that its oil conversion project will result in the removal of a section of the North Bay Shortcut in 2016 leaving insufficient capacity available to satisfy existing firm commitments and that removal of capacity on the Northern Ontario Line (NOL) will leave the market short as early as November 2015.

What TransCanada describes as the "existing" level of firm commitments, however, does not take into account incremental firm service requirements associated with market growth nor incremental firm service associated with the conversion of discretionary services as contemplated by the RH-3-2011 Decision and as now reflected, at least in part, in the FT-NR Open Season subscriptions of Gaz Métro and EGD. In addition, industrial direct purchase customers can hardly be expected to sign even conditional 15-year firm service short haul contracts to take effect two to three years hence at the exorbitant tolls TransCanada insists upon to support those service requests. Indeed, how can the "existing" level of firm commitments be accurately identified when shippers like EGD and Gaz Métro were not permitted to subscribe for existing capacity beyond 2015.

All shippers and potential customers, therefore, are confronted with a *fait accompli* in terms of the loss of existing North Bay Shortcut facilities due to the oil conversion. The chilling effect of the tolls and terms of the various Open Seasons, the TransCanada letter and most recently, the 2015/2016 NCOS discourage demand and, thereby, understate the true needs of eastern gas markets. Moreover, TransCanada erects substantial barriers to accessing the Dawn Hub, and the

Niagara Falls and Chippawa receipt points forcing shippers back to the uncompetitive WCSB gas supplies at Empress.

This is contrary to the Complainants' need to reduce their supply risk due to the decline in supply available from the WCSB by proactively contracting transportation to access new supply options in their supply portfolios with natural gas sourced from other production basins. Shifting to short haul supply sourced from the Dawn Hub provides gas supply benefits in the form of security and diversity of supply in addition to important gas cost savings.

As noted above, the messages or market signals received from Open Seasons premised on assumptions that semi-depreciated existing North Bay Shortcut facilities will be withdrawn from gas service and will be replaced with expensive new replacement facilities are not valid indicators of true market need. Nor should shippers be required to make such choices until the assumptions underlying them are validated by the Board following the filing of an oil conversion application, a hearing on its merits, and a Board decision which prescribes the related terms and conditions of the conversion, if any. Rather, an appreciation of true market needs requires a fair and transparent open season for existing capacity from all receipt points with no term limits and for new capacity at the cost-based recourse tolls contemplated by the RH-3-2011 Decision.

Union, Gaz Métro and EGD strongly oppose any withdrawal of eastern short haul capacity and its replacement with expensive new capacity. Union, Gaz Métro and EGD require the existing capacity for both their existing and future needs and for those of their direct purchase customers. From the perspective of long term gas users, it is plainly imprudent to replace any part of the North Bay Shortcut with more expensive replacement facilities. The contemplated conversion of part of the TransCanada system from natural gas to oil use must not be done at the detriment of the natural gas markets in Québec or Ontario.

In the circumstances, Union, Gaz Métro and EGD caution the Board that the results of the two Open Seasons cannot be viewed as a reasonable indicator of the true incremental demand for firm transportation to customers located in Ontario, Québec or elsewhere. No conclusions as to the need for any Eastern Triangle facilities, therefore, can be derived from a hypothetical exercise based on such highly disputed assumptions.

Moreover, the practical effect of the Open Seasons is unfair and unreasonable and highly prejudicial to Union, Gas Métro and EGD. Eastern shippers are bumped out of the existing capacity (vacated in favour of the oil conversion) and those that remain are forced to underpin the construction of replacement capacity with 15-year contracts at short haul tolls which are equal to or greater than the long haul tolls from Empress to Dawn or 10 year contracts for long haul service at compliance tolls.

6. Relief Requested

To continue to provide their consumers with a reliable supply of natural gas, Union, Gaz Métro and EGD require significant short haul transportation capacity. TransCanada is well aware of this need and well-aware that it has a captive market. Union, Gaz Métro and EGD and their customers cannot go elsewhere for their natural gas transportation needs.

Through its actions, TransCanada is transparently abusing its market power by seeking to and obtain agreement to tolls and terms that are unjustly discriminatory, unjust and unreasonable. In short, TransCanada is acting in contravention of the NEB Act, flouting the open access principle and the RH-3-2011 Decision.

Respectfully, this Board must intervene to preserve Union, Gaz Métro and EGD's rights, bring an end to and prevent further contravention of the NEB Act, protect the open access principle and ensure that the directions reflected in its RH-3-2011 Decision are fully respected.

In light of the foregoing, Union, Gaz Métro and EGD respectfully urge the Board in these extraordinary and urgent circumstances to employ its general powers pursuant to sections 12 and 59 of the Act:

(a) to investigate TransCanada's misuse of Open Season procedures[10]; its effective denial of access to incremental capacity from Parkway to markets located to the east in 2014, 2015 and beyond; its unjustly discriminatory pricing of incremental service from Parkway, Niagara Falls and Chippawa contrary to section 67 of the Act; its imposition of tolls for short haul service well in excess of the tolls specified in RH-3-2011 and well in excess of just and reasonable tolls for the years beyond the multi-year fixed toll term established therein; its imposition of tolls for short haul service inconsistent with the tolls and rate structure in the Board's RH-3-2011 Decision

(b) to employ its powers under sections 13, 65 and 66 to remedy all conduct and actions found to be in contravention of the Act and of the Board's prior directions including, but not limited to its RH-3-2011 Decision; or found not to be in the public interest;

(c) to stay the 2015/2016 NCOS and to delay any required responses to it pending a decision on the merits of this Complaint;

(d) to direct TransCanada to cease and desist initiating any further open seasons premised on TransCanada's preferred outcome of the yet-to-be-filed oil conversion application;

(e) to reject any purported conclusions regarding the long term needs of eastern gas markets for existing facilities in the Eastern Triangle based on the Open Seasons;

(f) to indicate that it would immediately suspend or disallow any purported filings of toll or tariff amendments reflecting the results of the 2015/2016 NCOS pending a full and fair review of the contentious issues in a public hearing;

(g) to direct TransCanada to initiate an existing capacity Open Season from all receipt points on the basis of pre-existing renewal rights and with no limits on the term for firm service which may be requested;

[10] relating to rules, practices, terms and conditions "applicable to the provision of a service" including the calculation of tolls "for the provision of a pipeline when the pipeline is available and ready to provide for the transmission of … gas" (ss. 2 and 58.5)

(h) to direct TransCanada to initiate a new capacity Open Season from all receipt points at the cost-based recourse rates contemplated by the RH-3-2011 Decision and otherwise on the same terms as governed the May 2012 Open Season; and

(i) to direct such further or other related relief as to the Board may seem just and proper.

Time is of the essence. Union, Gaz Métro and EGD, and their direct purchase customers, require certainty respecting fair and reasonable terms of access to existing short haul service pre- and post-oil conversion (assuming the latter is applied-for and is subsequently approved).

Union and Gaz Métro will shortly address in a separate application measures required to ensure by or after November 1, 2015, timely access to incremental short haul service to replace the frustrated TransCanada May 2012 service requests and PAs which resulted from the 2014 NCOS.

Union, Gaz Métro and EGD further note that despite their best efforts, TransCanada's position appears intractable. As the Johannson letter confirms, there is no prospect of settlement given TransCanada's resolve to require captive shippers to bear the cost of underutilized facilities as a condition of providing access to incremental eastern short haul service.

Sincerely,

Union Gas Limited	**Société en commandite Gaz Métro**	**Enbridge Gas Distribution Inc.**
Per Original Copy Signed By	Per Original Copy Signed By	Per Original Copy Signed By
Mark Isherwood Vice-President	Patrick Cabana Vice-President	Malini Giridhar Vice-President

cc: C. Kemm Yates, Q.C., Blake, Cassels & Graydon LLP (TransCanada)
Eric Dunberry, Norton Rose (Gaz Métro)
L. E. Smith, Q.C., Bennett Jones (Union)
D. Crowther, Dentons (EGD)

Attachments:

1. Letter of Mr. Johannson dated June 17, 2013.
2. TransCanada’s New Capacity Open Season of June 28, 2013 (“2015/2016 NCOS”).
3. Transportation Access Procedure.
4. TransCanada’s New Capacity Open Season of May 2012 (“2014 NCOS”).
5. Demande d’approbation du plan d’approvisionnement et de modification des conditions de service et tarif de Société en commandite Gaz Métro à compter du 1er octobre 2012, File number R-3809-2012, Phase 1 (translated version).
6. Régie de l’énergie Decision D-2012-175(translated version).
7. TransCanada Compliance Filing RH-3-2011 – Part B: TG-006-2013.
8. Letters of April 29, 2013 from TransCanada to Union and Gaz Métro.
9. Letter of Mrs. Sophie Brochu’s dated June 7, 2013.

Attachment 1

TransCanada
In business to deliver

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Natural Gas Pipelines

June 17, 2013

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Thank you for attending the meeting on June 4, 2013 with Russ, Steve and myself to discuss your transportation requirements. I thought the meeting was productive and I trust that we all have a better understanding of the constraints each of us is operating under today.

I would take this opportunity to address some of the Eastern LDC's concerns, as outlined in Ms. Brochu's letter of June 7, 2013, and further discuss our views on some of the issues that arose in our meeting.

It is clear that the current NEB toll Decision has made the deployment of new capital challenging. The Decision has set fixed tolls that do not cover the costs of operating our Mainline system. It defers substantial amounts and places TransCanada under a threat of disallowance of some or all of those costs. The primary tool given to TransCanada to bridge this gap is pricing flexibility on discretionary services. It is TransCanada's view that it cannot rely solely on discretionary services to generate the substantial revenues required for it to meet its costs and earn a fair return. The Mainline must incentivize its shippers to contract for the long term in order to maximize revenues, stabilize rates, and position it to seize on new opportunities to reduce its costs or expand its services. When we do build for new opportunities, we must recover the full cost of any new expansion, including a return of and on capital, and any revenue foregone, due for example to switching volumes from long haul to short haul.

It is imperative for the viability of the Mainline that shippers with firm needs contract for long term firm services to meet those needs. This ensures that the costs of the system are being borne by those who rely on it; stabilizes our revenue long term; reduces the amount of discretionary revenue we would otherwise be required to raise to cover our costs; and provides a clearer picture of the capacity and facilities we require to serve existing and new shippers long term, and a clearer picture of what opportunities are available for new services, cost savings, or redeployment of facilities to reduce costs. This approach is required by the Board's direction. Accordingly, we will be providing an open season for short term shippers on our system that now wish to firm up their service arrangements as well as new markets seeking mainline service. As noted above, however, we must recover the full cost of any new expansion, including a return of and on capital, and recovery of any revenue foregone (due to switching volumes from long haul to short haul or otherwise). TransCanada stands ready to invest in expansions that will meet these objectives.

With regard to your desire for additions in the EOT that would allow shippers to switch to short haul services and displace long haul volumes, the NEB Decision has made it very difficult for TransCanada to facilitate these as it has in the past. Again, the Decision's fixed tolls mean that the revenue deficiency realized from the transfer of services from long haul to short haul are not collectible in the short term and are very uncertain in the long term. Thus, there was no other choice for TransCanada but to cancel the Parkway to Maple expansion as it recently did. The revenue shortfall caused by allowing shippers to switch from long haul to short haul would have been in excess of $200 million per year. Under the now imminent new rates structure, this deficiency would have accrued as a negative deferral in the Toll Stabilization Adjustment account (TSA), with the risk that these losses could be visited on TransCanada at the end of the tolling period. This one project alone could have created in excess of a $400 million deferral in the TSA.

Nevertheless, TransCanada does not see the Decision as preventing us entirely from expanding the system to accommodate new volumes, or even to accommodate shippers switching their volumes from Empress to Dawn so long as the objectives to recover the full costs are met as I have described above. In addition to the open season for shippers to "firm up" their services, we are in the process of developing incremental tolls for new incremental short haul and long haul business and will be providing an open season for this purpose also by the end of June.

In order to be efficient in the use of existing infrastructure and the creation of new infrastructure, TransCanada must continue to seek changes to the Mainline tariff renewal provisions to allow it to require long term commitments from shippers in areas of the system that could be utilized to reduce expansions for new service requests, retire, or redeploy facilities (as in the oil conversion). We also feel it is imperative that we have the discretion to deny renewals that are exercised in ways that would have the effect of precluding a more valuable opportunity for the Mainline system from being pursued, without any commitment from existing shippers to contribute to system revenues through long term financial commitments. As you know, the NEB recently required that we refile the changes we continue to seek to the renewal provisions of the tariff. We are doing so today. We understand that these changes make our customers uncomfortable, but it is TransCanada's view that the renewal option is a relic of an old cost of service paradigm that no longer exists. In the new paradigm, long term commitments and a clear view to opportunities for incremental revenue or reduced costs must be given our highest priority.

In our meeting and Ms. Brochu's letter, you raised concerns over the conversion to oil of facilities that provide short haul capacity in the EOT. It is our perspective that these facilities are not reserved for firm natural gas service in the period the oil project would require them, and shippers have largely resisted committing to this capacity for the long term. In fact, we have offered this capacity to gas shippers through continuous open seasons but current shippers have chosen not to contract for this capacity on a long term firm basis. It is unreasonable to expect TransCanada to keep the existing short haul capacity in the EOT for the exclusive use of gas customers in the EOT pursuant only to short term or interruptible commitments. The proposal to transfer some of the Mainline facilities to oil service essentially has brought forward a long term, long haul market that can recover TransCanada's long-term investment. Given the choice of gas customers to contract only for minimal periods, the oil service market is clearly the highest value market for these assets.

To be economically viable and meet the in-service dates required by the conversion project, however, the full path through the Prairies, NOL and EOT must be made available for conversion. Retention of all existing EOT facilities for continued gas service would have the effect of stranding over two thirds of the system proposed to be used by the oil shippers in the Prairies and NOL. Conversion will benefit Mainline shippers by reducing costs across the Mainline system. To the extent that there is a shortfall of capacity in the EOT that results from the conversion of those facilities, TransCanada is committed to building new facilities to ensure service for existing and incremental long term firm demand in the EOT. We will not foreclose options for customers who are willing to fully compensate the Mainline for its costs and to commit long-term to cost recovery on the system.

The Segmentation proposal we presented to you in our May 17 letter provides a framework to satisfy the LDC's concerns over access to multiple sources of gas, and future capacity in the EOT. This proposal is acceptable to TransCanada because it will allow capital investment in the EOT and ensure the viability of the Mainline system as a whole, while meeting its shippers' needs for flexibility and reliability. We look forward to continuing to work with each of you to mutually advance this proposal. Should we successfully implement an alternative such as the Segmentation proposal, TransCanada is willing to consider replacement (with rolled-in tolls) of any incremental tolling arrangements for new facilities placed into service in the interim.

I will have my Commercial East team contact your offices later this week to schedule meetings to examine the Segmentation model in more detail.

Yours truly,

Karl Johannson

c: Russ Girling
Steve Clark

Attachment 2

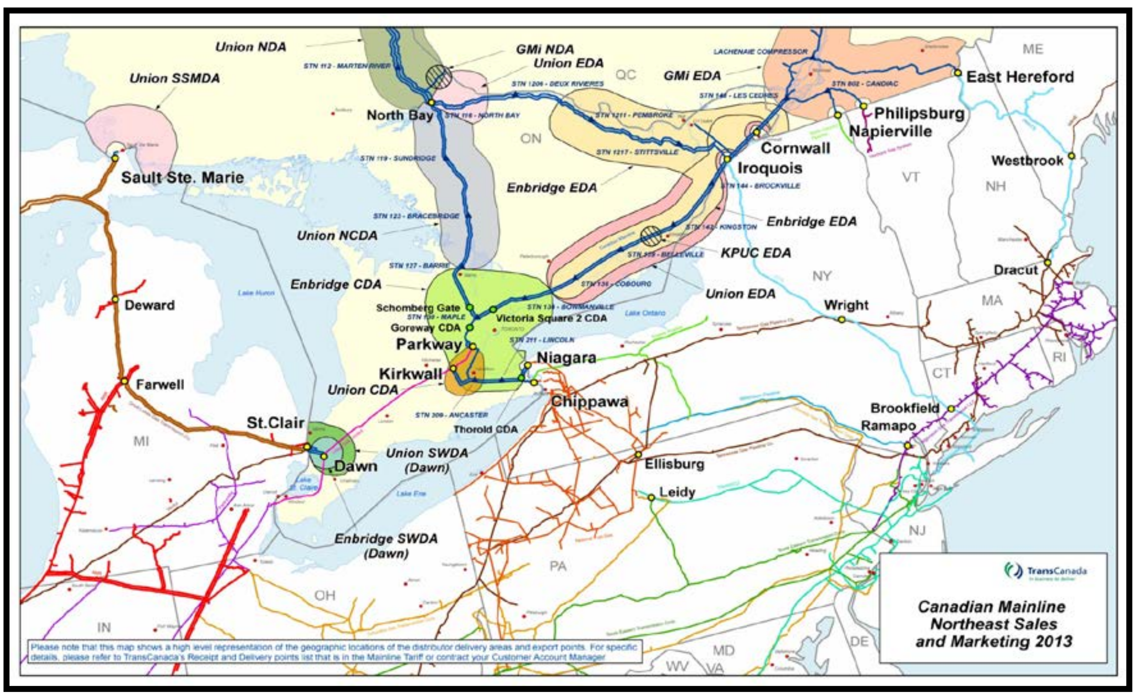
TransCanada's Firm Transportation New Capacity Open Season

TransCanada
In business to deliver

June 28 – July 29, 2013

TransCanada PipeLines Limited ("TransCanada") has received requests for firm transportation capacity to connect natural gas supplies to Canadian and U.S. Northeast markets. In support of these requests, TransCanada is pleased to announce a New Capacity Open Season (the "Open Season") on its Canadian Mainline for firm transportation service from Empress, Parkway, Niagara Falls, and Chippawa, to delivery points in the EDA and points east including Enbridge EDA, Union EDA, KPUC EDA, GMi EDA, Iroquois, Cornwall, Napierville, and Philipsburg. TransCanada is also offering delivery to East Hereford from Iroquois as well as the receipt points mentioned above. In addition, TransCanada is offering service to the Union CDA, and two new Distributor Delivery Areas: Parkway Enbridge CDA and Bram West CDA.

This Open Season will provide an opportunity for shippers to access additional volumes of natural gas from abundant supplies located in the Western Canadian Sedimentary Basin as well as the Marcellus region and will allow producers to connect these supplies to premium and growing markets in Ontario, Quebec and the U.S. Northeast. The TransCanada Mainline connects major supply sources and key storage hubs to all of the key Eastern Canadian and U.S. Northeast markets through its secure, reliable and safe pipeline system.



This Open Season closes at 8:00 a.m. Mountain Standard Time on July 29, 2013.

Electronic and paper bid forms can be found at the following links:
Electronic Bid Form **Paper Bid Form**
Please fax completed bids to 403-920-2343

For inquiries regarding this Open Season please direct questions to your Customer Account Manager

TransCanada's Firm Transportation New Capacity Open Season

TransCanada
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TransCanada's Open Season Advantages for Shippers:

Access to abundant supply	Connects suppliers to premium markets within Ontario, Quebec and the U.S. Northeast.
Operational Excellence	Secure and reliable annual firm service. Flexible and easy to use transactional systems. Strong record of safety and technical excellence.

Services Available and Term:

TransCanada is prepared to build facilities for Firm Transportation Service (FT) with a minimum term commitment of fifteen (15) years for those shippers meeting the terms and conditions set out in this Open Season.

TransCanada's Firm Transportation New Capacity Open Season

TransCanada
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New Service Start Date(s):

Service	New Service Start Dates
Service from Receipt Points including Empress, Parkway, Niagara Falls, and Chippawa to Delivery Points in the EDA and points east including Enbridge EDA, Union EDA,KPUC EDA, GMi EDA, Iroquois, Cornwall, Napierville, and Philipsburg	November 1, 2015(1) or November 1, 2016
Service from Receipt Points including Empress, Parkway, Niagara Falls, Chippawa, and Iroquois to the East Hereford Delivery Point (capacity limited to approximately 300,000 GJ/d)	November 1, 2016
Service from the Receipt Points of Parkway, Niagara Falls, and Chippawa to the Delivery Point of Union CDA	November 1, 2015(2)
Service from the Receipt Points of Niagara Falls or Chippawa to the Delivery Point of Parkway Enbridge CDA (capacity limited to 200,000 GJ/d)	November 1, 2015
Service from the Receipt Point of Parkway to the Delivery Point of Bram West CDA (capacity limited to 800,000 GJ/d)	November 1, 2015

(1)Incremental capacity from Parkway to points downstream is limited to approximately 300,000 GJ/d for service starting November 1, 2015. Additional amounts can be accommodated for service commencing November 1, 2016.
(2) Service may be available earlier, at TransCanada's sole discretion.

Parkway Enbridge CDA is a new Distributor Delivery Area that will be created by removing the Enbridge Parkway meter from the Enbridge CDA. Bram West CDA is a new Distributor Delivery Area which will interconnect with Enbridge Gas Distribution Inc.'s proposed pipeline.

New Service Start Dates are estimated and are subject to a number of factors which are outlined in "Other terms and conditions of the Open Season".

Available capacity and estimated New Service Start Dates for transportation paths requiring transportation service on another pipeline ("TBO Capacity") will be subject to the availability of TBO Capacity.

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Transportation Rates[3]:

TransCanada is offering a fixed rate that will not vary for the entire minimum 15 year term of the transportation service contract for the paths indicated in Table 1.

Table 1: Fixed Transportation Rates GJ/d

	Delivery Point							
Receipt Point	Enbridge EDA	Union EDA	KPUC EDA	GMi EDA	Iroquois	Cornwall	Napierville	Philipsburg
Empress	$1.6154	$1.6504	$1.6841	$1.7294	$1.6259	$1.6429	$1.7215	$1.7304
Parkway	$1.6154	$1.6504	$1.6841	$1.7294	$1.6259	$1.6429	$1.7215	$1.7304
Niagara Falls	$1.7154	$1.7504	$1.7841	$1.8294	$1.7259	$1.7429	$1.8215	$1.8304
Chippawa	$1.7154	$1.7504	$1.7841	$1.8294	$1.7259	$1.7429	$1.8215	$1.8304

TransCanada is offering a new custom service with a fixed rate to attract and retain capacity for the following paths:

- from the Empress and Parkway Receipt Points to the East Hereford Delivery Point at a rate of $1.40 GJ/d;
- from the Receipt Points of Niagara Falls and Chippawa to the East Hereford Delivery Point at a rate of $1.50 GJ/d; and
- from the Receipt Point of Iroquois to the East Hereford Delivery Point at a rate of $0.65 GJ/d.

TransCanada's new custom service will allow diversions on eligible paths at a rate that is based on the greater of the above custom service rate or the toll in effect at the delivery point which is the subject of the diversion. The new custom service will not be renewable at the expiration of the minimum 15 year term.

TransCanada is offering transportation from the Parkway, Niagara Falls, or Chippawa Receipt Points to the Union CDA Delivery Point at the annual FT toll in effect at the time of service.

TransCanada is offering transportation from Niagara Falls or Chippawa to the new Parkway Enbridge CDA as well as Parkway to the new Bram West CDA at the annual FT tolls in effect at the time of service.

[3] *Additional existing surcharges, such as delivery pressure, or new NEB approved surcharges may apply.*

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Other Bidding Information:

Conditional Bidding	Bids may be conditioned on TransCanada's acceptance of another TransCanada Canadian Mainline capacity bid submitted within this Open Season. Service Applicants may provide any special circumstances or other factors that they would like TransCanada to be aware of in a covering letter to their bid.
Notification to Service Applicants and Allocation of Capacity	TransCanada will notify all Successful Bidders within 15 Banking Days of the close of the Open Season. All bids received will be evaluated together for allocation purposes. In the event TransCanada needs to prorate capacity, TransCanada will allocate New Capacity based on demand toll multiplied by contract term, as set forth in TransCanada's Transportation Access Procedure of the Tariff.
Minimum Acceptable Quantity	Service Applicants may specify a minimum acceptable quantity in the event that TransCanada needs to prorate the New Capacity.
Precedent Agreement and Financial Assurances	Successful Bidders will have 30 days to execute the Precedent Agreement once it is received from TransCanada. The Precedent Agreement will become effective on the date that it is received by TransCanada. TransCanada requires acceptable financial assurances (where determined to be necessary) in support of the Precedent Agreement, five (5) Banking Days from a Successful Bidder receiving a Financial Assurances Request. If a Financial Assurance Request has been made and the Successful Bidder does not comply with the request, they will be deemed to have withdrawn their Bid and the awarded capacity will be allocated to other Service Applicants of the Open Season. By submitting a bid a Service Applicant acknowledges that it will comply with this request.

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Deposit Information and Procedure	A Bid Deposit is required for each individual Bid Form equal to the lesser of: (a) one month worth of demand charges for the maximum capacity set out on the Bid Form, calculated based on the current tolls in effect; or (b) $10,000 CAD New Service Applicants (namely those who do not currently hold a contract with TransCanada) are required to provide the Bid Deposit within two (2) Banking Days of the close of the Open Season. Please contact your Mainline Customer Account Manager to obtain the TransCanada Bank Account information for wire transfers or to obtain the address for mailing cheques. Bid deposits for New Service Applicants will not be returned if the Precedent Agreement and Financial Assurances Agreement are not executed. Service Applicants who currently hold a firm transportation service contract with TransCanada are not required to submit the Bid Deposit upon bidding, however, if offered the capacity and the Precedent Agreement and Financial Assurances Agreement are not executed the Bid Deposit fee will be charged to the Existing Service Applicants existing transportation account.
Supporting Documentation for New Services	For bids in this Open Season, Successful Bidders must provide supporting documentation for their requested service as set out in the NEB Filing Manual in order to qualify as acceptable bids under the Transportation Access Procedure of the Tariff. This information must be provided to TransCanada within five (5) Banking Days from the date the Successful Bidder receives a Precedent Agreement from TransCanada. Successful Bidders are encouraged to contact their Customer Account Manager to discuss filing requirements. Such information will form the basis of TransCanada's NEB application. Information provided by Successful Bidders will be held on a confidential basis up to the time of a regulatory application to the NEB. The Successful Bidder acknowledges and agrees that TransCanada may use any such information it determines necessary in its NEB Application. Any specific requirements for confidentiality will be addressed on an individual basis.

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Other terms and conditions of the Open Season	New Service Start Dates are subject to a number of factors that may limit capacity or delay the New Service Start Date including without limitation; 1) aggregate new requests being greater than anticipated and therefore requiring additional facilities; 2) requests requiring TBO Capacity; 3) greater time required for regulatory approvals and/or construction; and 4) TransCanada receiving all internal and external approvals, including regulatory approvals, it determines necessary to construct facilities and provide the service, all on terms and conditions satisfactory to TransCanada in its sole discretion. If any bid requires TransCanada to obtain TBO Capacity, TransCanada's acceptance of the bid and the Precedent Agreement and firm transportation service contract between TransCanada and the Service Applicant will all be subject to the condition that TransCanada obtains the TBO Capacity on terms and conditions acceptable to TransCanada prior to the New Service Start Date of the requested service, provided however, that TransCanada shall not be obligated to acquire any TBO capacity. Prior to allocation of capacity, Service Applicant shall within five (5) business days of TransCanada's request demonstrate, to TransCanada's satisfaction, that it has an equivalent amount of takeaway capacity on the downstream pipeline. For additional terms, conditions and information please refer to the Transportation Access Procedure of the Tariff. Any uppercased term not defined herein will have the meaning given to it in Transportation Access Procedure of the Tariff.
GST Procedures for FT, FT-SN, STS – For Export Points Only	TransCanada is required to charge the Goods and Services Tax (GST) or Harmonized Sales Tax (HST), whichever is applicable, on transportation of gas that is consumed in Canada. Shippers may zero-rate GST or HST on contracts intended to serve an export market by making a Declaration on the nomination line in NrG Highway. Shippers may also provide a monthly Declaration for any Unutilized Demand Charges (UDC). For more information, please see GST/HST Procedures.

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Questions:

For inquiries regarding this Open Season please direct questions to your Mainline Customer Account Manager.

Calgary	
Gordon Betts	403.920.6834
Michael Mazier	403.920.2651
Toronto	
Amelia Cheung	416.869.2115
Lisa DeAbreu	416.869.2171
Reena Mistry	416.869.2159

Attachment 3

TRANSPORTATION ACCESS PROCEDURE

INDEX

1. DEFINITIONS

1.1 For the purposes of the Transportation Access Procedures the following terms shall be defined as follows:

(a) "Accepted Bid" shall be as defined in sub-section 5.4(c);

(b) "Bid Form" shall mean the Bid Form set out in "Appendix A" or "Appendix B";

(c) "Daily Existing Capacity" shall mean all or a portion of the amount of Existing Capacity not allocated pursuant to sub-section 4.4 that is made available for the Daily Existing Capacity Open Season pursuant to sub-section 4.6;

(d) "Daily Existing Capacity Open Season" shall be as defined in sub-section 4.6(a);

(e) "Daily Existing Capacity Open Season Bid Form" shall mean the Daily Existing Capacity Open Season Bid Form as set out in "Appendix B";

(f) "Date of Commencement" for service shall be as defined in the FT, FT-NR, FT-SN, SNB, STS, STS-L, or MFP Contracts as the case may be;

(g) "Deposit" shall mean the deposit referred to in sub-section 4.2(f) or 5.2(d) as the case may be;

(h) "Existing Capacity Open Season" shall be defined as in sub-section 4.2(a);

(i) "Existing Capacity" shall mean all or a portion of System Capacity that is available on System Segments that TransCanada determines in its sole discretion to be available for an Open Season;

(j) "Existing Service Applicant" shall mean a Shipper or another party that submits either a Bid Form or a Daily Existing Capacity Open Season Bid Form and at the time of submission of such Bid Form is receiving gas transportation service pursuant to a Transportation Service Contract from TransCanada;

(k) "Facilities Application" shall mean an application pursuant to Part III of the National Energy Board Act for authorization to construct facilities or otherwise obtain New Capacity;

(l) "Financial Assurances Agreement" shall mean the agreement which sets forth the financial assurances which the Successful Bidder will be required to provide to TransCanada prior to TransCanada's execution of the Transportation Contract for service;

(m) "Minimum Term" shall mean the minimum term of service required by TransCanada;

(n) "New Capacity" shall be as defined in sub-section 5.1(a);

(o) "New Capacity Open Season" shall be as defined in sub-section 5.1(a);

(p) "New Service Applicant" shall mean a party that submits either a Bid Form or a Daily Existing Capacity Open Season Bid Form and at the time of submission of such Bid Form is not receiving gas transportation service pursuant to a Transportation Service Contract from TransCanada;

(q) "New Service Start Date" shall mean the date the New Capacity may be first offered for service;

(r) "Notice" shall mean the notice posted on TransCanada's electronic bulletin board, or provided by fax or email;

(s) "Precedent Agreement" shall be as defined in sub-section 5.4(c) (i);

(t) "Rejected Offer" shall be defined as in sub-section 5.5(a);

(u) "Return Period" shall be as defined in sub-section 5.4(c);

(v) "Service Applicant" shall mean either a New Service Applicant or an Existing Service Applicant;

(w) "Service Applicant's Acceptance" shall be as defined sub-section 5.4(c);

(x) "Successful Bidder" shall mean a Service Applicant who has been allocated any New Capacity;

(y) "System Capacity" shall mean TransCanada's pipeline facilities and TransCanada's contractual entitlement on the pipeline systems of the Great Lakes Gas Transmission Limited Partnership, Union Gas Limited and Trans Quebec and Maritimes Pipeline Inc. that TransCanada relies on to provide firm service;

(z) "System Segment" shall mean the segment of the System Capacity, referred to in a Notice, which is defined by reference to the receipt point and the export delivery point or delivery area specified;

(aa) "TAPs" shall mean this Transportation Access Procedure;

(ab) "TransCanada's Offer" shall be as defined in sub-section 5.4(c) (i); and

(ac) "Transportation Contract" shall mean the pro-forma transportation service contract for the Existing Capacity or New Capacity allocated to the Service Applicant, or in the case of SNB a pro-forma SNB service contract.

2. PURPOSE

2.1 The purpose of the TAPs is to set forth the process by which TransCanada shall administer requests for service to ensure fair and equitable treatment to all Service Applicants seeking FT, FT-NR, FT-SN, SNB, STS-L, STS, and MFP service with TransCanada for the transportation of natural gas utilizing TransCanada's System Capacity.

3. APPLICABILITY

3.1 TAPs is applicable to all requests for FT, FT-NR, FT-SN, SNB, STS-L, STS, and MFP transportation services and to all requests for any increases to the Contract Demand under existing FT, FT-SN, STS-L, STS, and MFP Contracts or Contract Quantity under existing SNB Contracts provided however Section 5 shall not be applicable to any request for FT-NR or MFP transportation service.

4. ACCESS TO EXISTING CAPACITY

4.1 Posting of Existing Capacity

If at any time prior to or during an open season TransCanada determines it has Existing Capacity, TransCanada may at any time, notify Service Applicants and prospective Service Applicants by posting a Notice of:

(a) the Existing Capacity for each of the available System Segments;

(b) the Date of Commencement for such Existing Capacity, provided that TransCanada is not obligated to offer a Date of Commencement two (2) or more years from the date of the notice. In the case of MFP, the Date of Commencement shall occur within the MFP Commencement Period;

(c) the type of service available;

(d) in the case of FT-NR the term the service will be available for;

(e) in the case of MFP, the MFP Blocks and System Segments that TransCanada determines may be available, if any; and

(f) the date(s) the Existing Capacity Open Season will commence and end.

4.2 The Existing Capacity Open Season

(a) TransCanada shall hold an open season for the Existing Capacity (the “Existing Capacity Open Season”) commencing on or about May 5 in each calendar year (unless it has no Existing Capacity). The Existing Capacity Open Season shall be for a period of time determined by TransCanada which shall not be less than five (5) Banking Days after the commencement of such Existing Capacity Open Season. TransCanada may hold an additional Existing Capacity Open Season at any time it determines necessary. Service Applicant may during the Existing

Capacity Open Season submit by fax or mail a Bid Form for all or a portion of the Existing Capacity for a minimum term of one (1) year. Bids with a term greater than 1 year shall be in full month increments. TransCanada must receive all Bid Forms before the end of such Existing Capacity Open Season.

(b) Service Applicant shall submit a separate Bid Form for all or a portion of the Existing Capacity for each System Segment. TransCanada shall accept a Bid Form for the purposes of evaluation and allocation in accordance with sub-Section 4.4 hereof for:

(i) capacity from a specified receipt point to a specified delivery point or area within the System Segment;

(ii) a different Date of Commencement;

(iii) a different type of service;

(iv) a Bid Form which is subject to the condition that another specified Bid Form(s) has been accepted; and/or

(v) a Bid Form for service pursuant to the SNB Toll Schedule.

(c) If TransCanada determines in its sole discretion that a Bid Form is incomplete or does not conform to the requirements herein, such Bid Form shall be rejected by TransCanada.

(d) TransCanada shall advise Service Applicant whether or not its Bid Form has been rejected within two (2) Banking Days of its receipt.

(e) Information on the Bid Forms will be kept confidential by TransCanada, however, TransCanada shall provide the information to the NEB if required or requested to do so by the NEB.

(f) Within 2 Banking Days of the end of the Existing Capacity Open Season for each Bid Form, New Service Applicant shall provide to TransCanada a Deposit equal to the lesser of:

(i) one (1) month demand charges for the maximum capacity set out on the Bid Form; or

(ii) $10,000;

(g) Notwithstanding sub-section 4.2 (e), if any of the Bid Forms received by TransCanada is for service pursuant to the SNB Toll Schedule, TransCanada shall notify all Service Applicants within 2 Banking Days following the end of the Existing Capacity Open Season.

4.3 **Pricing of Existing Capacity**

The toll applicable to the Existing Capacity shall be the toll approved by the NEB and set forth in the List of Tolls in the TransCanada Tariff, or a toll determined by a methodology approved by the NEB.

4.4 **Allocation of Existing Capacity**

(a) At the close of the Existing Capacity Open Season, TransCanada shall rank the submitted Bid Forms and TransCanada shall, subject to sub-Section 4.4(b), allocate the Existing Capacity among Service Applicants in the following priority:

(i) First by the demand toll multiplied by the Contract term for each Bid Form or combination of Bid Forms, with the bid(s) yielding the highest overall product having the highest priority;

(I) If a Bid Form is for FT-SN or MFP Service, the applicable demand toll for the purpose of determining such product shall be the demand toll for FT Service from the receipt point to the delivery point or area each specified in the Bid Form;

(II) If a Bid Form is for service pursuant to the SNB Toll Schedule then the product of demand toll and Contract term will be adjusted by multiplying such product by the requested maximum capacity and dividing such amount by the actual impact on Posted Capacity as determined by TransCanada;

(ii) Then by the requested Date of Commencement, with the earliest requested Date of Commencement having the highest priority, provided that TransCanada will have no obligation to award any Existing Capacity to a Bid Form with a service to commence two or more years from the close of the Existing Capacity Open Season.

(b) If two (2) or more Bid Forms or combinations of Bid Forms have the same ranking, determined in accordance with sub-Sections 4.4(a) and the Existing Capacity is not sufficient to provide service for the quantities requested in those Bid Forms or combination Bid Forms, then the Existing Capacity shall be allocated (rounded to the nearest GJ) on a pro-rata basis based on the maximum capacity requested in each Bid Form.

(c) If the pro-rata share of the remaining Existing Capacity allocated to a Bid Form pursuant to sub-Section 4.4(b) is less than the minimum capacity specified in such Bid Form, that Bid Form shall be deemed to be rejected by TransCanada and the remaining Existing Capacity shall be reallocated under sub-Section 4.4(b) excluding such Bid Form.

(d) TransCanada shall allocate Existing Capacity to the Bid Forms with the highest rankings until all the Bid Forms have been processed or until all Existing Capacity has been allocated. If an offer of Existing Capacity is withdrawn, pursuant to sub-Section 4.5(d) then this Existing Capacity will be reallocated sequentially to the remaining Bid Forms according to the procedures in sub-Sections 4.4(a), (b), and (c).

4.5 **Notification to Service Applicants**

(a) TransCanada will use reasonable efforts to notify, as soon as possible but in no event longer than two (2) Banking Days after the close of the Existing Capacity Open Season, by telephone, fax or otherwise, all Service Applicants who have been allocated any Existing Capacity. Provided however if TransCanada receives a Bid Form for service pursuant to the SNB Toll Schedule, TransCanada shall be entitled to notify all Service Applicants within 10 Banking Days after the close of the Existing Capacity Open Season.

(b) Service Applicant shall provide TransCanada with financial assurances as required by TransCanada pursuant to Section XXIII of the General Terms and Conditions of TransCanada's Tariff, within one (1) Banking Day from the time TransCanada sends notice to Service Applicant pursuant to subsection 4.5(a). Such assurances would cover the transportation agreement resulting from the successful bid, as well as all other transportation agreements between TransCanada and Service Applicant (including those provided in relation to Existing Capacity, and those which were used to backstop TransCanada New Capacity expansions.) TransCanada may, at any time in its sole discretion, waive the requirement for Service Applicant to provide financial assurances or extend the period for providing such financial assurances.

(c) Upon satisfaction of the financial assurances requirements in sub-Section 4.5(b), TransCanada shall forward to Service Applicant for execution a Transportation Contract. Service Applicant shall, within ten (10) Banking Days from the Day TransCanada sends the Transportation Contract to the Service Applicant, execute and return to TransCanada for execution by TransCanada, the Transportation Contract.

(d) If a New Service Applicant does not execute and return to TransCanada the Transportation Contract within ten (10) Banking Days, or if a New Service Applicant fails to provide financial assurances as required in sub-Section 4.5 (b), the offer to the New Service Applicant for the Existing Capacity allocated to the New Service Applicant shall be withdrawn and TransCanada shall keep the Deposit. If the Transportation Contract is signed, then the Deposit will be credited by TransCanada to the bill for the first month(s) of service or returned to the New Service Applicant, if requested.

(e) If an Existing Service Applicant does not execute and return to TransCanada the Transportation Contract within ten (10) Banking Days, or if an Existing Service Applicant fails to provide financial assurances as required in sub-Section 4.5 (b), the offer to the Existing Service Applicant for the Existing Capacity allocated to the Existing Service Applicant shall be withdrawn and Existing Service Applicant shall pay TransCanada an amount equal to the lesser of

(i) one (1) month demand charges for the maximum capacity set out on the Bid Form; or

(ii) $10,000.

(f) TransCanada may in its sole discretion extend the ten (10) Day period for which Service Applicant can execute the Transportation Contract.

(g) TransCanada will return the Deposit provided by an unsuccessful New Service Applicant within five (5) banking days from the date the Transportation Contracts are executed for all Existing Capacity for that Existing Capacity Open Season.

4.6 **Daily Existing Capacity Open Seasons**

(a) If not all Existing Capacity is allocated pursuant to sub-Section 4.4 above, TransCanada will post on each Banking Day on its electronic bulletin board the Daily Existing Capacity for FT, FT-NR, FT-SN, STS-L, STS, or MFP service (the "Daily Existing Capacity Open Season"). The Daily Existing Capacity on any System Segment to be posted will be determined as follows:

Remaining Existing Capacity at Close of Existing Capacity Open Season	Daily Existing Capacity for Daily Existing Capacity Open Season
Greater than or equal to 20,000 GJ/Day	50 percent of remaining Existing Capacity
10,000 to 20,000 GJ/Day	10,000 GJ/Day
Less than 10,000 GJ/Day	100 percent of remaining Existing Capacity

(b) TransCanada shall post the Daily Existing Capacity on its electronic bulletin board by 16:00 hours CCT on each Day prior to the Day that a Daily Existing Capacity Open Season is held. Daily Existing Capacity will be awarded according to bids received by 09:00 hours CCT.

(c) TransCanada shall post on its electronic bulletin board a summary of all new operating FT, FT-NR, FT-SN, STS-L, STS, or MFP Contracts entered into that reduce the Daily Existing Capacity, and an explanation of why other changes are made to the Daily Existing Capacity.

(d) Service Applicants will bid in a Daily Existing Capacity Open Season by submitting a signed Daily Existing Capacity Open Season Bid Form, as well as any financial assurances required by TransCanada. All Daily Existing Capacity Open Season Bid Forms once received by TransCanada shall be deemed to be irrevocable and cannot be withdrawn or amended by Service Applicant unless such Daily Existing Capacity Open Season Bid Form is subject to the condition that another Daily Existing Capacity Open Season Bid Form as set out in the Daily Existing Capacity Open Season Bid Form has been accepted.

(e) TransCanada shall not be obligated to accept any bid if the Service Applicant has not provided Financial Assurances requested by TransCanada on any other transportation agreements between TransCanada and that Service Applicant (including those provided from Existing Capacity, and those which were used to backstop TransCanada New Capacity expansions).

(f) TransCanada is not obligated to offer Date of Commencement two (2) or more years from the date of the Daily Existing Capacity Open Season. In the case of MFP, the Date of Commencement shall occur within the MFP Commencement Period.

(g) TransCanada shall not be obligated to accept in any Daily Existing Capacity Open Season any bid for service to start within 5 Banking Days of the date on which the bid is made.

(h) The Daily Existing Capacity Open Season bids will be evaluated according to the criteria for Existing Capacity Open Season bids as outlined in sub-Section 4.4.

(i) If a Daily Existing Capacity Open Season Bid Form is accepted by TransCanada, TransCanada shall provide a Transportation Contract to Service Applicant. Service Applicant shall then have 1 Banking Day to execute and return such Transportation Contract.

(j) TransCanada will not hold a Daily Existing Capacity Open Season under any of the following circumstances:

  (i) on any Day other than a Banking Day; or

  (ii) if TransCanada has no Daily Existing Capacity to offer; or

  (iii) if TransCanada has given notice that it will be holding either an Existing Capacity Open Season pursuant to sub-Section 4.2 hereof, or a New Capacity Open Season pursuant to sub-Section 5.1 hereof. No Daily Existing Capacity Open Season would be held from the date of such notice until after the Existing Capacity Open Season, or the New Capacity Open Season, as the case may be, has concluded, and the requested capacity has been allocated, provided however TransCanada may continue to offer capacity in a Daily Existing Capacity Open Season if TransCanada determines in its sole discretion that such capacity does not reduce the capacity offered in the Existing Capacity Open Season and/or New Capacity Open Season

(k) After all Daily Existing Capacity has been allocated in the Daily Existing Capacity Open Season held pursuant to sub-Section 4.6, the portion of the remaining Existing Capacity not offered in the Daily Existing Capacity Open Season shall be made available in the next Existing Capacity Open Season and/or New Capacity Open Season.

5. ACCESS TO NEW CAPACITY

5.1 The New Capacity Open Season

(a) When TransCanada determines, in its sole discretion, that there is a reasonable expectation of a long term requirement for an expansion of TransCanada's System Capacity (the "New Capacity") and that TransCanada intends to prepare and to submit to the NEB a Facilities Application, TransCanada shall place a notice on its electronic bulletin board and otherwise notify potential Service Applicants by fax or email that it will hold an open season (the "New Capacity Open Season"). Such notice shall:

(i) identify the Minimum Term for bids in support of the Facilities Application;

(ii) request that Service Applicants provide to TransCanada;

A. Bid Form(s) by the end of the New Capacity Open Season; and

B. By the date referred to in sub-Section 5.4(c)(i), all applicable supporting documentation set out in the National Energy Board's Filing Manual, determined by TransCanada to be necessary for submission to the NEB in support of TransCanada's Facilities Application and which evidence supports the Service Applicant's need for transportation service in the timeframe contemplated in the Service Applicant's Bid Form;

(iii) identify the New Service Start Date;

(iv) identify the dates on which the New Capacity Open Season will commence and end;

(v) indicate the System Segments which are being offered; and

(vi) identify any System Segments where TransCanada determines in its sole discretion that TransCanada may be limited as to the total New Capacity that may be made available and the time such New Capacity may be available.

5.2 Bidding in the New Capacity Open Season

(a) Service Applicant shall submit a separate Bid Form, and other documentation as described in sub-Section 5.1(a)(ii) for each separate request. TransCanada shall accept a Bid Form and documentation for the purposes of evaluation and allocation in accordance with sub-Section 5.3 hereof for:

(i) capacity from a specified receipt point to a specified delivery point or area within the System Segment; or

(ii) a different Date of Commencement; or

(iii) a different service; or

(iv) a Bid Form which is subject to the condition that another specified Bid Form(s) has been accepted.

Each Bid Form once received by TransCanada shall be irrevocable.

(b) TransCanada shall not be obligated to accept any bid if Service Applicant has not provided financial assurances requested by TransCanada on any other transportation agreements between TransCanada and Service Applicant .

(c) Information on the Bid Forms and in the supporting documentation provided pursuant to sub-Section 5.4(c)(i) will be kept confidential. However, TransCanada shall provide the information to the NEB if required or requested to do so by the NEB, including as needed to support a Facilities Application. Any information submitted by a Service Applicant who has not been allocated New Capacity pursuant to sub-Section 5.3 shall be destroyed by TransCanada.

(d) Within 2 Banking Days of the end of the New Capacity Open Season, for each Bid Form New Service Applicant shall provide to TransCanada a Deposit equal to the lesser of:

(i) one (1) month demand charges for the maximum capacity set out on the Bid Form, calculated based on the tolls in place when the Bid Form was submitted; or

(ii) $10,000.

5.3 Allocation of Capacity

(a) At the close of the New Capacity Open Season TransCanada shall rank the accepted Bid Forms and TransCanada shall, subject to sub-Section 5.3(b), allocate the New Capacity among Service Applicants in the following priority:

(i) First by the demand toll in effect for the service at the time the New Capacity Open Season closes, multiplied by the Contract term for each Bid Form or combination of Bid Forms, with the bid(s) resulting in the highest overall total product having the highest priority;

(I) If a Bid Form is for FT-SN Service the applicable demand toll for the purpose of determining such product shall be the demand toll for FT Service from the receipt point to the delivery point or area each specified in the Bid Form;

(II) If a Bid Form is for service pursuant to the SNB Toll Schedule then the product of demand toll and Contract term will be adjusted by multiplying such product by the requested maximum capacity and dividing such amount by the actual impact on capacity as determined by TransCanada;

(ii) Then by the requested Date of Commencement, with the earliest requested Date of Commencement having the highest priority, provided that such commencement date is not earlier than the New Service Start Date.

(b) If two (2) or more Bid Forms or combinations of Bid Forms have the same ranking, as determined by the procedure set in sub-Section 5.3(a) and the New Capacity is not sufficient to provide service for the quantities requested in those Bid Forms or combination of Bid Forms, then the New Capacity shall be allocated (rounded to the nearest GJ) on a pro-rata basis based on the maximum capacity requested in each Bid Form.

(c) If the pro-rata share of remaining New Capacity allocated to a Bid Form pursuant to sub-Section 5.3(b) is less than the minimum capacity specified in such Bid Form, that Bid Form shall be deemed to be rejected by TransCanada and the remaining New Capacity shall be reallocated under sub-Section 5.3(b) excluding such Bid Form.

(d) TransCanada shall allocate New Capacity to the Bid Forms with the highest rankings until all the Bid Forms have been processed or until all New Capacity has been allocated. If an offer of New Capacity is deemed to be withdrawn or rejected, pursuant to sub-Sections 5.4(c) or 5.5, then this New Capacity will be reallocated sequentially to the remaining Bid Forms according to the procedures in sub-Sections 5.3(a), (b), and (c).

5.4 Notification to Service Applicants

(a) TransCanada will use reasonable efforts to notify, as soon as possible but in no event longer than fifteen (15) Banking Days of the close of the Open Season, by telephone, fax or otherwise, all Successful Bidders.

(b) TransCanada shall return the Deposit to each New Service Applicant not offered any New Capacity.

(c) TransCanada shall prepare and forward to each Successful Bidder:

(i) a binding transportation service precedent agreement for the service requested pursuant to their Bid Form ("TransCanada's Offer"), which precedent agreement shall set forth the terms and conditions, including the conditions precedent, upon which the service is offered to Service Applicant (the “Precedent Agreement”). TransCanada’s Offer shall be subject to the following condition:

The Successful Bidder has provided the supporting documentation, referred to in sub-Section 5.1(a)(ii), to TransCanada within 5 Banking Days (or such longer period agreed to by TransCanada) of receipt of the Precedent Agreement and such supporting documentation is complete, conforms to the requirements herein and is in a form satisfactory to TransCanada.

If TransCanada determines in its sole discretion that the condition is not satisfied, TransCanada shall notify in writing the Successful Bidder. The Successful Bidder shall have 5 Banking Days following receipt of such notification to satisfy the condition, or TransCanada’s Offer shall be deemed to be withdrawn. TransCanada will have the option of allocating any New Capacity arising from withdrawn offers to any accepted Bid Forms that were not allocated New Capacity, pursuant to sub-Section 5.3; and

(ii) The Financial Assurances Agreement.

Service Applicant may accept TransCanada's Offer by executing and returning the Precedent Agreement, and the Financial Assurances Agreement within thirty (30) calendar Days of Service Applicant’s receipt thereof (the “Return Period”) and Service Applicant’s service request (the ”Accepted Bid”) shall then be included in support of TransCanada's Facilities Application (“Service Applicant’s

Acceptance”). The Return Period may be extended at TransCanada’s discretion, if so requested by Service Applicant.

(d) Upon inclusion of an Accepted Bid in support of TransCanada's Facilities Application, Service Applicant shall then be obligated to provide to TransCanada any additional information that the NEB may require in accordance with NEB procedural orders and information requests in respect of TransCanada's Facilities Application.

(e) Upon a New Service Applicant’s Acceptance, if TransCanada provides service as set out in the Precedent Agreement (as it may be amended), the Deposit will be credited to the New Service Applicant in the first month(s) bill(s) for service, or returned to the New Service Applicant if the New Service Applicant so requests. If TransCanada is unable to provide the service as set out in the Precedent Agreement the Deposit will be returned to the New Service Applicant by TransCanada.

5.5 **Non-Acceptance of Offers**

(a) If Service Applicant does not execute and return both the Precedent Agreement and Financial Assurances Agreement, and such other documents that TransCanada determines to be necessary within the Return Period, Service Applicant will have been deemed to have rejected TransCanada’s offer (the “Rejected Offer”). In such case TransCanada will have no obligation to return the Deposit provided by a New Service Applicant, and Existing Service Applicants shall pay TransCanada an amount equal to the lesser of:

(i) one (1) month demand charges for the maximum capacity set out on the Bid Form, calculated based on the tolls in place when the Bid Form was submitted; or

(ii) $10,000.

(b) TransCanada will have the option of allocating any New Capacity arising from Rejected Offers to any accepted Bid Forms that were not allocated New Capacity, pursuant to sub-Section 5.3.

5.6 **Inclusion of Existing Capacity**

(a) If TransCanada's determines in its sole discretion that prior to or during the New Capacity Open Season Existing Capacity is or becomes available, TransCanada shall:

(i) include such Existing Capacity in the New Capacity Open Season; or

(ii) change the New Capacity Open Season to include such Existing Capacity;

provided that such change is made no less than 5 Banking Days prior to the end of a New Capacity Open Season;

(b) If TransCanada includes such Existing Capacity in a New Capacity Open Season, Service Applicant can apply for service pursuant to Section 4 or Section 5; and

(c) If TransCanada includes such Existing Capacity in the New Capacity Open Season, TransCanada shall allocate such Existing Capacity to all Service Applicants for New Capacity and Existing Capacity pursuant to sub-section 4.4. If there remain Service Applicants for New Capacity whose requests were not satisfied, or only satisfied in part, such Service Applicants for New Capacity will be allocated New Capacity for such unsatisfied or partially satisfied requests pursuant to sub-section 5.3.

(d) If such Existing Capacity is allocated to New Capacity requests with Dates of Commencement in the future such Existing Capacity shall be made available to Shippers, firstly as service under the FT-NR Toll Schedule, and secondly as service under the STFT Toll Schedule, during the period commencing on the date such Existing Capacity is available or becomes available and ending on the Day immediately prior to the requested Date(s) of Commencement.

6. MISCELLANEOUS PROVISIONS

a) This Procedure is subject to the provisions of the National Energy Board Act and any other legislation passed in amendment thereof or substitution therefore.

b) Any upper cased term not defined herein shall have the meaning attributed thereto in the General Terms & Conditions of TransCanada's Tariff as amended from time to time.

APPENDIX "A"

NEW CAPACITY (excluding MFP and FT-NR)* OR EXISTING CAPACITY OPEN SEASON BID FORM

System Segment: ____

The Delivery Point: ________________________The Receipt Point:________________________

Date of Commencement:___________________

Service Termination Date/MFP End Date:___________________

Maximum Capacity: _________ GJ/Day Minimum Capacity:__________ GJ/Day

Type of Service Requested: FT____FT-NR______ FT-SN _____ SNB ____ STS-L____ STS_____MFP______

Allocated Capacity:_________________ GJ's/Day

Service Applicant Contact

Name: ____

Address: ____

____

Telephone: ____________________Telecopy:____________

Is this Bid Form conditional upon another bid form(s)?

Yes ___ **No** ____ If **Yes**, the Bid Form(s), upon which this Bid Form is conditional must be attached. Indicate number of bid forms attached:_____.

The Bid Form shall be subject to the General Terms and Conditions, the applicable Toll Schedule and List of Tolls of TransCanada's Tariff.

Dated this ____________Day of ______________, ______.

Service Applicant:

By:_____________________________________ By:______________________________

Title:___________________________________ Title:____________________________

***** New Capacity is not available for service under MFP and FT-NR Transportation Contracts.

APPENDIX “B”

DAILY EXISTING CAPACITY OPEN SEASON BID FORM

System Segment: ____

The Delivery Point: _________________The Receipt Point:_________________________

Date of Commencement:_____________

Service Termination Date/MFP End Date:___________________

Maximum Capacity: _________ GJ/Day Minimum Capacity:__________ GJ/Day

Type of Service Requested: FT____ FT-NR_____FT-SN___ SNB____STS-L_______ STS_____MFP_____

Allocated Capacity:_________________ GJ’s/Day

Service Applicant Contact

Name: ____

Address: ____

____

Telephone: ____________________Telecopy:____________

Is this Daily Existing Capacity Open Season Bid Form conditional upon another Daily Existing Capacity Open Season Bid Form(s)?

Yes ___ **No** ____ If **Yes**, the Daily Existing Capacity Open Season Bid Form(s), upon which this Daily Existing Capacity Open Season Bid Form is conditional must be attached. Indicate number of Daily Existing Capacity Open Season Bid Forms attached:_____.

Service Applicant agrees that:

1. This Bid Form once received by TransCanada shall be irrevocable and cannot be withdrawn or amended by Service Applicant unless such Daily Existing Capacity Open Season Bid Form is subject to the condition that another Daily Existing Capacity Open Season Bid Form as set out in the Daily Existing Capacity Open Season Bid Form has been accepted and shall be subject to the General Terms and Conditions, the applicable Toll Schedule and List of Tolls of TransCanada’s Tariff; and

2. Service Applicant shall execute the Transportation Contract within 1 Banking Day from the Day TransCanada provides such Transportation Contract.

Dated this ___________Day of ______________, ______.

Service Applicant:

By:_____________________________________ By:______________________________

Title:___________________________________ Title:____________________________

Signed: _________________________________ Signed: _________________________

Attachment 4

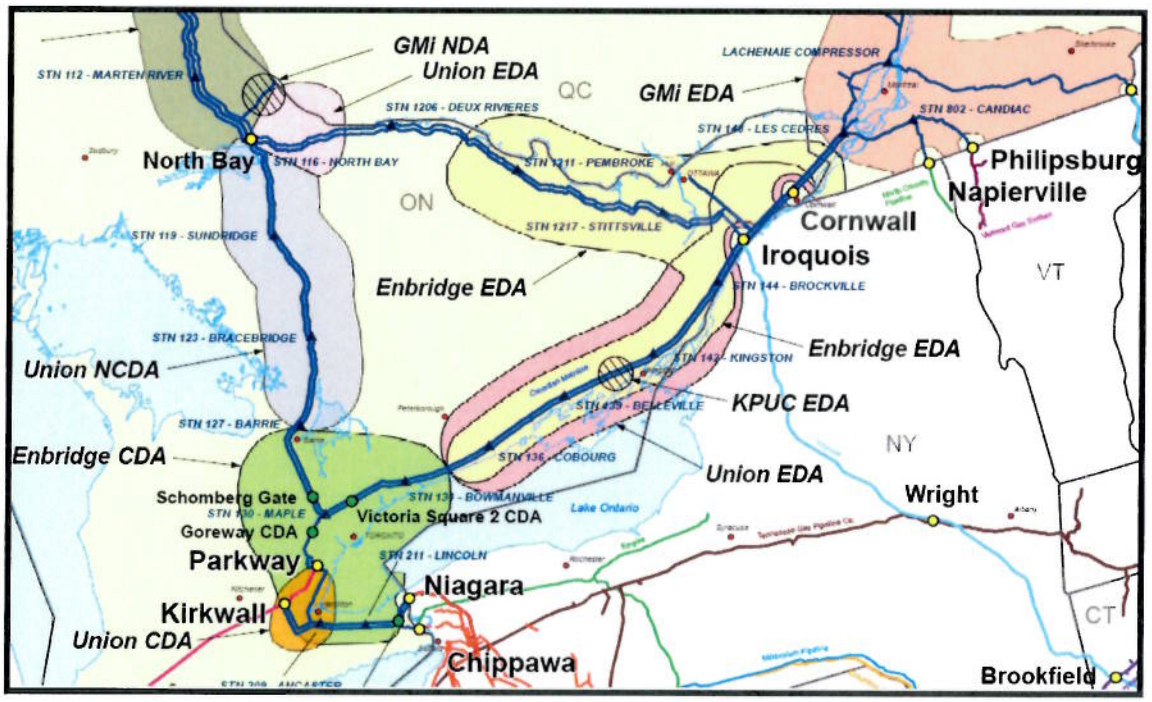
TransCanada's Firm Transportation New Capacity Open Season

TransCanada
In business to deliver

March 30, 2012 – May 4, 2012

TransCanada PipeLines Limited ("TransCanada") has received new requests for firm transportation capacity to connect natural gas supplies originating in the Marcellus supply region to Canadian and US Northeast markets. In support of these requests, TransCanada is pleased to announce a new capacity open season (the "Open Season") on its Canadian Mainline for firm transportation service from Niagara and Chippawa, as well as from other receipt points on the integrated TransCanada Mainline, to all delivery points including points east of Parkway such as Iroquois/Waddington, GMI EDA and East Hereford.

This Open Season will provide an opportunity for shippers to access additional volumes of natural gas from abundant supplies located in the Marcellus region and will allow producers to connect these supplies to premium and growing markets in Ontario, Quebec and the Northeast US at competitive rates. The TransCanada Mainline connects major supply sources and key storage hubs to all of the key Eastern Canadian and US Northeast markets through its secure, reliable and safe pipeline system allowing shippers to contract for a diverse portfolio of supply. TransCanada's flexible services and extensive system allow shippers to take advantage of potential arbitrage opportunities in the market.



This Open Season closes at 8:00 a.m. Mountain Standard Time on May 4, 2012.

Electronic and paper bid forms can be found at the following links:
Electronic Bid Form **Paper Bid Form**
Please fax completed bids to 403-920-2343

For inquiries regarding this Open Season please direct questions to your Customer Account Manager

TransCanada's Firm Transportation New Capacity Open Season

TransCanada
In business to deliver

TransCanada's Open Season Advantages for Shippers:

Access to Marcellus supply	Connects suppliers to premium markets within Ontario, Quebec and the Northeast U.S.
Competitive Option into Markets	TransCanada's seamless service provides a competitive option to markets wishing to access Marcellus supply.
Operational Excellence	Secure and reliable annual firm service. Flexible and easy to use transactional systems. Strong record of safety and technical excellence.

Services Available and Term:

TransCanada is prepared to build facilities for Firm Transportation Service (FT); Storage Transportation Service (STS); Firm Transportation – Short Notice (FT-SN); and Short Notice Balancing Service (SNB) for a minimum term commitment of ten (10) years.

New Service Start Date(s):

Service	New Service Start Dates
Service from all Receipt Points including Niagara Falls, Chippawa and Parkway to Delivery Points downstream of Parkway	November 1, 2013 or November 1, 2014

New Service Start Dates are estimated and are subject to the quantity and the path bid by all Service Applicants and will be determined upon the close of the Open Season.

New Service Start Dates for a transportation paths requiring transportation service on another pipeline ("TBO Capacity") will be determined based on the in-service date available for the TBO Capacity.

TransCanada's Firm Transportation New Capacity Open Season

TransCanada
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Other Bidding Information:

Conditional Bidding	Bids may be conditioned on TransCanada's acceptance of another Canadian Mainline capacity bid submitted within this Open Season. Service Applicants may provide any special circumstances or other factors that they would like TransCanada to be aware of in a covering letter to their bid.
Transportation Rates	All New Capacity is offered at the current approved Mainline Toll. The current approved tolls can be found at the following link 2012 Interim Tolls Please refer to TransCanada's Business and Services Restructuring & 2012/2013 Tolls Application for applied for 2013 tolls (starting on page 542).
Notification to Service Applicants and Allocation of Capacity	TransCanada will notify all Successful Bidders within 15 Banking Days of the close of the Open Season. All bids received will be evaluated together for allocation purposes. In the event TransCanada needs to prorate capacity, TransCanada will allocate New Capacity based on demand toll multiplied by contract term, as set forth in TransCanada's Transportation Access Procedure of the Tariff.
Minimum Acceptable Quantity	Service Applicants may specify a minimum acceptable quantity in the event that TransCanada needs to prorate the New Capacity.
Precedent Agreement and Financial Assurances	Successful Bidders will have 30 days to execute the Precedent Agreement once it is received from TransCanada. The Precedent Agreement will become effective on the date that it is received by TransCanada. TransCanada requires acceptable financial assurances (where determined to be necessary) in support of the Precedent Agreement, five (5) Banking Days from a Successful Bidder receiving a Financial Assurances Request. If a Financial Assurance Request has been made and the Successful Bidder does not comply with the request, they will be deemed to have withdrawn their Bid and the awarded capacity will be allocated to other Service Applicants of the Open Season. By submitting a bid a Service Applicant acknowledges that it will comply with this request.

TransCanada's Firm Transportation New Capacity Open Season

TransCanada
In business to deliver

Deposit Information and Procedure	A Bid Deposit is required for each individual Bid Form equal to the lesser of: (a) one month worth of demand charges for the maximum capacity set out on the Bid Form, calculated based on the current tolls in effect; or (b) $10,000 CAD New Service Applicants (namely those who do not currently hold a contract with TransCanada) are required to provide the Bid Deposit within two (2) Banking Days of the close of the Open Season. Please contact your Mainline Customer Account Manager to obtain the TransCanada Bank Account information for wire transfers or to obtain the address for mailing cheques. Bid deposits for New Service Applicants will not be returned if the Precedent Agreement and Financial Assurances Agreement are not executed. Service Applicants who currently hold a firm transportation service contract with TransCanada are not required to submit the Bid Deposit upon bidding, however, if offered the capacity and the Precedent Agreement and Financial Assurances Agreement are not executed the Bid Deposit fee will be charged to the Existing Service Applicants existing transportation account.
Supporting Documentation for New Services	For bids in this Open Season, Successful Bidders must provide supporting documentation for their Requested Service as set out in the NEB Filing Manual in order to qualify as acceptable bids under the Transportation Access Procedure of the Tariff. This information must be provided to TransCanada within 5 Banking Days from the date the Successful Bidder receives a Precedent Agreement from TransCanada. Successful Bidders are encouraged to contact their Customer Account Manager to discuss filing requirements. Such information will form the basis of TransCanada's NEB application. Information provided by Successful Bidders will be held on a confidential basis up to the time of a regulatory application to the NEB. The Successful Bidder acknowledges and agrees that TransCanada may use any such information it determines necessary in its NEB Application. Any specific requirements for confidentiality will be addressed on an individual basis.

TransCanada's Firm Transportation New Capacity Open Season

TransCanada
In business to deliver

Other terms and conditions of the Open Season	New Service Start Dates are subject to a number of factors that may limit capacity or delay the New Service Start Date including without limitation; 1) aggregate new requests being greater than anticipated and therefore requiring significantly more facilities; 2) requests requiring TBO Capacity; and 3) greater time required for regulatory approvals and/or construction. If any bid requires TransCanada to obtain TBO Capacity, TransCanada's acceptance of the bid and the Precedent Agreement and firm transportation service contract between TransCanada and the Service Applicant will all be subject to the condition that TransCanada obtains the TBO Capacity on terms and conditions acceptable to TransCanada prior to the New Service Start Date of the Requested Service, provided however, that TransCanada shall not be obligated to acquire any TBO capacity. TransCanada's Open Season is subject to TransCanada obtaining all internal and external approvals, including regulatory approvals, required to provide all of the Requested Service on terms and conditions satisfactory to it. For additional terms, conditions and information please refer to the Transportation Access Procedure of the Tariff. Any uppercased term not defined herein will have the meaning given to it in Transportation Access Procedure of the Tariff.
GST Procedures for FT, FT-SN, STS – For Export Points Only	TransCanada is required to charge the Goods and Services Tax (GST) or Harmonized Sales Tax (HST), whichever is applicable, on transportation of gas that is consumed in Canada. Shippers may zero-rate GST or HST on contracts intended to serve an export market by making a Declaration on the nomination line in NrG Highway. Shippers may also provide a monthly Declaration for any Unutilized Demand Charges (UDC). For more information, please see GST/HST Procedures.

TransCanada's Firm Transportation New Capacity Open Season

TransCanada
In business to deliver

Questions:

For inquiries regarding this open season please direct questions to your Customer Account Manager.

Calgary	
Gordon Betts	403.920.6834
Michael Mazier	403.920.2651
Toronto	
Amelia Cheung	416.869.2115
Lisa DeAbreu	416.869.2171
Reena Mistry	416.869.2159

Attachment 5

[Translation]

CANADA

PROVINCE OF QUEBEC
District of Montréal

No. R-3809-2012

RÉGIE DE L'ÉNERGIE

GAZ MÉTRO LIMITED PARTNERSHIP, a duly formed partnership, having its principal place of business at 1717 Rue du Havre, in the City and District of Montréal, Province de Quebec,

(hereinafter the "Applicant" or "Gaz Métro")

APPLICATION FOR APPROVAL OF THE SUPPLY PLAN AND CHANGES TO CONDITIONS OF SERVICE AND TARIFF OF GAZ MÉTRO LIMITED PARTNERSHIP EFFECTIVE OCTOBER 1, 2012

[Sections 31(1), 32, 48, 49, 52, 72 and 74 of the *Act respecting the Régie de l'énergie*, R.S.Q. c. R-6.01 (the "Act")]

THE APPLICANT RESPECTFULLY STATES AS FOLLOWS:

1. It is a natural gas distributor and, as such, is subject to the jurisdiction of the Régie de l'énergie (the "Régie"), in accordance with the provisions of the Act;

2. Gaz Métro is applying to the Régie for approval of its supply plan and changes to its rates and certain other conditions on which natural gas will be transported, delivered and supplied to consumers effective October 1, 2012;

3. Gaz Métro is asking that its rates be modified accordingly effective October 1, 2012 so that they can generate the required revenues for the 2012-2013 rate year;

4. Gaz Métro will file its case in two phases. The first phase will deal with the following items:

   - The supply plan;
   - The historical evolution and value of location differentials to Henry Hub futures for various natural gas market hubs in the United States northeast;
   - The method of determining costs for LNG sales;
   - The history of purchases at Dawn;
   - The multi-points project and the strategy of transferring the supply structure from Empress to Dawn;
   - The financial derivatives program;
   - The rate changes related to interruptions; and
   - The performance indicator for supply tools optimization.

5. Phase 2 will deal with all the other requests forming part of this rates case, including Gaz Métro's rate of return, and will be filed in November 2012;

A- INTERLOCUTORY APPLICATION FOR INTERIM RENEWAL OF THE 2011-2012 TARIFF EFFECTIVE OCTOBER 1, 2012

6. Seeing that a final decision of the Régie will not have been issued on October 1, 2012, Gaz Métro is requesting that the Régie order the interim renewal, effective October 1, 2012, of the *Conditions of Service and Tariff* in force during the 2011-2012 year, until a final decision is issued in this case;

B- PHASE 1

I- Supply plan of Gaz Métro (Exhibits Gaz Métro-1, Documents 1 and 3 to 13)

7. As required by section 72 of the Act, Gaz Métro has prepared its supply plan covering both its needs for the year and its needs over a 3-year time horizon;

8. In the said plan, Gaz Métro presents the hypotheses that lead to its forecast for natural gas demand over the 2013-2015 time horizon, its supply strategy to meet the projected demand during that period, the existing supply contracts and supply planning for the 2013 year;

9. At the supply strategy level, Gaz Métro has for several years been pursuing a business strategy aimed at bringing its supply structure closer to its territory by transferring the starting point of its transportation capacity from Empress to Dawn;

10. This strategy of transferring the supply structure stands to generate significant savings for the entire regulated sector clientele;

11. Gaz Métro had wanted to submit for the Régie's approval, as part of this rates case, a major piece of its strategy which consisted of asking Union and TCPL to build additional capacity on their respective segments between Dawn, on the one hand, and GMI EDA or GMI NDA on the other, the whole with the ultimate objective of having that additional capacity available in 2016 and abandoning Empress almost entirely as a delivery point;

12. However, in the spring of 2012, TCPL and Union launched calls for bids aimed at bringing additional capacity into service for the fall of 2014 on the segments sought by Gaz Métro, thus making it necessary for Gaz Métro to accelerate its strategy of transferring to Dawn;

13. In parallel with these two calls for bids, Gaz Métro had an opportunity to enter into a swap between Dawn and GMI EDA in the secondary market for a 10-year period starting from November 1, 2013.

14. Encouraged by the results of the analyses conducted which found that substantial savings could be generated for the regulated sector clientele, Gaz Métro seized the opportunity to enter into the swap offered to it in the secondary market and submitted bids, which were subsequently accepted, in connection with the calls for bids launched by Union and TCPL;

15. The additional capacity that will be available on TCPL and Union means that Gaz Métro could transfer its supply structure to Dawn as early as November 1, 2014;

16. Insofar as its existing supply contracts, more specifically contracts for supply from Dawn, are concerned, Gaz Métro is required to functionalize the cost of these contracts based on the commodity cost at Empress to which a location differential is added;

17. In its Decision D-2011-162, the Régie approved the functionalization method proposed by Gaz Métro, but asked it to revise the said method based on the multi-points supply project;

18. In view of the recommendation of Gaz Métro in regard to that project – which recommendation is more fully set out hereinafter and in Exhibit Gaz Métro-1, Document 16 – and the transfer of its supply strategy to Dawn anticipated for November 1, 2014, Gaz Métro did not revise the said method;

19. Instead, Gaz Métro proposes to re-use the method approved in Decision D-2011-162 for the 2013 and 2014 rate years and will suggest a new functionalization method as part of the 2015 rates case at the latest, which is the case that will reflect the reality of the transfer of the supply structure;

20. In short, Gaz Métro is asking the Régie to approve the supply plan more fully set out in Exhibits Gaz Métro-1, Documents 1 and 3 to 13, including the transfer of the supply strategy to Dawn and the use of the functionalization method approved in Decision D-2011-162 for the 2013 and 2014 rate years;

II- Historical evolution and value of location differentials to Henry Hub futures – follow-up to Decision D-2011-182 (Exhibit Gaz Métro-1, Document 2)

21. Following up on Decision D-2011-182, paragraph 41, Gaz Métro is filing Exhibit Gaz Métro-1, Document 2, which sets out the historical evolution and value of location differentials to Henry Hub futures for various natural gas market hubs located in the United States northeast;

22. Gaz Métro is asking the Régie to declare that the information thus provided is in keeping with the follow-up requested;

III- Method of determining costs for LNG sales (Exhibit Gaz Métro-1, Document 14)

23. Gaz Métro has calculated all of the costs associated with LNG sales at GMST in accordance with Decisions D-2010-057, D-2010-144 and D-2011-030, as more fully set out in Exhibit Gaz Métro-1, Document 14;

24. In determining these costs, Gaz Métro has also taken into consideration the adjustments suggested by it in case R-3800-2012, which relate to the possibility of liquefying in winter;

25. Gaz Métro is asking the Régie to approve the costs determined in relation to LNG sales;

IV- History of purchases at Dawn – follow-up to Decision D-2011-153 (Exhibit Gaz Métro-1, Document 15)

26. Following up on Decision D-2011-153, paragraph 21, Gaz Métro is filing Exhibit Gaz Métro-1, Document 15, which provides, for each of the last five years, a comparison between the average price of its purchases at Dawn, weighted according to the volumes traded, on the one hand, and the monthly prices at Dawn according to a published index;

27. Gaz Métro is asking the Régie to declare that the historical comparison of purchases at Dawn presented in Exhibit Gaz Métro-1, Document 15, is in keeping with the follow-up requested;

V- <u>Multi-points supply project – follow-up to Decision D-2011-164 (Exhibit Gaz Métro-1, Document 16)</u>

28. In its decision D-2011-164, paragraphs 41 and 42, the Régie asked Gaz Métro to submit a comprehensive solution to the problems associated with offering multi-point supply to direct purchase customers;

29. The results of the studies and analyses conducted by Gaz Métro and presented in the context of the meetings of the working group authorized by the Régie, in which its technical personnel took part, are such that Gaz Métro does not recommend offering its direct purchase customers the option for multi-point delivery of their natural gas, the whole as more fully set out in Exhibit Gaz Métro-1, Document 16;

30. Accordingly, Gaz Métro is asking the Régie to declare that the studies and analyses conducted in regard to the multi-point delivery project are satisfactory and that the decision to terminate this project is justified;

31. In the place and stead of the multi-point supply project, Gaz Métro is proposing to transfer its supply structure to Dawn, as more fully set out in Exhibits Gaz Métro-1, Documents 1 and 16;

VI- <u>Financial derivatives program (Exhibit Gaz Métro-2, Document 1)</u>

32. In 2001, the Régie approved Gaz Métro's financial derivatives program in its current form;

33. Over the years, this program has enabled variations in the cost of gas billed to network gas customers to be levelled out;

34. For a few years now, the cost of natural gas has been dropping significantly, giving Gaz Métro cause to reflect on the suitability of this program;

35. Its reflections led Gaz Métro to conclude that the financial derivatives program should be renewed, for the reasons more fully set out in Exhibit Gaz Métro-2, Document 1;

36. Consequently, Gaz Métro is asking the Régie to approve the aggregate volumes that can be protected and the ceiling applicable to fixed price swap contracts, as described in greater detail in Exhibit Gaz Métro-2, Document 1;

VII- <u>Rate changes related to interruptions (Exhibit Gaz Métro-3, Document 1)</u>

37. Currently, article 16.4.2.6 of the *Conditions of Service and Tariff* provides that if an interruptible service customer withdraws volume during an interruption, that customer will have to pay the penalty provided for in the said article for his unauthorized withdrawal;

38. However, the evolution of the cost of natural gas relative to alternative energy forms means that the penalty provided for in article 16.4.2.6 of the *Conditions of Service and Tariff* is no longer having the hoped for deterrent effect;

39. In certain regions such as Saguenay–Lac Saint-Jean, the network capacity might no longer be sufficient to meet the demand of firm service customers if interruptible service customers do not interrupt their consumption as required by an interruption notice, resulting in the loss of the network to a part of that region;

40. Gaz Métro thus proposes to revise certain existing articles of the *Conditions of Service and Tariff* and add some new articles, the whole as more fully set out in Exhibit Gaz Métro-3, Document 1;

41. Accordingly, Gaz Métro is asking the Régie to approve the proposed amendments or additions to articles 1.3, 16.4.2.6 and 16.4.6 of the *Conditions of Service and Tariff*, as more fully set out in Exhibit Gaz Métro-3, Document 1;

VIII- <u>Proposal for a performance indicator for supply tools optimization (Exhibit Gaz Métro-4, Document 1)</u>

42. In connection with its Decision D-2010-116, the Régie authorized Gaz Métro and the intervenors (collectively referred to as the "Working Group") to commence negotiations for a new incentive mechanism, as the mechanism in effect is scheduled to expire on September 30, 2012;

43. On September 2, 2011, Gaz Métro filed the agreement negotiated by the Working Group and requested authorization to hold three additional work sessions where the Régie's technical personnel would be in attendance for the purpose of defining a performance indicator for supply tools optimization, which authorization was subsequently granted by the Régie;

44. These meetings resulted in a performance indicator for supply tools optimization, which quantifies the variation in supply structure cost for a given year relative to supply structure cost for the 2010 reference year discounted for that same given year, along with the method for sharing the value created, the whole as more fully set out in Exhibit Gaz-Métro 4, Document 1;

45. Gaz Métro is asking the Régie to approve the said performance indicator for supply tools optimization;

46. In the alternative, should it not be possible for this new performance indicator to be implemented for the 2013 rate year and seeing that the incentive mechanism proposed by the Working Group has been rejected by Decision D-2012-076, Gaz Métro proposes, by way of interim methods for improving optimization transactions for this same year, that the Régie renew the terms of section 3.2.2 of the incentive mechanism in effect until September 30, 2012 that was authorized by Decision D-2007-047;

47. In connection with the alternative request, Gaz Métro is asking the Régie to approve projected revenues of $0 for operational transactions and $1,350,008 for financial transactions, as more fully set out in Exhibit Gaz Métro-1, Document 1;

48. In conclusion, Gaz Métro proposes that a decision be issued no later than November 23, 2012. This will allow Gaz Métro to complete all the necessary transactions before December 1, 2012 in order to have adequate tools in place by that date so that the projected demand during the 2013 winter season can be met;

49. Moreover, a decision before November 23, 2012 would mean that the amendments to the *Conditions of Service and Tariff* would be in force before the winter period starts and would give Gaz Métro tools to prevent a situation from arising where the network capacity in the Saguenay region might not be sufficient to meet the demand of firm service customers.

C- PHASE 2

50. The application of Gaz Métro and the evidence related to Phase 2 will be filed with the Régie in November 2012;

51. In the meantime, Gaz Métro is asking the Régie to reserve its rights in regard to the items that will be covered in Phase 2;

52. This application is well founded in fact and in law.

FOR THESE REASONS, MAY IT PLEASE THE RÉGIE TO:

IN CONNECTION WITH THE INTERLOCUTORY APPLICATION FOR INTERIM RENEWAL OF THE 2011-2012 *CONDITIONS OF SERVICE AND TARIFF*, EFFECTIVE OCTOBER 1, 2012:

ORDER the interim renewal, effective October 1, 2012, of the *Conditions of Service and Tariff* in force during the 2011-2012 year, until a final decision is issued in this case;

IN CONNECTION WITH PHASE 1 OF THIS CASE:

<u>**In regard to the supply plan (Gaz Métro-1, Documents 1 and 3 to 13)**</u>

APPROVE the supply plan including the strategy of transferring the supply structure from Empress to Dawn and the use of the functionalization method approved in Decision D-2011-162 for the 2013 and 2014 rate years;

<u>**In regard to the historical evolution and value of location differentials to Henry Hub futures – follow-up to Decision D-2011-182 (Exhibit Gaz Métro-1, Document 2)**</u>

DECLARE that the information provided in Exhibit Gaz Métro-1, Document 2 is in keeping with the follow-up requested in paragraph 41 of Decision D-2011-182;

<u>**In regard to the determination of costs for LNG sales (Gaz Métro-1, Document 14)**</u>

APPROVE the costs determined by Gaz Métro in relation to LNG sales;

<u>**In regard to the history of purchases at Dawn – follow-up to Decision D-2011-153 (Exhibit Gaz Métro-1, Document 15)**</u>

DECLARE that the historical comparison of purchases at Dawn presented in Exhibit Gaz Métro-1, Document 15, is in keeping with the follow-up requested in paragraph 21 of Decision D-2011-153;

In regard to the multi-point supply project – follow-up to Decision D-2011-164 (Exhibit Gaz Métro-1, Document 16)

DECLARE that the studies and analyses conducted in response to the follow-up on the multi-point delivery project requested by the Régie in Decision D-2011-182, at paragraphs 41 and 42, are satisfactory and that the decision to terminate the said project is justified;

In regard to the financial derivatives program (Exhibit Gaz Métro-2, Document 1)

APPROVE the aggregate volumes that can be protected and the ceiling applicable to fixed price swap contracts, as described in greater detail in Exhibit Gaz Métro-2, Document 1;

In regard to the rate changes related to interruptions (Exhibit Gaz Métro-3, Document 1)

APPROVE the proposed amendments to article 16.4.2.6 of the *Conditions of Service and Tariff* relating to the penalty to be paid by a customer who makes an unauthorized withdrawal;

APPROVE the proposed addition to article 1.3 of the *Conditions of Service and Tariff* relating to the definition of “unauthorized withdrawals”;

APPROVE the proposed addition to article 16.4.6, paragraph 1, and the addition of paragraphs 6 and 7 to the *Conditions of Service and Tariff* relating to the order for carrying out interruptions in the event of operational issues and the various possibilities available to Gaz Métro in the event of unauthorized withdrawals;

In regard to the proposal for a performance indicator for supply tools optimization (Exhibit Gaz Métro-4, Document 1)

APPROVE the performance indicator for supply tools optimization as presented in Exhibit Gaz Métro-4, Document 17;

IN THE ALTERNATIVE

APPROVE, for the 2013 rate year, the renewal of the performance incentive for transportation and load balancing provided for in section 3.2.2 of the incentive mechanism authorized by the Régie in its Decision D-2007-047;

APPROVE projected revenues of $0 for operational transactions and $1,350,008 for financial transactions;

IN CONNECTION WITH PHASE 2 OF THIS CASE:

RESERVE Gaz Métro's rights in respect of the possible filing of an amended application and evidence related to Phase 2.

Montréal, July 6, 2012

(Sgd) Vincent Regnault

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Attachment 6

DECISION

QUÉBEC **RÉGIE DE L'ÉNERGIE**

D-2012-175	**R-3809-2012**	**December 18, 2012**

PRESENT:

Marc Turgeon
Jean-François Viau
Françoise Gagnon
Commissioners

Gaz Métro Limited Partnership
Applicant

and

Stakeholders whose names appear hereinafter

Final decision for the supply plan, the multipoint project, and the strategy for transferring the supply structure from Empress to Dawn

Request for approval for the supply plan and for the modification of Gaz Métro Limited Partnership's* Conditions of Natural Gas Service and Tariff *beginning on October 1, 2012

Stakeholders:

- Industrial Gas User's Association (IGUA)
- Canadian Federation of Independent Business (CFIB) (Quebec chapter)
- Groupe de recherche appliquée en macroécologie (GRAME)
- Option consommateurs (OC)
- Regroupement des organismes environnementaux en énergie (ROEÉ)
- Regroupement national des conseils régionaux de l'environnement du Québec (RNCREQ)
- Stratégies énergétiques and Association québécoise de lutte contre la pollution atmosphérique (S.É./AQLPA).
- TransCanada Energy Ltd. (TCE);
- TransCanada Pipelines Limited (TCPL);
- Union des consommateurs (UC)
- Union of Quebec Municipalities (UMQ)

1. INTRODUCTION

[1] On July 6, 2012, the Gaz Métro Limited Partnership (Gaz Métro or the distributor) *submits to the Régie de l'énergie (the Régie) an application for approval of the supply* plan and the modification of its *Conditions of Natural Gas Service and Tariff* effective October 1, 2012. It proposes to examine this application in two phases.

[2] Phase 1 covers to the following subjects:

- The supply plan for 2013-2015
- The evolution and value of "Futures" of location variations from Henry Hub for various exchange points for natural gas in Northwestern United States
- The purchase records at Dawn
- The multipoint project, and the strategy for transferring the supply structure from Empress to Dawn
- The financial derivative program
- Rate modifications regarding the interruptions
- The performance indicator aimed at optimizing the supply tools.

[3] On September 18, 2012, the Régie transmitted a distinct schedule in conjunction with Phase 1, for examination of the subjects regarding the performance indicator[1], including a subsidiary proposal from the distributor.

[4] On October 11, 2012, Gaz Métro submitted an amended request in which it requested a one-year postponement of the availability of TCPL's additional capacity be taken into account.

[5] The hearing for Phase 1 of the application covered all of its subjects, except for the performance indicator. It occurred over a period of five days, from November 5-9, 2012. The Régie began its deliberation on the subjects reviewed by the hearing on November 9, 2012.

1 Exhibit B-0023.

[6] On November 23, 2012, the Régie rendered its decision D-2012-158 on the distributor's requests regarding the approval of the supply plan for rate year 2013, the financial derivative program, and the rate modifications related to prohibited withdrawals. It also mentioned that all of the other subjects under consideration shall be the subject of a future decision.

[7] This decision pertains to the other subjects considered during deliberations after the hearings in November 2012 such as the supply plan, the multipoint project and the strategy for transferring the supply structure from Empress to Dawn as well as Gaz Métro's objections concerning the admissibility as evidence of the documents submitted by TCPL.

2. CONCLUSIONS SOUGHT

[8]The conclusions sought by Gaz Métro for Phase 1, other than the conclusions regarding the performance indicator, and the elements addressed by decision D-2012-158 are the following:

> "*Regarding the supply plan (Gaz Métro-1, Documents 1, 3 to 13 and 16)*
>
> ***APPROVE*** *the supply plan including the strategy for moving for the supply structure from Empress to Dawn as well as the use of the operation method approved in decision D-2011-162 for rate years 2013, 2014, and 2015*
>
> *In regards to the historical evolution and the "Futures" value for location variations from Henry Hub - follow-up of decision D-2011-182 (Exhibit Gaz Métro-1, Document 2)*
>
> ***DECLARE*** *that the information provided in the Gaz Métro-1, Document 2 Exhibit provides the follow-up requested in Paragraph 41 of Decision D-2011-182*

In regards to the purchase records at Dawn - follow-up of Decision D-2011-153 (Exhibit Gaz Métro-1, Document 15)

***DECLARE** that the historical comparison of purchases at Dawn presented in Exhibit Gaz Métro-1 Document 15 provides the follow-up requested in Paragraph 21 of Decision D-2011-153;*

In regards to the multipoint supply project - follow-up of Decision D-2011-164 (Exhibit Gaz Métro-1, Document 16)

***DECLARE** that the studies and analyses carried out in response to the follow-up requested by the Régie in Decision D-2011-182, in Paragraphs 41 and 42, concerning the multipoint delivery project are satisfactory and that the decision to halt this project is justified*" [Emphasis by Gaz Métro]

3. STRATEGY FOR MOVING THE SUPPLY STRUCTURE TO DAWN

[9] The rate regulations in effect force direct purchase customers to deliver the natural gas that they wish to transport to Québec by Gaz Métro to Empress. In its Decision D-2011-164, the Régie accepted a new method of operation that allowed all customers of Gaz Métro's transportation service to benefit from cost reductions resulting from supply carried out at Dawn rather than from Empress.

[10] In the same decision, the Régie ordered Gaz Métro to add to this application a global solution to the problem of multipoint procurement for customers using direct purchase in order to examine the possibilities for the said customers to deliver their natural gas to more than one delivery point and releasing them from their obligation to deliver to Empress.

3.1 GAZ MÉTRO'S OBJECTIONS REGARDING THE SUBMITTING OF TCPL DOCUMENTS

*[11] The distributor objected to the admissibility as evidence of Exhibits C-TCPL-*0027 to C-TCPL-0045, which consist of documents submitted during a hearing at the National Energy Board (NEB).

[12] At the hearing, TCPL recognized that these documents represent a quick reference used during the cross-examination of the distributor's witnesses, that the goal of the exercise was not to submit proof in the Régie's application[2] and that it did not intend to establish the proof for these documents to the Régie[3].

[13] Considering TCPL's announced intention in regards to the use of these documents, the Régie deemed that there was no valid reason to adjudicate the objection raised by the distributor in this regard.

3.2 GAZ MÉTRO'S POSITION

[14] In response to the Régie's request, Gaz Métro has offered to implement a project to transfer the supply structure from Empress to Dawn: the delivery point for direct purchase customers would henceforth be located at Dawn.

[15] More specifically, Gaz Métro is seeking to release from contract its transportation capacities originating from Empress and replace them by transportation capacities originating from Dawn instead as soon as possible, while maintaining the flexibility of its procurements to meet its customers' daily needs.

[16] Union Gas Limited (Union) and TCPL launched calls to tender targeting new transportation capacities on March 13 and 30, 2012, respectively. Gaz Métro submitted a tender in response to these calls to tender and its tenders were retained.

[17] To justify this transfer, Gaz Métro claims that Dawn is a crossroads where there is an increasing supply of natural gas: many pipelines

2 Exhibit A-0030, pages 81-84.
3 Exhibit A-0050, page 221.

already arrive at Dawn and new pipelines should allow it to receive the gas production from the Marcellus and Utica production sites.

[18] In terms of the procurement at Empress, over the past few years, there has been a decline in gas production in the sedimentary basin in Western Canada, causing the flows in the pipeline connecting Empress to the Eastern Canadian markets to diminish. The increase caused by the "*Firm Transportation Long Haul*" (FTLH) transportation rate causes gas from Western Canada delivered to Dawn to be less competitive and accentuates the decrease in the pipeline's use.

[19] Gaz Métro wishes to decrease its vulnerability in regards to ever-decreasing volumes on FTLH transportation pipelines and resulting in an upwards pressure on the long-distance rate. In 2013, approximately $2{,}600{,}10^6 m^3$ will be sent from Empress to the Gaz Métro territory either by FTLH transport held by Gaz Métro or by exchange. These volumes represent about 46% of the territory's overall needs. Gaz Métro is, for all useful purposes, at the limit of purchases it can currently make at Dawn, due to the carrying capacities between Dawn and GMi-EDA at its disposal.

[20] The carrying capacities, contracted from TCPL and Union pursuant to their respective calls to tender, shall contribute to carrying out the project to transfer the location at which direct purchase customers shall deliver the natural gas they purchase. These additional capacities shall also allow Gaz Métro to increase the share of network gas sales that it purchases from Dawn.

[21] One of Gaz Métro's arguments in favour of this transfer to Dawn is the economic benefits. The price difference between AECO and Dawn has substantially diminished over the past few years and the financial market indicates that this trend will continue with the difference ranging from \$0.40 to \$0.60/GJ over the period from May 2012 to October 2017. TCPL's transport rate for the AECO-Dawn route is currently \$2.44/GJ (\$0.20 for AECO to Empress and \$2.24 between Empress and Dawn). The current financial market indicates that it is more profitable to purchase natural gas directly from Dawn than to purchase it at AECO and to pay the current transportation rate as well as the compression gas.

[22] Gaz Métro is currently invoking the distance argument to justify the transfer from Empress to Dawn.

> "*It always makes more sense to purchase supplies from close to one's franchise rather than from 3,000 kilometres away, whether from an environmental standpoint, or from an economic standpoint; it simply makes better sense.*[4]"

[23] In response to the Régie's questions, Gaz Métro indicates that a transportation contract from Empress limits procurement to Empress or AECO points. On the other hand, by using transportation from Dawn, Gaz Métro or its direct purchase customers have various procurement options, and they may choose whichever offers the lowest price delivered to Montreal. Among these options is Empress[5]. Gaz Métro also confirms that transferring the supply structure to Dawn does not necessarily require that all procurement be done from Dawn.

[24] In response to TCPL's request to the Régie to delay its decision concerning the transfer of the supply structure to Dawn until it has heard the NEB's decision concerning application RH-003-2011 regarding a restructuring of the rates over its network, Gaz Métro states:

> "*It is Gaz Métro's belief that the decision that will be made by the NEB in early two thousand thirteen (2013) will not shed any more light on what we already know here about the information. Gaz Métro's position is that, undeniably, no matter what decisions are made, the advantage of getting our supplies closer to our market will remain.*[6]"

[25] Gaz Métro also indicates that it cannot afford to pass up the opportunity of developing new transportation capacities from Dawn. To act any other way could delay the access to this market by several years.

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4 Exhibit A-0030, page 38.
5 Exhibit A-0042, page 133, lines 18 to
6 25. Exhibit A-0050, page 252.

3.3 POSITION OF THE STAKEHOLDERS

[26] The IGUA supports the project to transfer the supply structure from Empress to Dawn:

> *"You are aware that Dawn is now recognized as a strategic hub in Canada in terms of procurement; it is very liquid and accessible from various supply locations in North America, including, we shall not exclude it, I think Mr. Otis was clear on this subject, from Western Canada.*
>
> *And so this means that, eventually, if TransCanada fixes its current problems with the "long haul" transportation rates and the rates become more competitive due to measures that have not yet been looked at but that could eventually be implemented in the future, Western Canada could once again become a choice supply point while going through Dawn.*
>
> *It is clear, in our opinion, that Dawn offers better selection and flexibility to Gaz Métro and its customers in terms of supply sources, and this allows us, most specifically, to have access to new supply sources from Northeast America, such as the Marcellus production site where production is increasing significantly.*[7]"

[27] In its evidence, the CFIB indicated that it deferred to the Régie. The stakeholder did not participate in the hearing.

[28] OC supports the transfer of the supply structure to Dawn. It invokes the reduction of Gaz Métro's vulnerability as well as its dependence upon TCPL's main network.

[29] S.É./AQLPA supports the project of transferring the main supply point to Dawn in order to serve the customers in the southern region due to the prediction of a decrease in the offer of conventional natural gas available from Empress.

7 Exhibit A-0050, pages 96-97.

[30] S.É./AQLPA believes that in the long term it is more likely that the price of natural gas delivered from Empress to GMi-EDA will even out with the price of natural gas delivered to GMi-EDA from Dawn. Therefore, the advantage of getting supplies at Dawn rests upon the foreseeable decrease in supply available for Gaz Métro from Empress.

[31] According to S.É./AQLPA, the low volumes required for the northern region render possible a diversification that would consist in maintaining procurement at Empress for customers in that area. Supply there would be, according to the stakeholder, less expensive than supply from Dawn-GMi-NDA.

[32] TCPL first of all requested that the matter of transferring to Dawn be processed separately from the supply plan.

[33] Also, TCPL requested the Régie to withhold a decision on Gaz Métro's proposal until it learned of the NEB's decision regarding application RH-003-2011. The NEB must make a decision concerning a restructuring proposal with and in-depth review of the rates for its network. TCPL, indicates that, as mentioned by Gaz Métro in its evidence, the NEB's decision is expected to possibly come in early 2013[8].

[34] TCPL considers that the NEB's decision could cause the savings forecast by Gaz Métro to disappear, as these rely upon hypothetical scenarios:

> *"Thus, according to the benefit of the decision that shall be made in application RH-003-2011, the advantages presented by Gaz Métro favouring the transfer of the supply structure to Dawn, including the estimated savings, all rely in many ways upon hypothetical scenarios. These advantages could simply not even apply once the NEB renders its decision.*
>
> *In order to allow it to conclude that the NEB's decision regarding application RH-003-2011 is, for all practical purposes, useless in its analysis, Gaz Métro presented the Régie with savings that its customers could benefit from based on TransCanada's current interim rates and the rates that it proposed in application RH-003-2011 for the years two thousand twelve (2012) and two thousand thirteen (2013).*

8 Exhibit A-0050, page 205.

[...] *Also, Gaz Métro in its evidence did not take into account the other proposals formulated by stakeholders in application RH-003-2011, including the one that Gaz Métro submitted through MAS, the Market Area Shippers, a group composed of Gaz Métro, Union Gas and Enbridge.*[9]"

[35] TCPL claims that Gaz Métro did not reasonably demonstrate the urgency of adopting, at this stage, the strategy for transferring to Dawn and that this request is premature. TCPL first points out that the transfer would only take place in November 2015. TCPL also alleges the fact that its expansion project was put off for one year removes "*any sense of urgency for the Régie, if there ever was one, to render a decision on very short notice regarding Gaz Métro's decision.*[10]"

[36] According to TCPL, Gaz Métro did not demonstrate any prejudice in regards to this setback or any obligation that it will not be able to meet.

[37] TCPL invokes an argument according to which Gaz Métro is willing to wait for the NEB's decision for certain things, such as the flexibility needs, while at the same time, it does not seem to want to do the same for the major revision of TCPL's rates[11].

[38] TCPL also claims that Gaz Métro's evidence is insufficient to currently justify approving the strategy of transferring to Dawn. In its opinion, it is clear that the Régie must have in its possession the NEB's decision regarding application RH-003-2011 before being able to conclude that the strategy of transferring to Dawn is well-founded[12].

[39] TCPL also argues that Gaz Métro has not presented an analysis that takes into account the upward pressure that a reduction in FTLH's transportation contracts would bring about on TCPL's rates, to the profit of "*Firm Transportation Short Haul*" (FTSH) transportation contracts.

9 Exhibit A-0050, pages 206-211.
10 Exhibit A-0050, page 208.
11 Exhibit A-0050, page 209.
12 Exhibit A-0050, pages 212-213.

[40] TCPL alleges that several issues regarding the terms of transfer to Dawn as well as to other matters, such as the operational flexibility and the possibility of gaining access to other supply points, should be treated at the same time as the approval request for the transfer to Dawn.

[41] Finally, TCPL mentions that this application contains no analysis of the petroleum reserves in Western Canada. Its cross-examination of the IGUA's witness demonstrated that there are considerable reserves of conventional and non-conventional natural gas in Western Canada and that it would be premature to conclude that Western Canada no longer has a place in Gaz Métro's supply portfolio.

[42] The UMQ supports Gaz Métro's proposal.

3.4 THE RÉGIE'S OPINION

[43] The Régie shares the distributor's opinion and deems that remaining with Empress and not acquiring additional carrying capacities for the Dawn-GMi-EDA route would leave the distributor's customers captive of TCPL's FTLH tolls.

[44] The Régie agrees with the IGUA in saying that transferring to Dawn would give Gaz Métro and its customers greater selection and flexibility. As a matter of fact, transferring to Dawn would give access to new supply sources from Northeastern America while continuing to have the possibility of purchasing natural gas from Empress while going through Dawn, if this turned out to be the most economical solution.

[45] The Régie notes that in response to a request for information, the IGUA evaluates, based on rates proposed for 2013 by TCPL, the difference between the FTLH transportation cost for Empress-GMi-EDA and the total FTLH transportation cost for Empress-Dawn and FTSH-GMi-EDA is approximately $0.27/GJ.

[46] Furthermore, the Régie maintains, as mentioned by the IGUA, that transferring the supply structure to Dawn would help save substantial amounts every year. These amounts vary between $88 million and $120 million, based on current rates and those proposed by TCPL[13].

[47] The Régie also recognizes the fundamental logic of preferring a supply station that is close to Gaz Métro's territory over one that is 3,000 kilometres away.

[48] The Régie recognizes that all consumer groups support Gaz Métro's proposal, except for the CFIB, which defers to the Régie.

[49] The Régie deems that the solution of transferring the supply structure to Dawn is advantageous due to its flexibility. It allows Gaz Métro and its customers to take advantage of the savings provided by obtaining supplies from Northeastern America, while maintaining the possibility of making adjustments if needed and making a contract with, for example, Empress, if it is advantageous to do so.

[50] Consequently, the Régie rejects the arguments presented by S.É./AQLPA concerning the supply from Empress for the northern region. In fact, the reasoning provided by S.É./AQLPA rests upon the premises that the natural gas prices delivered to GMi-EDA from Empress and Dawn will even out and that Empress will continue to have sufficient reserves at the same price. If these hypotheses do not hold true, the customers of the northern region will be stuck with the FTLH transportation prices for the TCPL network. The Régie considers that the solution from Dawn offers the most flexibility to adjust to the various contexts that may occur.

[51] In regards to TCPL's proposal to wait for the NEB's decision regarding application RH-003-2011, the Régie notes that this decision will pertain to rates applicable to the TCPL network. It will not modify the intrinsic characteristics of the procurement options from Empress and Dawn for Gaz Métro and its customers. The solution from Empress will continue to keep Gaz Métro and its customers under the FTLH rate and the procurement conditions in Western Canada. On the other hand, the solution from Dawn will continue to offer the advantage of flexibility, including the recourse to supplies from Empress. The strategic nature of the choice to make remains unchanged.

13 Exhibit A-0050, pages 97-98.

[52] The Régie notes that TCPL also presents other arguments, such as the evolution of natural gas reserves in Western Canada and the evolution of the distance-kilometres factor in TCPL's billing. The Régie considers that these arguments are not deciding factors in selecting a fundamental strategy orientation such as transferring the supply structure when the solution chosen provides the flexibility of adjusting to context changes as they come up.

[53] The Régie deems that the arguments presented by TCPL regarding the terms and conditions to be determined due to the transfer of the supply structure are not pertinent. These matters shall be addressed and resolved in due time, and they do not influence the strategic elements of this decision.

[54] **For all of these reasons, the Régie approves of Gaz Métro's proposal to transfer the supply structure from Empress to Dawn, a proposal that is materializing through the tenders submitted by Gaz Métro for the calls for tenders launched in 2012 by Union and TCPL, who retained them.**

4. MOVING THE SUPPLY STRUCTURE TO DAWN – TERMS AND CONDITIONS

[55] Various problems associated with transferring the supply structure to Dawn were raised in this document:

- The "multipoint" proposal presented by Gaz Métro
- The "multipoint" variant presented by IGUA
- The distribution of costs and profits for Gaz Métro's procurement portfolio
- The pricing of charges associated with operational flexibility
- The transition premium and the potential fees for customers who continue to deliver to Empress after November 1, 2015
- The terms and conditions of the advance notice for the distributor's transportation and the assignment of the carrying capacity held by the distributor.

4.1 MULTIPOINT PROPOSAL

4.1.1 GAZ MÉTRO'S PROPOSAL

[56] Gaz Métro proposes not to implement a multipoint delivery system for direct purchase customers and to replace Empress' current delivery point by Dawn.

[57] Gaz Métro justifies this orientation by the complexity that would inevitably result from having many delivery points without changing the total cost for customers[14].

[58] In regards to the decision to go with Dawn as the only delivery point, Gaz Métro mentions that several pipelines already go to this point and give access to many basins in North America, which provides diversity in procurement with a large number of service providers[15].

4.1.2 STAKEHOLDERS' POSITION

[59] All consumer groups support the change in delivery points from Empress to Dawn for direct purchase customers, except for the CFIB, which defers to the Régie.

4.1.3 THE RÉGIE'S OPINION

[60] The Régie notes that Gaz Métro's proposal to replace the Empress delivery point by Dawn is a simple solution, which allows direct purchase customers to diversify their delivery points if they so desire, so long as they deliver the natural gas that they require to Dawn from the various delivery points that go through this point.

14 Exhibit B-0034, page 32.
15 Exhibit B-0034, page 33.

[61] The Régie deems that the decision to select Dawn as the only delivery point is justified The previous section regarding the transfer of the supply structure fully dealt with this subject.

[62] **For these reasons, the Régie retains Gaz Métro's proposal to not offer multipoint delivery service to direct purchase customers.**

4.2 "MULTIPOINT" VARIANT PROPOSED BY THE IGUA

4.2.1 THE IGUA'S POSITION

[63] The IGUA's proposal is for direct purchase customers to be able to deliver, for a minimum of one year, to points other than Dawn located on the route between Dawn and GMi-EDA, such as Kirkwall, North Bay Junction and Parkway. These customers would still pay the same transportation rate as other customers.

4.2.2 GAZ MÉTRO'S POSITION

[64] Gaz Métro indicates that these transactions currently could not take place on a firm basis, except at Parkway insomuch as it maintains contracts for which the receipt point is Parkway, taking into account the rules applicable for the TCPL network.

[65] Gaz Métro is opposed to this proposal, due to the potential situation where the rules applying to the TCPL network would be modified and these transactions could not be carried out on a firm basis. Gaz Métro invokes reasons of equity toward its gas network customers.

[66] Gaz Métro clarifies its position in the following manner:

> "*We see it is a matter of equity when there is an opportunity to save money by moving a supply point to a specific location. The big question is, should one customer benefit from it, or should all the customers?*

When Gaz Métro does it with network gas, what we do is we redistribute the savings incurred to all of our customers.

[...]

Therefore, when such an opportunity comes about through the transportation tools controlled by Gaz Métro, the question that we must ask ourselves is: Should this opportunity be placed at the disposal of only one customer, or should it be captured, if possible, by Gaz Métro, who would then redistribute it to all its customers.[16]"

[67] The IGUA's witness recognized in the cross-examination that modifications needed to be made to TCPL's tolls in order to operationalize the delivery to North Bay Junction or Kirkwall. He also admitted that the IGUA's proposal carried with it some equity problems, except for perhaps North Bay Junction[17].

4.2.3 The Régie's Opinion

[68] The Régie notes first of all that Parkway is the only receipt point on the Dawn-GMi-EDA route that could be used under the terms of the current TCPL tolls.

[69] The Régie considers that Gaz Métro's argument, that any profit made from transportation tools controlled by Gaz Métro should be shared by all its customers using Gaz Métro's transportation service, is very persuasive. To act any other way would be to risk causing an equity problem between the network gas customers and the direct purchase customers.

[70] However the Régie is aware of the IGUA's argument regarding the North Bay point, which would not be affected by the matter of equity. Consequently, in the event where this delivery point would become accessible to Gaz Métro, including its transportation tools on a firm basis in terms of the TCPL's tolls, the Régie would be willing to re-examine the IGUA's proposal for this delivery point.

16 Exhibit A-0042, pages 187-188.
17 Exhibit A-0046, pages 212-213.

[71] On these grounds and subject to the preceding, the Régie rejects the IGUA's proposal.

4.3 DISTRIBUTION OF COSTS AND PROFITS OF GAZ MÉTRO'S SUPPLY PORTFOLIO

[72] During the latest rate application, the Régie temporarily accepted the implementation of a rate rebate applicable to the transportation rate in order to cause direct purchase customers to benefit from savings made thanks to purchases made at Dawn, even though their natural gas is delivered to Empress[18]. This decision is the result of a new operating method for the cost of purchases at Dawn.

[73] According to Gaz Métro, the regulations in effect help maintain equity among the various customer categories, due to:

- The supply price evaluated at Empress
- The transfer of costs of the supply service toward balancing
- The evaluation of an average transportation rate.

[74] These mechanisms thus allow network gas customers and direct purchase customers to be treated equally. These two customer categories pay their natural gas at Empress' price and pay the same average transportation rate.

[75] The Régie asked Gaz Métro and the IGUA the following question:

"*Hypothetically, if Gaz Métro were to sign a contract for transportation from Iroquois or Niagara and this solution would turn out to be more economical than Dawn, should the decrease in supply costs, according to Gaz Métro, be distributed between network gas customers and direct purchase customers?*[19]"

18 Application R-3752-2011, decision D-2011-164.

19 Exhibit B-0094, page 7.

4.3.1 GAZ MÉTRO'S POSITION

[76] The supply structure defined by Gaz Métro is implemented to serve all of its customers. If a structure modification causes an increase or decrease of total costs, the variations would then be shared by all of the customers using the distributor's transportation service.

[77] The operating method for these purchases between supply, compression, transportation, and balancing services allows the savings made to be imputed against the transportation and balancing services, consequently reducing the energy bill for all the customers using the distributor's transportation service.

4.3.2 THE IGUA'S POSITION

[78] The costs and savings for supplies delivered in franchise and made by Gaz Métro would only benefit customers using network gas. The same would occur if additional costs were incurred by Gaz Métro.

[79] The IGUA recognizes that there may be situations where the market does not have sufficient Dawn-GMi-EDA capacities, for example, to face a sudden increase in demand, and that Gaz Métro would then incur additional costs. In the event of constraints, the IGUA agrees that it would be best to share the costs between all customers of the transportation service.

4.3.3 THE RÉGIE'S OPINION

[80] The Régie considers that Gaz Métro's approach allows it to distribute costs and profits resulting from the transportation tool portfolio among all the transportation service customers every year.

[81] This approach is also in compliance with the principle expressed in Paragraph 69 of this decision, which is that any cost/profit resulting from transportation tools controlled by Gaz Métro should be shared by all of Gaz Métro's transportation service customers.

[82] The Régie considers that this approach has already been tested since it is the underlying principle of the operating method that is currently in effect. Furthermore, the Régie deems that this approach is much simpler to apply and more equitable for all the customers using the distributor's transportation service. However, the Régie deems that such an approach requires that the distributor adopt a dynamic management of its supply portfolio and that it seizes any opportunities that come up in order to allow all customers using the distributor's transportation service to benefit from them.

[83] **For these reasons, the Régie retains Gaz Métro's interpretation regarding the distribution of costs and profits of its supply portfolio.**

[84] **Furthermore, the Régie takes note of Gaz Métro's commitment to present, in the 2014 rate application, a new operating method for purchases that will come into effect on November 1, 2015. The Régie requests that this method rest upon the principle expressed in this section regarding the manner in which costs and profits from Gaz Métro's supply portfolio are distributed.**

[85] **Finally, until November 1, 2015, the Régie maintains the current operating method in place.**

4.4 PRICING OF RATES ASSOCIATED WITH OPERATIONAL FLEXIBILITY

[86] Each type of contract with TCPL has its special features and prerequisites which influence the operational management of all the tools controlled by Gaz Métro.

[87] The main special feature is the flexibility of daily contracts through the nomination windows available with each of these contracts:

> *"The FTI (Firm Transportation Injection) service is a condition included in the FTLH contract which allows Gaz Métro to redirect Empress' natural gas to Parkway so that it can then be delivered to Dawn rather than being delivered to GMI, mainly in the summer. The possibility of using FTI is a result of having STS contracts. The main historical management principle for these capacities was*

the following: to extract natural gas from the storage site and use Parkway's STS (Storage Transportation Service) transportation to GMI, the site must have been injected with Empress' FTI to Parkway during the previous summer. The FTI service is mainly used in the summer to regulate supply, while the STS is mainly used in the winter.[20]"

[88] The transfer of the supply structure could cause Gaz Métro to review the manner in which it ensures it has the necessary flexibility tools at its disposal. Maintaining this flexibility could result in additional costs.

[89] Currently, the cost of operating flexibility is difficult to disassociate from the cost of certain tools, such as the STS (*Storage Transportation Service*) which is considered to be a balancing tool, since it is not identified as such.

4.4.1 Stakeholders' Position

[90] The CFIB proposes to have all customers pay for any costs associated with the operational flexibility required by Gaz Métro.

[91] The IGUA supports this proposal, with the hope that these fees are temporary.

4.4.2 Gaz Métro's Position

[92] Gaz Métro considers that these costs should be covered by all customers[21].

4.4.3 The Régie's Opinion

[93] Until now, the cost of operational flexibility tools could not be disassociated from the cost of transportation and balancing tools. **The Régie agrees with the CFIB's proposal and requests that Gaz Métro presents,**

20 Exhibit B-0070, page 37.
21 Exhibit B-0042, page 179.

for the 2015 rate application at the latest, a proposal for spreading the operating flexibility and distribution costs among all customers as well as a proposal for the pricing of these costs.

4.5 TRANSITION PREMIUM AND POTENTIAL CHARGES FOR CUSTOMERS WHO WILL CONTINUE TO DELIVER TO EMPRESS AFTER NOVEMBER 1, 2015

4.5.1 GAZ MÉTRO'S POSITION

[94] Gaz Métro indicates that transferring the delivery point from Empress to Dawn will cause the implementation of transitory measures for customers whose natural gas contracts will expire after November 1, 2015.

[95] One of the measures considered by Gaz Métro in this matter is a transition premium that would cause consumers to be indifferent to the idea of transferring their purchases to Dawn. In fact, after November 1, 2015, customers who are bound by their natural gas contracts to stay with Empress would be clearly better off without this transition fee, because they would have to pay the molecule price to Empress (which is lower than Dawn's molecule cost) and a transportation rate that would likely be equal to the Dawn-GMi-EDA transportation cost[22]. The transition premium would bring the supply and transportation costs back down to the cost of Dawn's supplies, even if their supplies are still delivered to Empress.

[96] If a customer continues to deliver to Empress after November 1, 2015, Gaz Métro could have to incur costs that are otherwise not required to send this customer's natural gas to Dawn. These costs would be closer to the price differential between Empress and Dawn[23]. Furthermore, these costs could otherwise be required if the operating flexibility constraint causes Gaz Métro to keep a transportation amount at Empress that is at least equal to the transportation amount required to transport these customers' natural gas to Dawn.

22 Exhibit B-0094, page 6, Table 2 and Exhibit B-0042, page 151, lines 1 to 17.

23 Exhibit A-0042, page 152, lines 10 to 25 and page 153, lines 1 to 5.

[97] Gaz Métro considers that the transition premium should also reflect, if applicable, the costs that are otherwise not required to send the natural gas to Dawn for customers whose current supply contracts force them to deliver Empress after November 1, 2015,

[98] Gaz Métro mentions that it will no longer offer its transportation service to customers with contracts expiring before November 1, 2015, and who renew supply contracts to Empress for a period going beyond November 1, 2015:

> "*Regarding direct purchase customers, Gaz Métro will have to obtain the expiration dates of contracts that are already in place or of commitments already made with suppliers. This information will be mainly required in order to know the level of carrying capacities that will be required to go between Empress and Dawn in order to meet customer commitments, and it will also allow Gaz Métro to have some measure of control over commitments between customers and suppliers that will come to term and that must be transferred to Dawn.*
>
> *When the contracts between customers and suppliers expire, Gaz Métro will not allow these customers to continue delivering to Empress. If such is a customer's desire, he will have to provide his own transportation service and deliver his natural gas directly into Gaz Métro's territory.*[24]"

[99] No stakeholder has expressed an opinion on this matter.

4.5.2 The Régie's Opinion

[100] **In order to maintain fairness among all of its customers, the Régie orders Gaz Métro to apply a transition premium to customers who continue to deliver to Empress after November 1, 2015 because their natural gas contracts have not yet expired. In other cases, the Régie orders the distributor to no longer offer the FTLH transportation service to customers after November 1, 2015.**

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24 Exhibit B-0037, page 38.

[101] Once again, for equity reasons, the Régie shares Gaz Métro's opinion in that this transition premium must have a double effect, namely:

- To bring the supply and transportation costs back down to the cost of Dawn's supplies, even if their supplies are still delivered to Empress
- To make them responsible for any cost, which would otherwise not be required, to direct their natural gas from Empress to Dawn, which will cause the supply and transportation costs for these customers to be the same as Empress'.

[102] **In order to communicate this as quickly as possible to the customers who will eventually be affected by the rules governing the transfer of the delivery point for direct purchase customers from Empress to Dawn, the Régie requests that Gaz Métro present, in its next rate application, the specific terms of this transition premium and the modifications to be made to the *Conditions of Natural Gas Service and Tariff* text, while taking into account the orientations previously mentioned.**

4.6 TERMS AND CONDITIONS RELATED TO THE ADVANCE NOTICE OF THE DECOMMISSIONING OF THE DISTRIBUTOR'S TRANSPORTATION AND THE ASSIGNMENT OF THE CARRYING CAPACITY HELD BY THE DISTRIBUTOR

4.6.1 GAZ MÉTRO'S POSITION

[103] Gaz Métro indicates that the terms and conditions for the advance notice of the decommissioning of the distributor's transportation and for the carrying capacity held by the distributor should be reviewed in conjunction with the project of transferring the supply structure to Dawn.

[104] Due to the commitments made by Gaz Métro that will come into effect on November 1, 2015, and due to the fact that a customer could immediately request to provide his own transportation, the Régie asked Gaz Métro how it was going to deal with this situation in the short term. Gaz Métro indicates that it does not expect many customers to follow this procedure, because the market does not have a high capacity for short distance transportation..

[105] Gaz Métro also contends that it still has flexibility to increase or decrease its capacities[25].

[106] Finally, Gaz Métro specifies that it cannot deal with this matter in Phase 2 of this application and that the subject will probably be addressed in the next rate application.

4.6.2 The Régie's Opinion

[107] The Régie retains Gaz Métro's position in which it cannot process the terms and conditions regarding the advance notice of the decommissioning of the distributor's transportation and the assignment of the carrying capacity it holds in Phase 2 of this application. Consequently, the Régie orders Gaz Métro to make a proposal for the new terms and conditions regarding the advance notice and the assignment of the carrying capacity held by the distributor in the next rate application.

5. SUPPLY PLAN

5.1 TRANSACTION EXCHANGE OF 82,000 GJ/DAY

5.1.1 Gaz Métro's Position

[108] On June 26, 2012, Gaz Métro signed an exchange contract for the Dawn-GMi-EDA route with a third party for a 10-year duration, effective November 1, 2013.
This transaction allows 82,000 GJ/day to be sent to GMi-EDA, which is approximately 14% of consumption volumes for the distributor's territory.

[25] Exhibit B-0042, page 147, lines 19 to 21.

[109] Gaz Métro explains the context of the transaction:

"The due date to submit a tender for these calls to tender, including the offer for the secondary market, was May 4, 2012.

In spite of the fact that these various offers came into effect after the date originally set for the implementation of the new supply strategy, Gaz Métro could not afford to let these opportunities pass by, due to the important gains to be made by the customers affected by them. It therefore made many analyses forecasting the demand for supply for 2013-2015 as well as the transportation contracts already in place in order to establish its strategy and to submit its proposal to Gaz Métro's Board of Directors.

Gaz Métro's first decision was to sign the exchange contract between Dawn and GMI EDA on the secondary market for a quantity of 82,000 GJ/day (2.164x10³m³/day), effective November 1 2013, for a 10-year duration.[26]"

[110] In response to a request for information by the Régie, Gaz Métro supplied the following additional information:

"The initial discussions with the counterparty pertained to the possibility of delivering supplies to GMi-EDA in accordance with a structure from Niagara.

[...]

However, Gaz Métro concluded that it could not commit to a purchase of network gas on an annual basis of this size on a long-term basis. In fact, network gas is purchased in preponderance during the winter in order to reduce storage needs. Although Gaz Métro plans to purchase an amount of network gas similar to the amount covered by the transaction for a normal year, such a supply signed in advance could create a situation of surplus in the event of a year that is warmer than usual.[27]"

26 Exhibit B-0070, page 46.
27 Exhibit A-0094, pages 1-2.

[111] When questioned on this matter by the Régie during a hearing, Gaz Métro declared that it had not considered a smaller transaction or a transaction with many phases. When invited to explain the reasons for this, the witness invoked the short time frame.

> *"Honestly, the idea of putting this transaction together, to divide it into several methods, never came to our minds. We tried to come up with at least one working method that would allow us to secure savings for all of our customers.*[28]*"*

[112] Gaz Métro indicates that it must consider possible migrations between network gas and direct purchasing over the period of the agreement and that it would be unwise to commit to purchasing such quantities for the supply of network gas at Niagara[29].

[113] Gaz Métro alleges that purchasing network gas at Niagara would also concentrate a large part of molecule purchases with one supplier[30].

[114] The following answer presents the most economical analysis, according to Gaz Métro, justifying the selection of a supplier at Dawn's price plus transportation to GMi-EDA compared to the cost of procurement from imported natural gas going through Niagara plus transportation to Montreal.

> *"The transportation rate with TCPL between Niagara and the GMI EDA area is $0.5921/GJ while the combined Union/TCPL transportation price for shipping between Dawn – Parkway and Parkway – GMI EDA is $0.5745/GJ. The price of compression gas required is currently lower for the Niagara – GMI EDA segment than for the other segment. The actual impact of compression gas will therefore depend on the future price of natural gas and on the calculation of the amount of compression gas required for Union and TCPL transportation systems. The overall transportation costs, however, are similar from both points.*

28 Exhibit A-0042, pages 210-211.
29 Exhibit B-0094, page 2.
30 Exhibit B-0094, page 2.

> *The molecule price at the Niagara point historically came from Canada. The Niagara molecule thus was more expensive than that of Dawn. The introduction of procurement from the United States should thus modify this dynamic. Gaz Métro believes that the pricing structure agreed upon with the counterparty adequately reflects this market dynamic.*[31]"

[115] When questioned during a hearing, Gaz Métro admitted that, based on "futures" and taking transportation costs into account, the cost of natural gas delivered to GMi-EDA from Niagara would be less expensive than that which is delivered from Dawn. Gaz Métro nevertheless indicated that this was not certain[32].

[116] Gaz Métro claims that it does not know about the flow over the past few years of the 10 pipelines that feed into Dawn. It also admits that it does not know about the physical installations required to send natural gas from Marcellus to Dawn[33]. When questioned to know if it had evaluated the risk of having a higher price difference between Niagara and Dawn, the distributor gave the following answer:

> "*Well, listen, once again, Gaz Métro does not make any price predictions. We look at what the market is forecasting. And so what you see in terms of price differences in the curves is based on the market forecasts for these various points, and this is the result.*
>
> *So, does Gaz Métro know everything that is going on in the market? Of course not, we don't know. We will never know. We haven't even made any forecasts for these points, we do not deal with Niagara. The structure we implemented is not a structure that begins in Niagara. You may ask me these questions concerning any geographical location: "Why didn't you try to implement a structure beginning in Chicago? Why not from Boston?"*
>
> [...]

31 Exhibit B-0094, page 2.
32 Exhibit B-0042, page 219.
33 Exhibit B-0093, page 14.

With that being said, Gaz Métro will not second-guess the market as to what the price will be at a certain geographic location. We go into the market, and we ask people "in your opinion, what are the price expectations?" and we see what kind of results we get. Once again, will these differences reflect reality? We will only know in two thousand sixteen (2016) what the prices were in two thousand fifteen (2015).[34]"

[117] In its argument, Gaz Métro summarizes its position as follows:

"*The matter of knowing if the decision to proceed at this exchange transaction was correct from a financial standpoint was raised during hearings.*

[...]

As for me, in the evidence, it is not disputed that the exchange transaction has helped saved a substantial amount for our customers. Specifically, this amount is twenty-two point three million ($22.3 million) in two thousand fourteen (2014), and twenty-three point eight million ($23.8 million) in two thousand fifteen (2015).

Furthermore, the price of the transaction, which was... - This price was disclosed in confidence. You have this information in your hands. - Proves that Gaz Métro took advantage of the market opportunities, to the full advantage of the customers. I also will reiterate that Gaz Métro does not benefit from this transaction.[35]"

5.1.2 The IGUA's Position

[118] The IGUA did not directly address the issue of the exchange transaction of 82,000 GJ/day. However, it presented various information and concerns regarding procurement at Dawn.

[119] In regards to the price comparison for natural gas delivered to Montreal from Niagara and Dawn, the IGUA indicates the following:

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34 Exhibit A-0042, pages 227-229.
35 Exhibit A-0050, page 14.

"According to transportation costs, it could be expected that the price from Niagara would be approximately $0.06/GJ, which is lower than Dawn's price.

- *The Niagara-Kirkwall TCPL price proposed for 2013 is approximately $0.13/GJ.*
- *The price for Union Gas Dawn – Kirkwall is currently $0.065/GJ.*

In fact, when one observes the regional price curves supplied by Gaz Métro (Niagara) and the price curve for Dawn, one notices a difference of approximately $0.05/GJ in May 2015 between Dawn and Niagara, which is relatively similar to the difference in transportation costs. Thus, a supply solution at Dawn is equivalent to one at Niagara.

The price curve for Dawn probably presumes that new transportation infrastructures will connect the Marcellus/Utica and Dawn productions. If these infrastructures are delayed and TCPL is late in introducing competitive long haul prices and innovative products, the Niagara supplier will be in a position to request a premium for his Niagara/GMI EDA service.[36]"

[120] In regards to the outlooks for the supply situation at Dawn, the IGUA presents the following observations:

"In this scenario, two of the ten gas pipelines feeding into Dawn are no longer interesting – TCPL Dawn and TCPL Parkway. Furthermore, two of the other gas pipelines are connected to the underground storage exits and these represent very large quantities. Only Vector and a few small gas pipelines remain to supply the current request at Dawn. Hence the IGUA's concerns, as expressed in its evidence.[37]"

[121] Finally, the IGUA expresses its appreciation for the various supply perspectives by importing natural gas from Marcellus to Niagara:

"I'm taking the third pipeline, the Kirkwall TCPL. And this is for importing natural gas from Niagara or Chippewa. For now, its capacity is approximately four hundred terajoules (400 TJ/day) per day, and it is currently dedicated to the Ontario market. And to unlock additional capacities, because we know that in the US, there are several projects to provide for Niagara and Chippewa

36 Exhibit C-ACIG-0010, page 7.
37 Exhibit C-ACIG-0010, page 6.

from Marcellus' production, but in order to unlock most capacities, ten (10) year contracts will be required to unlock such a capacity.[38]"

5.2 THE RÉGIE'S OPINION

5.2.1 EXCHANGE TRANSACTION OF 82,000 GJ/DAY

[122] The Régie finds that the exchange transaction of 82,000 GJ/day is important. It is set over a period of 10 years and can send a volume of natural gas to GMi-EDA evaluated by the Régie to be approximately 14% of the annual needs of the territory served by Gaz Métro.

[123] The Régie, in order to ensure that the supply plan is maximized, must be able to evaluate the proposal retained by Gaz Métro in regards to possible alternative solutions.

[124] In the case of this transaction, it was established that natural gas would be imported to Niagara and that the transaction could have been in the form of procurement from Niagara.

[125] Gaz Métro affirms that such an agreement would create a situation where there would be a supply surplus in the event of a year that is warmer than usual. The Régie notes that when the distributor's supply came mainly from Empress for network gas, there was a surplus of FTLH transportation during years that were warmer than usual, which the distributor sold on the secondary market. The Régie observes that Gaz Métro has not given any details as to the size of this surplus, or of the potential financial consequences of such a surplus. This information could have allowed the Régie to appreciate the practical relevance of this constraint.

38 Exhibit B-0046, page 192.

[126] The distributor also describes the possibility of migration for the network gas service volumes toward direct purchasing. The distributor indicates that there has not been this type of significant migrations over the last few years when the network gas price was significantly higher than the direct purchase gas. The Régie observes that the distributor gave no evidence regarding the size of potential future migrations, considering the current level of network gas sales and the current considerable price difference between network gas and direct purchase gas.

[127] The Régie must come to the conclusion that the distributor has not considered a smaller transaction or one that contains several sections.

[128] The Régie rejects Gaz Métro's argument that purchasing from Niagara would concentrate a large portion of molecule purchases with one supplier. The exchange transaction, as presented by Gaz Métro, produces the same result: natural gas delivered to GMi-EDA comes from only one supplier.

[129] The Régie notes that, based on the IGUA's analysis of "Future" prices and on transportation rates, the price of natural gas delivered to GMi-EDA from Niagara would be slightly less than the price of natural gas delivered to GMi-EDA from Dawn, even when taking into account the exchange transaction price.

[130] The Régie understands from Gaz Métro's evidence that the installations required in the United States to supply Niagara and Chippawa as well as the installations required in Canada from Niagara to Parkway have been completed or are in the process[39].

[131] The Régie notes that Gaz Métro did not have the information concerning the flow over the last years for the 10 pipelines currently feeding into Dawn, nor does it have the forecasts for the upcoming years.

[132] The Régie is sensitive to the concerns raised by the IGUA regarding the price differences that could occur if the completion installations that will send the gas from Marcellus and Utica to Dawn were to be delayed.

39 Exhibit B-0062, page 19, lines 19 to 31.

[133] The Régie observes that the distributor did not carry out any risk studies concerning the price difference between Niagara and Dawn or any other risk and sensitivity studies.

[134] Furthermore, the Régie considers that the possible diversification of supply sources is also a fundamental aspect that was ignored in the evaluation of alternatives.

[135] The Régie is concerned by the fact that the distributor did not consider that procurement from Niagara was a serious alternative to procurement from Dawn nor that risk studies were required for such a transaction:

> *"I would say that it is a fair affirmation within a structure based on a Niagara price, but that is not what we have established. Thus, since what we have concluded with the counterparty is a price for an exchange contract between Dawn and the franchise, the pricing structure at Niagara and the market dynamics at Niagara are not important at that level.*[40]"

[136] The Régie reiterates that apart from the principle of healthy management which requires an analysis of alternatives and of risk analyses during important decisions, the Regulation regarding the contents and frequency of the supply plan mentions in Article 1 that:

> *"The supply plan that any holder of exclusive natural gas rights must prepare and submit for the Régie of Energy's approval must contain the following information:*
>
> [...]
>
> *3° The holder's objectives as well as the strategy that it plans to implement* [...] *concerning additional supplies required as identified in Sub-paragraph C of Paragraph 2°, and the characteristics of contracts that it expects to conclude, by defining, amongst other things:*
>
> *a) The various products, tools, or measures planned*
>
> *b) The risks resulting from the choice of supply sources*

40 Exhibit A-0042, page 222.

c) The measures that it hopes to take to reduce the impact of risks
[…][41]"

[137] *The Régie considers that these expectations applicable to supply plans become the* absolute minimum requirements when it comes to presenting a contract for which the characteristics and risks have not been the object of prior discussions in the application dealing with the supply plan.

[138] The Régie notes that Gaz Métro is seeking to decrease its vulnerability through a transaction carried out at a very liquid point. Nevertheless, the Régie considers that there was more than one solution to reduce the vulnerability caused by receiving supplies from Empress and that the problem was not limited to a decision between Empress and Dawn as in the case of tenders presented to TCPL and Union.

[139] The analysis of the problem of choosing between Empress and Dawn demonstrates that the Dawn solution dominates the Empress solution in that it is the solution that is currently considered to be the most flexible and economical. The characteristic considerably lightens the burden of the evidence associated with risk analyses. It is in this context that the Régie was satisfied, in the case of tenders accepted by TCPL and Union, by the evidence that these transactions help forecast cost reductions without running any major risks.

[140] The Régie is not in a position to voice an opinion as to which transaction is most profitable, and it has no reason to do so either. However, based on the evidence of the application and for all of the aforementioned reasons, the Régie concludes that the decision regarding the conclusion of an exchange contract of 82,000 GJ/day was not made carefully.

[141] During the conclusion of an important transaction, the Régie expects alternate solutions to be identified and complete profitability studies to be completed. The advantages and risks associated with these various alternative solutions should be discussed, analyzed, and evaluated.

41 (2001) 133 G.O. II, 6038.

[142] Consequently, the Régie orders the distributor to submit a follow-up report for this transaction for the next ten years as part of the annual report examination. This follow-up report shall contain the following information:

- **The index of prices at Dawn and Niagara as well as the difference between these two indexes**
- **The unit cost of transportation for the Dawn-GMi-EDA segment**
- **The unit cost of transportation for the Niagara-GMi-EDA segment**
- **The unit cost of compression gas for these two transportation segments**
- **The total unit cost for supplies, transportation, and compression for each of these points, as well as the difference in costs between these points**
- **The difference in total cost for these two points evaluated on the contractual amount, which is 82,000 GJ/day.**

5.2.2 MARKET PERSPECTIVES AT DAWN

[143] The Régie notes that Gaz Métro was not in a position to respond to a request for information formulated by the IGUA: *Compare the capacity for these ten gas pipelines to deliver to Dawn to the historical quantities (2009, 2010 and 2011) delivered to Dawn by these ten pipelines.*

[144] Within the context of the transfer of the supply structure to Dawn and the flexibility resulting from it, the Régie considers that it is useful to illustrate, for the benefit of the stakeholders and that of the Régie, the perspectives of supply at Dawn over the next few years and their potential impact on annual supply plans.

[145] In this perspective, the Régie orders the distributor to present, in the next rate application, an external summary study containing:

- **The delivery capacity of the ten gas pipelines feeding into Dawn for the next few years and a comparison to the real quantities delivered in 2009, 2010, 2011 and 2012**
- **The delivery capacity shall take into account the availability at competitive prices.**
- **A follow-up of the development of projects connecting the production from Marcellus and Utica to Dawn.**

[146] Furthermore, the distributor shall take this study into account when establishing its supply plan for 2014-2017.

5.2.3 Supply Contracts Near Production Sources

[147] Furthermore, the Régie notes that the distributor does not seem to expect to sign long-term supply contracts nearer to the production sites. It instead suggests trusting market strengths[42].

[148] The Régie considers that the distributor has not yet presented any convincing arguments in this regard. The Régie deems that there is no reason to set aside the idea of contracts near production sources. This type of solution could secure more supply in an importing context. It is somewhat similar to the strategy used by several American buyers of Canadian natural gas[43]. This type of solution could also, depending on the price index retained, turn out to be more interesting or at least provide healthy diversity to the distributor's contract portfolio.

[149] Consequently, the Régie orders Gaz Métro to consider this alternative and to report on this in the next supply plans. It is open, if necessary, to express its opinion quickly concerning possible large-scale commercial proposals.

42 Exhibit B-0039, page 7.
43 Exhibit B-0008, page 4.

5.3 DIVERSIFICATION OF INDEXES FOR ADVANCE PURCHASES AT DAWN

5.3.1 GAZ MÉTRO'S POSITION

[150] In decision D-2011-153 pursuant to the 2012 rate application, the Régie requested Gaz Métro to "*proceed with a significant diversification of indexes on which the natural gas transactions could be based and to adjust the financial products program in consequence.*[44]"

[151] In its request in this application, Gaz Métro indicates that the use of the AECO index will be reviewed during the transfer of the supply structure to Dawn. At that time, Gaz Métro will evaluate if this index or another index, such as Nymex or Dawn, would be more appropriate when setting the natural gas prices contracted in advance. The analysis of this item shall also take into account the derivative financial product program and it shall adapt it to reflect any modifications, if necessary[45].

[152] In response to one of the Régie's questions, Gaz Métro affirms that the operating method is not an obstacle for the use of indexes other than AECO for the purchase of natural gas from Dawn[46].

[153] In response to another of the Régie's questions, namely, whether it will be possible to present a concrete strategy in the 2014 rate application, the distributor gives the following answer:

> "*Gaz Métro deems that so long as the distributor's supply price is evaluated at Empress, there is no reason to modify the use of the AECO index.*
>
> *As mentioned in the exhibits, Gaz Métro shall analyze this aspect of the use of indexes, as well as the impact on the financial derivative program, in conjunction with the project of transferring the supply structure to Dawn.*

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44 Decision D-2011-153, Application R-3752-2011, page 6, Paragraph19.
45 Exhibit B-0020, page 48.
46 Exhibit B-0037, page 13.

In the 2014 Rate Case, a progress report on the various reflections shall be presented to the Régie, including the aspects regarding the supply price.[47]"

[154] Furthermore, in Decision D-2011-153, the Régie also requested the distributor to present a comparison of monthly prices at Dawn and monthly prices of Gaz Métro's purchases carried out at Dawn for each of the last five years available.

[155] This comparison demonstrates that the price of purchases, according to the AECO index, made by Gaz Métro have been often higher that the Dawn index since November 2009. In fact, the difference over the period spanning November 2009 - August 2011 was approximately $17 million.

[156] In response to a question by the Régie asking if the cost difference assumed by the customers was sufficient reason to proceed as quickly as possible with a diversification of indexes on which the natural gas purchases at Dawn are based, the witness concurred with the distributor's position: Gaz Métro deems that so long as the distributor's supply price is evaluated at Empress, there is no reason to modify the use of the AECO index.

[157] Among the other reasons invoked, Gaz Métro claims that there is already a certain measure of diversity, since it regularly purchases natural gas on the spot market at Dawn's price[48].

5.3.2 THE RÉGIE'S OPINION

[158] When the Régie rendered its decision regarding the 2012 rate application, it implicitly granted a certain latitude to the distributor to act by not imposing a specific completion schedule for the diversification of indexes or a minimum percentage for such a diversification.

[159] However, the Régie finds that Gaz Métro has not yet followed up on this decision.

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47 Exhibit B-0071, page 14.
48 Exhibit B-0042, page 206.

[160] The distributor established that the operating method did not constitute an obstacle to the use of indexes other than the AECO index.

[161] Furthermore, the Régie considers that the comparison of Gaz Métro's purchase prices based on the AECO index to the Dawn index since November 2009 indicates that there is no reason to keep using the AECO index for 100% of purchases made with the index. To the contrary, the Régie instead believes that it is urgent to begin significantly diversifying.

[162] The Régie also notes that Gaz Métro could have made this observation itself as early as October 2011, which was the moment when the Régie's decision was given.

[163] The Régie rejects Gaz Métro's argument, claiming that spot sales constitute a diversification that complies with the spirit of decision D-2011-153.

[164] The Régie also rejects Gaz Métro's argument claiming that it would be preferable to wait to use Dawn more before acting. The Régie stresses that there is expected to be an 85% proportion of network gas that will be purchased at Dawn in 2013.

[165] **For all these reasons, the Régie orders Gaz Métro to submit, in the next rate application, a full diversification strategy of indexes on which the advance purchases from Dawn are made. The Régie considers that this diversity must be created as quickly as possible. Consequently, this strategy shall allow the first significant diversification step to be completed in the fall of 2013, and these indexes shall be used by Gaz Métro to carry out advance purchases at Dawn.**

5.4 ENTRY AND EXIT CONDITIONS FOR NETWORK GAS

5.4.1 GAZ MÉTRO'S POSITION

[166] In response to one of the Régie's questions, Gaz Métro presented a table indicating the changes in volumes and the number of customers for each service:

network gas, direct purchase, and transportation service[49]. This table shows that between 2006 and 2012, the proportion of network gas sales went from 42% to 32% of total volumes.

[167] Gaz Métro does not conclude that there was a significant migration from network gas volumes toward direct purchasing[50].

[168] Currently, in order to deal with migrations between various services, a six-month notice is required for entry to and exit from network gas. However, upon start-up the customer may pay migration fees in order to avoid the six-month notice. These fees are equal to the value of hedging positions at the market price applicable at 6/12 of the normalized annual consumption.

[169] When asked about the issue of fairness regarding migrations between network gas and other services and the establishment of exit fees to compensate for this issue, Gaz Métro mentions that due to the hedging that it took in conjunction with its derivative products program, "*If we had wanted a perfect situation, we would need customers to give us a four-year advance notice. This does not seem reasonable in a market where we want our customers to have options and to be able to make their own decisions regarding their supply structure...*[51]".

5.4.2 Stakeholders' Position

[170] OC, which represents customers who mainly purchase network gas, says that it is preoccupied by migrations between direct purchase and network gas. It requests that the Régie orders Gaz Métro to offer fair solutions to reduce migration and mitigate its impact.

49 Exhibit B-0102, pages 1-2.
50 Exhibit B-0042, pages 107-111.
51 Exhibit B-0042, page 114.

5.4.3 The Régie's opinion

[171] The Régie notes that a significant portion of network gas customers is captive. In fact, due to the low consumption level, these customers, in practice, do not have access to other supply services, such as direct purchasing. On the other hand, other customers with higher consumption levels can, in practice, enter into or exit from the network gas service according to the regulations applicable in the *Conditions of* Natural Gas Service *and Tariff.*

[172] In light of this situation, the Régie finds that when migrations take place, it is ultimately captive clients who pay the financial consequences[52]. These consequences are generally negative, involving a higher cost. In fact, exit migrations tend to occur when the network gas price is higher than the market price, while entry migrations occur when the price of network gas is lower than the market price. This finding was confirmed by the distributor.

[173] The Régie considers that, if the financial derivatives protection program is to continue, the entry and exit terms must be reviewed in order to more adequately protect customers who are captive to network gas service. For example, entry and exit migrants could have a choice between a waiting period and fees when applicable. Thus, for example, the waiting period could be 24 months or migration fees calculated over 24 months of protection.

[174] **Consequently, the Régie orders the distributor to submit new entry and exit terms for network gas in the next rate application, in order to more adequately protect customers who are captive to this service.**

5.5 BIOGAS SUPPLY

5.5.1 S.É./AQLPA's Position

[175] S.É./AQLPA questions the legitimacy of Gaz Métro's prediction that the amount of biogas available for supply will decrease.

52 Exhibit B-0042, page 112.

[176] The stakeholder recommends that Régie requests Gaz Métro to include, in the 2013-2015 supply plan, the biogas supply quantities for all projects in Québec that are expected to be implemented between now and September 30, 2015[53].

[177] During the hearing, the stakeholder indicates that it believes that the new development projects for biogas from Québec that could supply Gaz Métro's main network should be considered, even if they have not yet been approved by the Régie. It specifies that the exclusion of biogas found in Article 2 of the *Act respecting the Régie de l'énergie*[54] (the Act) only applies if the biogas can be distinctly identified when it is delivered to a consumer through pipes.

5.5.2 Gaz Métro's Position

[178] The distributor indicates that if new potential contracts are approved and move forward, it will adapt its supply plan accordingly. It specifies that its approach, when setting up the supply plan, is to go with what has been confirmed at the time that the rate application is prepared[55].

[179] In its answer, the distributor explains that even though the S.É./AQLPA's recommendation pertains to biogas, the question raised with this recommendation is to know whether or not Gaz Métro shall account for the tools resulting from an investment project that isn't even sure to occur in its supply plan[56].

53 Exhibit C-SÉ-AQLPA-0011, page 23.
54 L.R.Q., c. R-6.01.
55 Exhibit A-0030, page 46.
56 Exhibit A-0050, page 270.

5.5.3 THE RÉGIE'S OPINION

[180] The Act reads:

> "*1. This Act applies* [...] *to transportation, distribution and storage of natural gas delivered or intended to be delivered through pipes to a consumer.*
>
> [...]
>
> *2. In this Act, unless the context implies something different, we understand;*
>
> [...]
> *"natural gas" to mean gaseous or liquid methane, except for biogas and synthetic gas;*"

[181] The Régie rejects the S.É./AQLPA's recommendation. It believes that this recommendation cannot be considered due to the content of the Act. In fact, the Régie considers that the Act does not allow it to impose on Gaz Métro the obligation to include biogas in its supply, as this type of gas is specifically excluded from the definition of natural gas mentioned in the Act.

[182] In spite of its conclusion, the Régie does not give an opinion on the distributor's capacity to include in its natural gas supply plan natural gas that can be used for consumption, no matter what its origin is. Furthermore, the Régie reiterates that in the terms of the *Conditions of Natural Gas Service and Tariff*, the gas injected in the Gaz Métro network must follow the quality criteria set by TCPL, no matter its origin.

5.6 2013-2015 SUPPLY PLAN

[183] In Decision D-2012-158, the Régie approved the supply plan for 2013, subject to the guidelines mentioned in Decision D-2012-136 regarding the renewal of the $116,10^6 m^3$ of Union's storage capacities, expiring on April 30, 2013. It reserved its decision regarding the supply plans for 2014 and 2015.

[184] Considering all of the elements of this decision, the Régie approves the supply plan for 2014 and 2015.

6. FOLLOW-UP OF DECISION D-2011-182

[185] Pursuant to Decision D-2011-182[57], Gaz Métro provides the historical evolution and the value of "Futures" for location differentials compared to Henry Hub for various natural gas exchange points located in the Northeastern United States[58].

[186] Gaz Métro requests the Régie to declare that the information thus provided satisfies the follow-up requested.

[187] Pursuant to Decision D-2011-153, Gaz Métro provides, for each of the last five years, a comparison between the average price of its purchases from Dawn, weighted by the volumes purchased, on the one hand, and the monthly prices at Dawn according to a published index, on the other hand. Gaz Métro requests the Régie declares that this comparison satisfies the follow-up requested[59].

[188] In this regard, Gaz Métro also submits a table for Exhibit B-0092, page 27.

[189] **The Régie declares that the documents submitted by Gaz Métro satisfy the required follow-up.**

[190] **The Régie requests that Gaz Métro continues these follow-ups and that it presents the information in the next rate application. However, the Régie requests that the follow-up regarding the price of purchases at Dawn be submitted in the same format as Exhibit B-0092.**

57 Application R-3752-2011.
58 Exhibit B-0006.
59 Exhibit B-0019.

[191] **For these reasons,**

The Régie de l'Énergie:

APPROVES Gaz Métro's supply plan for 2014 and 2015, including the strategy for transferring the supply structure from Empress to Dawn, with the specifications and modifications made in this decision

MAINTAINS the use of the operation method approved in Decision D-2011-162 for rate years 2013, 2014 and 2015

ORDERS Gaz Métro to comply with all of the conclusions and decisions set forth in this decision.

Marc Turgeon
Commissioner

Jean-François Viau
Commissioner

Françoise Gagnon
Commissioner

Representatives:

- Industrial Gas User's Association (IGUA) represented by Mr. Guy Sarault
- Canadian Federation of Independent Business (CFIB) (Quebec chapter) represented by Mr. André Turmel
- Groupe de recherche appliquée en macroécologie (GRAME) represented by Ms. Geneviève Paquet
- Option consommateurs (OC) represented by Mr. Éric David
- Regroupement des organismes environnementaux en énergie (ROEÉ) represented by Mr. Franklin S. Gertler
- Regroupement national des conseils régionaux de l'environnement du Québec (RNCREQ) represented by Ms. Annie Gariépy
- Gaz Métro Limited Partnership (Gaz Métro) represented by Mr. Vincent Regnault and Mr. Hugo Sigouin-Plasse
- Stratégies énergétiques and Association québécoise de lutte contre la pollution atmosphérique (S.É./AQLPA) represented by Mr. Dominique Neuman
- TransCanada Energy Ltd. (TCE) represented by Mr. Pierre Grenier
- TransCanada Pipelines Limited (TCPL) represented by Mr. Pierre Grenier
- Union des consommateurs (UC) represented by Ms. Hélène Sicard
- Union des municipalités du Québec (UMQ) represented by Mr. Steve Cadrin.

Attachment 7

Transportation Tolls
Mainline 2013 - 2017 Tolls effective July 1, 2013

System Average Unit Cost of Transportation

Line No.	Particulars	Daily Allocation Base		Adjusted Annual Unit Cost		Adjusted Daily Unit Cost	
	(a)	(b)		(c)		(d)	
1	Energy	4,842,625	GJ	31.2032718304	$/GJ	0.0854884160	$/GJ
2	Energy Distance	4,218,985,129	GJ-KM	0.1866454820	$/GJ-Km	0.0005113575	$/GJ-Km

Storage Transportation Service

Line No.	Particulars	Monthly Toll ($/GJ/MO)	Daily Equivalent ($/GJ)
	(a)	(b)	(c)
3	Centram MDA	4.82275	0.15856
4	Union WDA	25.55020	0.84001
5	Union NDA	10.88920	0.35800
6	Union EDA	7.61793	0.25045
7	KPUC EDA	7.32723	0.24090
8	GMIT EDA	12.52810	0.41188
9	Enbridge CDA	3.78609	0.12447
10	Enbridge EDA	9.75548	0.32073
11	Cornwall	9.89920	0.32545
12	Philipsburg	12.56045	0.41295

Firm Transportation - Short Notice

Line No	Particulars	Monthly Toll ($/GJ/MO)	Daily Equivalent FT-SN for ST-SN ($/GJ)
	(a)	(b)	(c)
13	Kirkwall to Thorold CDA	4.49081	0.14764
14	Union Parkway Belt to Goreway CDA	3.34364	0.10992
15	Union Parkway Belt to Victoria Square #2 CDA	3.94878	0.12982
16	Union Parkway Belt to Schomberg #2 CDA	3.90927	0.12852

Note: Bid floors for ST-SN may be set at the daily equivalent FT-SN toll or higher.

Delivery Pressure

Line No	Particulars	Monthly Toll ($/GJ/MO)	Daily Equivalent ($/GJ)	Fuel Ratio (%)
	(a)	(b)	(c)	(d)
17	Average Delivery Pressure Toll	0.43662	0.01435	0.19%

Note: Delivery Pressure toll applies to the following locations: Emerson 1, Emerson 2, Union SWDA, Enbridge SWDA, Dawn Export, Niagara Falls, Iroquois, Chippawa and East Hereford
The Daily equivalent Toll is only applicable to STS Injections, IT, Diversions and STFT.

Union Dawn Receipt Point Surcharge

Line No	Particulars	Monthly Toll ($/GJ/MO)	Daily Equivalent ($/GJ)	Fuel Ratio (%)
	(a)	(b)	(c)	(d)
18	Union Dawn Receipt Point Surcharge	0.13281	0.00437	0.00%

Short Notice Balancing (SNB) Service

Line No.	Particulars	Monthly Toll ($/GJ/MO)	Daily Equivalent ($/GJ)
	(a)	(b)	(c)
1	SNB Toll	2.33561	0.07679

Note: This SNB Toll is a representative toll for the Eastern Region.
The SNB Toll has been adjusted by the Adjustment Factor of -11.36578%

Energy Deficient Gas Allowance (EDGA) Service

Line No	Particulars	Capacity Charge ($/GJ/D)
	(a)	(b)
2	Western Section	1.40562
3	Eastern Section	0.26931

Note: The EDGA Service capacity charge for the Western Section is the effective Empress to North Bay Junction FT Toll and the capacity charge for the Eastern Section is the effective Parkway to North Bay Junction FT Toll.
The EDGA Service fuel charge for the Western Section includes the effective Empress to North Bay Junction monthly fuel ratio and the fuel charge for the Eastern Section includes the effective Parkway to North Bay Junction monthly fuel ratio.

Enhanced Capacity Release (ECR) Service

Line No	Particulars	Toll ($/GJ/D)
	(a)	(b)
4	ECR Surcharge	0.08549

FT, STFT and IT Tolls
Mainline 2013 - 2017 Tolls effective July 1, 2013

Notes: (i) Any transportation with a Union Dawn receipt point is subject to a Union Dawn Receipt Point Surcharge. Transport under FT, FT-NR and FT-SN service is subject to the monthly surcharge toll, and other transportation services are subject to the daily equivalent toll. Refer to Toll Design Schedule 5.1 for the Union Dawn Receipt Point Surcharge tolls.
(ii) Transportation with receipt points from delivery areas or Spruce is for STFT and IT service only.
(iii) The following delivery points are subject to an additional charge for delivery pressure: Emerson 1 & 2, Union SWDA, Enbridge SWDA, Dawn Export, Niagara Falls, Iroquois, Chippawa, East Hereford. Refer to Toll Design Schedule 5.1 for the delivery pressure toll.
(iv) Bid floors for IT service may be set at any level and bid floors for STFT may be set at the daily equivalent FT toll or higher.

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Empress	Empress	2.60027	0.0855
2	Empress	TransGas SSDA	9.34797	0.3073
3	Empress	Centram SSDA	12.11250	0.3982
4	Empress	Centram MDA	16.30938	0.5362
5	Empress	Centrat MDA	18.18844	0.5980
6	Empress	Union WDA	26.04170	0.8562
7	Empress	Nipigon WDA	28.35455	0.9322
8	Empress	Union NDA	40.05675	1.3169
9	Empress	Calstock NDA	33.49897	1.1013
10	Empress	Tunis NDA	37.54917	1.2345
11	Empress	GMIT NDA	40.88251	1.3441
12	Empress	Union SSMDA	36.33193	1.1945
13	Empress	Union NCDA	45.48285	1.4953
14	Empress	Union CDA	46.85749	1.5405
15	Empress	Enbridge CDA	47.62803	1.5659
16	Empress	Union EDA	50.20078	1.6504
17	Empress	Enbridge EDA	49.13597	1.6154
18	Empress	GMIT EDA	52.60135	1.7294
19	Empress	KPUC EDA	51.22500	1.6841
20	Empress	North Bay Junction	42.75425	1.4056
21	Empress	Kirkwall	46.18230	1.5183
22	Empress	Enbridge SWDA	43.24777	1.4218
23	Empress	Union SWDA	43.19178	1.4200
24	Empress	Spruce	18.18844	0.5980
25	Empress	Emerson 1	18.51678	0.6088
26	Empress	Emerson 2	18.51678	0.6088
27	Empress	St. Clair	42.87712	1.4097
28	Empress	Dawn Export	43.24777	1.4218
29	Empress	Niagara Falls	47.91468	1.5753
30	Empress	Chippawa	47.95186	1.5765
31	Empress	Iroquois	49.45575	1.6259
32	Empress	Cornwall	49.97276	1.6429
33	Empress	Napierville	52.36245	1.7215
34	Empress	Philipsburg	52.63402	1.7304
35	Empress	East Hereford	55.51318	1.8251
36	Empress	Welwyn	12.11250	0.3982
37	Bayhurst 1	Empress	3.07217	0.1010
38	Bayhurst 1	TransGas SSDA	8.87716	0.2919
39	Bayhurst 1	Centram SSDA	11.64060	0.3827
40	Bayhurst 1	Centram MDA	15.83764	0.5207
41	Bayhurst 1	Centrat MDA	17.71653	0.5825
42	Bayhurst 1	Union WDA	25.57011	0.8407
43	Bayhurst 1	Nipigon WDA	27.88265	0.9167
44	Bayhurst 1	Union NDA	39.58470	1.3014
45	Bayhurst 1	Calstock NDA	33.02706	1.0858
46	Bayhurst 1	Tunis NDA	37.07727	1.2190
47	Bayhurst 1	GMIT NDA	40.41060	1.3286
48	Bayhurst 1	Union SSMDA	35.86003	1.1790
49	Bayhurst 1	Union NCDA	45.01064	1.4798
50	Bayhurst 1	Union CDA	46.38575	1.5250
51	Bayhurst 1	Enbridge CDA	47.15597	1.5503
52	Bayhurst 1	Union EDA	49.72888	1.6349
53	Bayhurst 1	Enbridge EDA	48.66391	1.5999
54	Bayhurst 1	GMIT EDA	52.12930	1.7138
55	Bayhurst 1	KPUC EDA	50.75310	1.6686
56	Bayhurst 1	North Bay Junction	42.28235	1.3901
57	Bayhurst 1	Kirkwall	45.71040	1.5028
58	Bayhurst 1	Enbridge SWDA	42.77587	1.4063
59	Bayhurst 1	Union SWDA	42.71987	1.4045
60	Bayhurst 1	Spruce	17.71653	0.5825

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Bayhurst 1	Emerson 1	18.04488	0.5933
2	Bayhurst 1	Emerson 2	18.04488	0.5933
3	Bayhurst 1	St. Clair	42.40522	1.3941
4	Bayhurst 1	Dawn Export	42.77587	1.4063
5	Bayhurst 1	Niagara Falls	47.44278	1.5598
6	Bayhurst 1	Chippawa	47.47996	1.5610
7	Bayhurst 1	Iroquois	48.98385	1.6104
8	Bayhurst 1	Cornwall	49.50086	1.6274
9	Bayhurst 1	Napierville	51.89054	1.7060
10	Bayhurst 1	Philipsburg	52.16211	1.7149
11	Bayhurst 1	East Hereford	55.04128	1.8096
12	Bayhurst 1	Welwyn	11.64060	0.3827
13	Calstock NDA	Empress	-	1.1013
14	Calstock NDA	TransGas SSDA	-	0.8795
15	Calstock NDA	Centram SSDA	-	0.7886
16	Calstock NDA	Centram MDA	-	0.6519
17	Calstock NDA	Centrat MDA	-	0.5888
18	Calstock NDA	Union WDA	-	0.3519
19	Calstock NDA	Nipigon WDA	-	0.2546
20	Calstock NDA	Union NDA	-	0.3011
21	Calstock NDA	Calstock NDA	-	0.0855
22	Calstock NDA	Tunis NDA	-	0.2187
23	Calstock NDA	GMIT NDA	-	0.3282
24	Calstock NDA	Union SSMDA	-	1.0008
25	Calstock NDA	Union NCDA	-	0.4795
26	Calstock NDA	Union CDA	-	0.5889
27	Calstock NDA	Enbridge CDA	-	0.5704
28	Calstock NDA	Union EDA	-	0.6364
29	Calstock NDA	Enbridge EDA	-	0.5999
30	Calstock NDA	GMIT EDA	-	0.7135
31	Calstock NDA	KPUC EDA	-	0.6683
32	Calstock NDA	North Bay Junction	-	0.3898
33	Calstock NDA	Kirkwall	-	0.5931
34	Calstock NDA	Enbridge SWDA	-	0.6896
35	Calstock NDA	Union SWDA	-	0.6915
36	Calstock NDA	Spruce	-	0.5888
37	Calstock NDA	Emerson 1	-	0.6614
38	Calstock NDA	Emerson 2	-	0.6614
39	Calstock NDA	St. Clair	-	0.7018
40	Calstock NDA	Dawn Export	-	0.6896
41	Calstock NDA	Niagara Falls	-	0.6415
42	Calstock NDA	Chippawa	-	0.6427
43	Calstock NDA	Iroquois	-	0.6101
44	Calstock NDA	Cornwall	-	0.6271
45	Calstock NDA	Napierville	-	0.7057
46	Calstock NDA	Philipsburg	-	0.7146
47	Calstock NDA	East Hereford	-	0.8093
48	Calstock NDA	Welwyn	-	0.7886
49	Centram MDA	Empress	-	0.5362
50	Centram MDA	TransGas SSDA	-	0.3144
51	Centram MDA	Centram SSDA	-	0.2235
52	Centram MDA	Centram MDA	-	0.0855
53	Centram MDA	Centrat MDA	-	0.1486
54	Centram MDA	Union WDA	-	0.4067
55	Centram MDA	Nipigon WDA	-	0.4828
56	Centram MDA	Union NDA	-	0.8674
57	Centram MDA	Calstock NDA	-	0.6519
58	Centram MDA	Tunis NDA	-	0.7851
59	Centram MDA	GMIT NDA	-	0.8947
60	Centram MDA	Union SSMDA	-	0.7442
61	Centram MDA	Union NCDA	-	1.0459
62	Centram MDA	Union CDA	-	1.0903
63	Centram MDA	Enbridge CDA	-	1.1153
64	Centram MDA	Union EDA	-	1.2003
65	Centram MDA	Enbridge EDA	-	1.1658
66	Centram MDA	GMIT EDA	-	1.2799
67	Centram MDA	KPUC EDA	-	1.2336
68	Centram MDA	North Bay Junction	-	0.9562
69	Centram MDA	Kirkwall	-	1.0681
70	Centram MDA	Enbridge SWDA	-	0.9716
71	Centram MDA	Union SWDA	-	0.9698
72	Centram MDA	Spruce	-	0.1486
73	Centram MDA	Emerson 1	-	0.1586

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Centram MDA	Emerson 2	-	0.1586
2	Centram MDA	St. Clair	-	0.9594
3	Centram MDA	Dawn Export	-	0.9716
4	Centram MDA	Niagara Falls	-	1.1251
5	Centram MDA	Chippawa	-	1.1263
6	Centram MDA	Iroquois	-	1.1766
7	Centram MDA	Cornwall	-	1.1935
8	Centram MDA	Napierville	-	1.2721
9	Centram MDA	Philipsburg	-	1.2810
10	Centram MDA	East Hereford	-	1.3757
11	Centram MDA	Welwyn	-	0.2235
12	Centram SSDA	Empress	-	0.3982
13	Centram SSDA	TransGas SSDA	-	0.1764
14	Centram SSDA	Centram SSDA	-	0.0855
15	Centram SSDA	Centram MDA	-	0.2235
16	Centram SSDA	Centrat MDA	-	0.2853
17	Centram SSDA	Union WDA	-	0.5434
18	Centram SSDA	Nipigon WDA	-	0.6195
19	Centram SSDA	Union NDA	-	1.0042
20	Centram SSDA	Calstock NDA	-	0.7886
21	Centram SSDA	Tunis NDA	-	0.9218
22	Centram SSDA	GMIT NDA	-	1.0314
23	Centram SSDA	Union SSMDA	-	0.8817
24	Centram SSDA	Union NCDA	-	1.1826
25	Centram SSDA	Union CDA	-	1.2278
26	Centram SSDA	Enbridge CDA	-	1.2531
27	Centram SSDA	Union EDA	-	1.3377
28	Centram SSDA	Enbridge EDA	-	1.3027
29	Centram SSDA	GMIT EDA	-	1.4166
30	Centram SSDA	KPUC EDA	-	1.3714
31	Centram SSDA	North Bay Junction	-	1.0929
32	Centram SSDA	Kirkwall	-	1.2056
33	Centram SSDA	Enbridge SWDA	-	1.1091
34	Centram SSDA	Union SWDA	-	1.1073
35	Centram SSDA	Spruce	-	0.2853
36	Centram SSDA	Emerson 1	-	0.2960
37	Centram SSDA	Emerson 2	-	0.2960
38	Centram SSDA	St. Clair	-	1.0969
39	Centram SSDA	Dawn Export	-	1.1091
40	Centram SSDA	Niagara Falls	-	1.2626
41	Centram SSDA	Chippawa	-	1.2638
42	Centram SSDA	Iroquois	-	1.3132
43	Centram SSDA	Cornwall	-	1.3302
44	Centram SSDA	Napierville	-	1.4088
45	Centram SSDA	Philipsburg	-	1.4177
46	Centram SSDA	East Hereford	-	1.5124
47	Centram SSDA	Welwyn	-	0.0855
48	Centrat MDA	Empress	-	0.5980
49	Centrat MDA	TransGas SSDA	-	0.3761
50	Centrat MDA	Centram SSDA	-	0.2853
51	Centrat MDA	Centram MDA	-	0.1486
52	Centrat MDA	Centrat MDA	-	0.0855
53	Centrat MDA	Union WDA	-	0.3437
54	Centrat MDA	Nipigon WDA	-	0.4197
55	Centrat MDA	Union NDA	-	0.8044
56	Centrat MDA	Calstock NDA	-	0.5888
57	Centrat MDA	Tunis NDA	-	0.7220
58	Centrat MDA	GMIT NDA	-	0.8316
59	Centrat MDA	Union SSMDA	-	0.7438
60	Centrat MDA	Union NCDA	-	0.9828
61	Centrat MDA	Union CDA	-	1.0834
62	Centrat MDA	Enbridge CDA	-	1.0705
63	Centrat MDA	Union EDA	-	1.1398
64	Centrat MDA	Enbridge EDA	-	1.1033
65	Centrat MDA	GMIT EDA	-	1.2169
66	Centrat MDA	KPUC EDA	-	1.1716
67	Centrat MDA	North Bay Junction	-	0.8931
68	Centrat MDA	Kirkwall	-	1.0676
69	Centrat MDA	Enbridge SWDA	-	0.9711
70	Centrat MDA	Union SWDA	-	0.9693
71	Centrat MDA	Spruce	-	0.0855
72	Centrat MDA	Emerson 1	-	0.1581
73	Centrat MDA	Emerson 2	-	0.1581

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Centrat MDA	St. Clair	-	0.9589
2	Centrat MDA	Dawn Export	-	0.9711
3	Centrat MDA	Niagara Falls	-	1.1246
4	Centrat MDA	Chippawa	-	1.1258
5	Centrat MDA	Iroquois	-	1.1135
6	Centrat MDA	Cornwall	-	1.1305
7	Centrat MDA	Napierville	-	1.2090
8	Centrat MDA	Philipsburg	-	1.2180
9	Centrat MDA	East Hereford	-	1.3126
10	Centrat MDA	Welwyn	-	0.2853
11	Chippawa	Empress	47.95186	1.5765
12	Chippawa	TransGas SSDA	41.20400	1.3547
13	Chippawa	Centram SSDA	38.43963	1.2638
14	Chippawa	Centram MDA	34.25784	1.1263
15	Chippawa	Centrat MDA	34.24259	1.1258
16	Chippawa	Union WDA	27.65152	0.9091
17	Chippawa	Nipigon WDA	24.69257	0.8118
18	Chippawa	Union NDA	12.99020	0.4271
19	Chippawa	Calstock NDA	19.54815	0.6427
20	Chippawa	Tunis NDA	15.49794	0.5095
21	Chippawa	GMIT NDA	12.48828	0.4106
22	Chippawa	Union SSMDA	16.76915	0.5513
23	Chippawa	Union NCDA	7.56426	0.2487
24	Chippawa	Union CDA	4.27526	0.1406
25	Chippawa	Enbridge CDA	5.33432	0.1754
26	Chippawa	Union EDA	9.71893	0.3195
27	Chippawa	Enbridge EDA	11.85649	0.3898
28	Chippawa	GMIT EDA	14.62895	0.4810
29	Chippawa	KPUC EDA	9.42854	0.3100
30	Chippawa	North Bay Junction	10.29287	0.3384
31	Chippawa	Kirkwall	4.36983	0.1437
32	Chippawa	Enbridge SWDA	7.30436	0.2401
33	Chippawa	Union SWDA	7.36035	0.2420
34	Chippawa	Spruce	34.24259	1.1258
35	Chippawa	Emerson 1	32.03535	1.0532
36	Chippawa	Emerson 2	32.03535	1.0532
37	Chippawa	St. Clair	7.67501	0.2523
38	Chippawa	Dawn Export	7.30436	0.2401
39	Chippawa	Niagara Falls	3.20174	0.1053
40	Chippawa	Chippawa	2.60027	0.0855
41	Chippawa	Iroquois	11.34166	0.3729
42	Chippawa	Cornwall	12.00052	0.3945
43	Chippawa	Napierville	14.39020	0.4731
44	Chippawa	Philipsburg	14.66177	0.4820
45	Chippawa	East Hereford	17.54093	0.5767
46	Chippawa	Welwyn	38.43963	1.2638
47	Cornwall	Empress	49.97276	1.6429
48	Cornwall	TransGas SSDA	43.22506	1.4211
49	Cornwall	Centram SSDA	40.46053	1.3302
50	Cornwall	Centram MDA	36.30331	1.1935
51	Cornwall	Centrat MDA	34.38460	1.1305
52	Cornwall	Union WDA	27.17713	0.8935
53	Cornwall	Nipigon WDA	24.21849	0.7962
54	Cornwall	Union NDA	12.52810	0.4119
55	Cornwall	Calstock NDA	19.07423	0.6271
56	Cornwall	Tunis NDA	15.02386	0.4939
57	Cornwall	GMIT NDA	12.01420	0.3950
58	Cornwall	Union SSMDA	22.89268	0.7526
59	Cornwall	Union NCDA	11.12204	0.3657
60	Cornwall	Union CDA	10.36550	0.3408
61	Cornwall	Enbridge CDA	9.47816	0.3116
62	Cornwall	Union EDA	4.90814	0.1614
63	Cornwall	Enbridge EDA	4.55523	0.1498
64	Cornwall	GMIT EDA	5.22902	0.1719
65	Cornwall	KPUC EDA	5.17225	0.1701
66	Cornwall	North Bay Junction	9.81879	0.3228
67	Cornwall	Kirkwall	10.49351	0.3450
68	Cornwall	Enbridge SWDA	13.42804	0.4415
69	Cornwall	Union SWDA	13.48404	0.4433
70	Cornwall	Spruce	34.38460	1.1305
71	Cornwall	Emerson 1	36.59184	1.2030
72	Cornwall	Emerson 2	36.59184	1.2030
73	Cornwall	St. Clair	13.79869	0.4537

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Cornwall	Dawn Export	13.42804	0.4415
2	Cornwall	Niagara Falls	11.96334	0.3933
3	Cornwall	Chippawa	12.00052	0.3945
4	Cornwall	Iroquois	3.40300	0.1119
5	Cornwall	Cornwall	2.60027	0.0855
6	Cornwall	Napierville	4.98996	0.1641
7	Cornwall	Philipsburg	5.26153	0.1730
8	Cornwall	East Hereford	8.14069	0.2676
9	Cornwall	Welwyn	40.46053	1.3302
10	East Hereford	Empress	55.51318	1.8251
11	East Hereford	TransGas SSDA	48.76532	1.6032
12	East Hereford	Centram SSDA	46.00110	1.5124
13	East Hereford	Centram MDA	41.84404	1.3757
14	East Hereford	Centrat MDA	39.92501	1.3126
15	East Hereford	Union WDA	32.71770	1.0757
16	East Hereford	Nipigon WDA	29.75890	0.9784
17	East Hereford	Union NDA	18.06821	0.5940
18	East Hereford	Calstock NDA	24.61464	0.8093
19	East Hereford	Tunis NDA	20.56443	0.6761
20	East Hereford	GMIT NDA	17.55462	0.5771
21	East Hereford	Union SSMDA	28.43325	0.9348
22	East Hereford	Union NCDA	16.66261	0.5478
23	East Hereford	Union CDA	15.90592	0.5229
24	East Hereford	Enbridge CDA	15.01873	0.4938
25	East Hereford	Union EDA	10.44887	0.3435
26	East Hereford	Enbridge EDA	10.07620	0.3313
27	East Hereford	GMIT EDA	7.26081	0.2387
28	East Hereford	KPUC EDA	10.71266	0.3522
29	East Hereford	North Bay Junction	15.35936	0.5050
30	East Hereford	Kirkwall	16.03393	0.5271
31	East Hereford	Enbridge SWDA	18.96846	0.6236
32	East Hereford	Union SWDA	19.02445	0.6255
33	East Hereford	Spruce	39.92501	1.3126
34	East Hereford	Emerson 1	42.13225	1.3852
35	East Hereford	Emerson 2	42.13225	1.3852
36	East Hereford	St. Clair	19.33911	0.6358
37	East Hereford	Dawn Export	18.96846	0.6236
38	East Hereford	Niagara Falls	17.50376	0.5755
39	East Hereford	Chippawa	17.54093	0.5767
40	East Hereford	Iroquois	8.94342	0.2940
41	East Hereford	Cornwall	8.14069	0.2676
42	East Hereford	Napierville	8.65070	0.2844
43	East Hereford	Philipsburg	8.92227	0.2933
44	East Hereford	East Hereford	2.60027	0.0855
45	East Hereford	Welwyn	46.00110	1.5124
46	Emerson 1	Empress	18.51678	0.6088
47	Emerson 1	TransGas SSDA	11.76923	0.3869
48	Emerson 1	Centram SSDA	9.00455	0.2960
49	Emerson 1	Centram MDA	4.82275	0.1586
50	Emerson 1	Centrat MDA	4.80751	0.1581
51	Emerson 1	Union WDA	12.66124	0.4163
52	Emerson 1	Nipigon WDA	14.97362	0.4923
53	Emerson 1	Union NDA	26.67567	0.8770
54	Emerson 1	Calstock NDA	20.11788	0.6614
55	Emerson 1	Tunis NDA	24.16825	0.7946
56	Emerson 1	GMIT NDA	27.50142	0.9042
57	Emerson 1	Union SSMDA	20.41527	0.6712
58	Emerson 1	Union NCDA	32.09944	1.0553
59	Emerson 1	Union CDA	30.94099	1.0172
60	Emerson 1	Enbridge CDA	31.89413	1.0486
61	Emerson 1	Union EDA	35.42173	1.1646
62	Emerson 1	Enbridge EDA	35.51427	1.1676
63	Emerson 1	GMIT EDA	39.22120	1.2895
64	Emerson 1	KPUC EDA	35.58706	1.1700
65	Emerson 1	North Bay Junction	29.37332	0.9657
66	Emerson 1	Kirkwall	30.26580	0.9950
67	Emerson 1	Enbridge SWDA	27.33127	0.8986
68	Emerson 1	Union SWDA	27.27527	0.8967
69	Emerson 1	Spruce	4.80751	0.1581
70	Emerson 1	Emerson 1	2.60027	0.0855
71	Emerson 1	Emerson 2	2.60027	0.0855
72	Emerson 1	St. Clair	26.96062	0.8864
73	Emerson 1	Dawn Export	27.33127	0.8986

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Emerson 1	Niagara Falls	31.99818	1.0520
2	Emerson 1	Chippawa	32.03535	1.0532
3	Emerson 1	Iroquois	36.07483	1.1860
4	Emerson 1	Cornwall	36.59184	1.2030
5	Emerson 1	Napierville	38.98152	1.2816
6	Emerson 1	Philipsburg	39.25309	1.2905
7	Emerson 1	East Hereford	42.13225	1.3852
8	Emerson 1	Welwyn	9.00455	0.2960
9	Emerson 2	Empress	18.51678	0.6088
10	Emerson 2	TransGas SSDA	11.76923	0.3869
11	Emerson 2	Centram SSDA	9.00455	0.2960
12	Emerson 2	Centram MDA	4.82275	0.1586
13	Emerson 2	Centrat MDA	4.80751	0.1581
14	Emerson 2	Union WDA	12.66124	0.4163
15	Emerson 2	Nipigon WDA	14.97362	0.4923
16	Emerson 2	Union NDA	26.67567	0.8770
17	Emerson 2	Calstock NDA	20.11788	0.6614
18	Emerson 2	Tunis NDA	24.16825	0.7946
19	Emerson 2	GMIT NDA	27.50142	0.9042
20	Emerson 2	Union SSMDA	20.41527	0.6712
21	Emerson 2	Union NCDA	32.09944	1.0553
22	Emerson 2	Union CDA	30.94099	1.0172
23	Emerson 2	Enbridge CDA	31.89413	1.0486
24	Emerson 2	Union EDA	35.42173	1.1646
25	Emerson 2	Enbridge EDA	35.51427	1.1676
26	Emerson 2	GMIT EDA	39.22120	1.2895
27	Emerson 2	KPUC EDA	35.58706	1.1700
28	Emerson 2	North Bay Junction	29.37332	0.9657
29	Emerson 2	Kirkwall	30.26580	0.9950
30	Emerson 2	Enbridge SWDA	27.33127	0.8986
31	Emerson 2	Union SWDA	27.27527	0.8967
32	Emerson 2	Spruce	4.80751	0.1581
33	Emerson 2	Emerson 1	2.60027	0.0855
34	Emerson 2	Emerson 2	2.60027	0.0855
35	Emerson 2	St. Clair	26.96062	0.8864
36	Emerson 2	Dawn Export	27.33127	0.8986
37	Emerson 2	Niagara Falls	31.99818	1.0520
38	Emerson 2	Chippawa	32.03535	1.0532
39	Emerson 2	Iroquois	36.07483	1.1860
40	Emerson 2	Cornwall	36.59184	1.2030
41	Emerson 2	Napierville	38.98152	1.2816
42	Emerson 2	Philipsburg	39.25309	1.2905
43	Emerson 2	East Hereford	42.13225	1.3852
44	Emerson 2	Welwyn	9.00455	0.2960
45	Enbridge CDA	Empress	-	1.5659
46	Enbridge CDA	TransGas SSDA	-	1.3439
47	Enbridge CDA	Centram SSDA	-	1.2531
48	Enbridge CDA	Centram MDA	-	1.1153
49	Enbridge CDA	Centrat MDA	-	1.0705
50	Enbridge CDA	Union WDA	-	0.8368
51	Enbridge CDA	Nipigon WDA	-	0.7395
52	Enbridge CDA	Union NDA	-	0.3547
53	Enbridge CDA	Calstock NDA	-	0.5704
54	Enbridge CDA	Tunis NDA	-	0.4372
55	Enbridge CDA	GMIT NDA	-	0.3383
56	Enbridge CDA	Union SSMDA	-	0.5467
57	Enbridge CDA	Union NCDA	-	0.1764
58	Enbridge CDA	Union CDA	-	0.1350
59	Enbridge CDA	Enbridge CDA	-	0.0855
60	Enbridge CDA	Union EDA	-	0.2365
61	Enbridge CDA	Enbridge EDA	-	0.3068
62	Enbridge CDA	GMIT EDA	-	0.3978
63	Enbridge CDA	KPUC EDA	-	0.2271
64	Enbridge CDA	North Bay Junction	-	0.2661
65	Enbridge CDA	Kirkwall	-	0.1391
66	Enbridge CDA	Enbridge SWDA	-	0.2355
67	Enbridge CDA	Union SWDA	-	0.2373
68	Enbridge CDA	Spruce	-	1.0705
69	Enbridge CDA	Emerson 1	-	1.0486
70	Enbridge CDA	Emerson 2	-	1.0486
71	Enbridge CDA	St. Clair	-	0.2477
72	Enbridge CDA	Dawn Export	-	0.2356
73	Enbridge CDA	Niagara Falls	-	0.1738

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Enbridge CDA	Chippawa	-	0.1754
2	Enbridge CDA	Iroquois	-	0.2900
3	Enbridge CDA	Cornwall	-	0.3116
4	Enbridge CDA	Napierville	-	0.3902
5	Enbridge CDA	Philipsburg	-	0.3991
6	Enbridge CDA	East Hereford	-	0.4938
7	Enbridge CDA	Welwyn	-	1.2531
8	Enbridge EDA	Empress	-	1.6154
9	Enbridge EDA	TransGas SSDA	-	1.3936
10	Enbridge EDA	Centram SSDA	-	1.3027
11	Enbridge EDA	Centram MDA	-	1.1658
12	Enbridge EDA	Centrat MDA	-	1.1033
13	Enbridge EDA	Union WDA	-	0.8663
14	Enbridge EDA	Nipigon WDA	-	0.7691
15	Enbridge EDA	Union NDA	-	0.3846
16	Enbridge EDA	Calstock NDA	-	0.5999
17	Enbridge EDA	Tunis NDA	-	0.4668
18	Enbridge EDA	GMIT NDA	-	0.3678
19	Enbridge EDA	Union SSMDA	-	0.7479
20	Enbridge EDA	Union NCDA	-	0.3437
21	Enbridge EDA	Union CDA	-	0.3361
22	Enbridge EDA	Enbridge CDA	-	0.3068
23	Enbridge EDA	Union EDA	-	0.1758
24	Enbridge EDA	Enbridge EDA	-	0.0855
25	Enbridge EDA	GMIT EDA	-	0.2354
26	Enbridge EDA	KPUC EDA	-	0.1802
27	Enbridge EDA	North Bay Junction	-	0.2957
28	Enbridge EDA	Kirkwall	-	0.3403
29	Enbridge EDA	Enbridge SWDA	-	0.4367
30	Enbridge EDA	Union SWDA	-	0.4386
31	Enbridge EDA	Spruce	-	1.1033
32	Enbridge EDA	Emerson 1	-	1.1676
33	Enbridge EDA	Emerson 2	-	1.1676
34	Enbridge EDA	St. Clair	-	0.4489
35	Enbridge EDA	Dawn Export	-	0.4367
36	Enbridge EDA	Niagara Falls	-	0.3886
37	Enbridge EDA	Chippawa	-	0.3898
38	Enbridge EDA	Iroquois	-	0.1359
39	Enbridge EDA	Cornwall	-	0.1498
40	Enbridge EDA	Napierville	-	0.2277
41	Enbridge EDA	Philipsburg	-	0.2366
42	Enbridge EDA	East Hereford	-	0.3313
43	Enbridge EDA	Welwyn	-	1.3027
44	GMIT EDA	Empress	-	1.7294
45	GMIT EDA	TransGas SSDA	-	1.5075
46	GMIT EDA	Centram SSDA	-	1.4166
47	GMIT EDA	Centram MDA	-	1.2799
48	GMIT EDA	Centrat MDA	-	1.2169
49	GMIT EDA	Union WDA	-	0.9799
50	GMIT EDA	Nipigon WDA	-	0.8827
51	GMIT EDA	Union NDA	-	0.4980
52	GMIT EDA	Calstock NDA	-	0.7135
53	GMIT EDA	Tunis NDA	-	0.5804
54	GMIT EDA	GMIT NDA	-	0.4814
55	GMIT EDA	Union SSMDA	-	0.8391
56	GMIT EDA	Union NCDA	-	0.4520
57	GMIT EDA	Union CDA	-	0.4272
58	GMIT EDA	Enbridge CDA	-	0.3978
59	GMIT EDA	Union EDA	-	0.2475
60	GMIT EDA	Enbridge EDA	-	0.2354
61	GMIT EDA	GMIT EDA	-	0.0855
62	GMIT EDA	KPUC EDA	-	0.2565
63	GMIT EDA	North Bay Junction	-	0.4093
64	GMIT EDA	Kirkwall	-	0.4314
65	GMIT EDA	Enbridge SWDA	-	0.5279
66	GMIT EDA	Union SWDA	-	0.5297
67	GMIT EDA	Spruce	-	1.2169
68	GMIT EDA	Emerson 1	-	1.2895
69	GMIT EDA	Emerson 2	-	1.2895
70	GMIT EDA	St. Clair	-	0.5401
71	GMIT EDA	Dawn Export	-	0.5279
72	GMIT EDA	Niagara Falls	-	0.4798
73	GMIT EDA	Chippawa	-	0.4810

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	GMIT EDA	Iroquois	-	0.1983
2	GMIT EDA	Cornwall	-	0.1719
3	GMIT EDA	Napierville	-	0.1777
4	GMIT EDA	Philipsburg	-	0.1853
5	GMIT EDA	East Hereford	-	0.2387
6	GMIT EDA	Welwyn	-	1.4166
7	GMIT NDA	Empress	-	1.3441
8	GMIT NDA	TransGas SSDA	-	1.1223
9	GMIT NDA	Centram SSDA	-	1.0314
10	GMIT NDA	Centram MDA	-	0.8947
11	GMIT NDA	Centrat MDA	-	0.8316
12	GMIT NDA	Union WDA	-	0.5947
13	GMIT NDA	Nipigon WDA	-	0.4974
14	GMIT NDA	Union NDA	-	0.1704
15	GMIT NDA	Calstock NDA	-	0.3282
16	GMIT NDA	Tunis NDA	-	0.1951
17	GMIT NDA	GMIT NDA	-	0.0855
18	GMIT NDA	Union SSMDA	-	0.7687
19	GMIT NDA	Union NCDA	-	0.2474
20	GMIT NDA	Union CDA	-	0.3568
21	GMIT NDA	Enbridge CDA	-	0.3383
22	GMIT NDA	Union EDA	-	0.4043
23	GMIT NDA	Enbridge EDA	-	0.3678
24	GMIT NDA	GMIT EDA	-	0.4814
25	GMIT NDA	KPUC EDA	-	0.4362
26	GMIT NDA	North Bay Junction	-	0.1577
27	GMIT NDA	Kirkwall	-	0.3610
28	GMIT NDA	Enbridge SWDA	-	0.4575
29	GMIT NDA	Union SWDA	-	0.4593
30	GMIT NDA	Spruce	-	0.8316
31	GMIT NDA	Emerson 1	-	0.9042
32	GMIT NDA	Emerson 2	-	0.9042
33	GMIT NDA	St. Clair	-	0.4697
34	GMIT NDA	Dawn Export	-	0.4575
35	GMIT NDA	Niagara Falls	-	0.4094
36	GMIT NDA	Chippawa	-	0.4106
37	GMIT NDA	Iroquois	-	0.3780
38	GMIT NDA	Cornwall	-	0.3950
39	GMIT NDA	Napierville	-	0.4736
40	GMIT NDA	Philipsburg	-	0.4825
41	GMIT NDA	East Hereford	-	0.5771
42	GMIT NDA	Welwyn	-	1.0314
43	Grand Coulee	Empress	8.41895	0.2768
44	Grand Coulee	TransGas SSDA	3.69775	0.1216
45	Grand Coulee	Centram SSDA	6.29383	0.2069
46	Grand Coulee	Centram MDA	10.49102	0.3449
47	Grand Coulee	Centrat MDA	12.36976	0.4067
48	Grand Coulee	Union WDA	20.22349	0.6649
49	Grand Coulee	Nipigon WDA	22.53588	0.7409
50	Grand Coulee	Union NDA	34.23808	1.1256
51	Grand Coulee	Calstock NDA	27.68029	0.9100
52	Grand Coulee	Tunis NDA	31.73050	1.0432
53	Grand Coulee	GMIT NDA	35.06383	1.1528
54	Grand Coulee	Union SSMDA	30.51310	1.0032
55	Grand Coulee	Union NCDA	39.66402	1.3040
56	Grand Coulee	Union CDA	41.03882	1.3492
57	Grand Coulee	Enbridge CDA	41.80936	1.3746
58	Grand Coulee	Union EDA	44.38211	1.4591
59	Grand Coulee	Enbridge EDA	43.31714	1.4241
60	Grand Coulee	GMIT EDA	46.78252	1.5381
61	Grand Coulee	KPUC EDA	45.40633	1.4928
62	Grand Coulee	North Bay Junction	36.93558	1.2143
63	Grand Coulee	Kirkwall	40.36363	1.3270
64	Grand Coulee	Enbridge SWDA	37.42910	1.2306
65	Grand Coulee	Union SWDA	37.37310	1.2287
66	Grand Coulee	Spruce	12.36976	0.4067
67	Grand Coulee	Emerson 1	12.69810	0.4175
68	Grand Coulee	Emerson 2	12.69810	0.4175
69	Grand Coulee	St. Clair	37.05845	1.2184
70	Grand Coulee	Dawn Export	37.42910	1.2306
71	Grand Coulee	Niagara Falls	42.09601	1.3840
72	Grand Coulee	Chippawa	42.13319	1.3852
73	Grand Coulee	Iroquois	43.63708	1.4346

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Grand Coulee	Cornwall	44.15409	1.4516
2	Grand Coulee	Napierville	46.54377	1.5302
3	Grand Coulee	Philipsburg	46.81534	1.5391
4	Grand Coulee	East Hereford	49.69466	1.6338
5	Grand Coulee	Welwyn	6.29383	0.2069
6	Herbert	Empress	5.59795	0.1840
7	Herbert	TransGas SSDA	6.42184	0.2111
8	Herbert	Centram SSDA	9.11482	0.2997
9	Herbert	Centram MDA	13.31170	0.4376
10	Herbert	Centrat MDA	15.19091	0.4994
11	Herbert	Union WDA	23.04449	0.7576
12	Herbert	Nipigon WDA	25.35702	0.8337
13	Herbert	Union NDA	37.05907	1.2184
14	Herbert	Calstock NDA	30.50128	1.0028
15	Herbert	Tunis NDA	34.55149	1.1359
16	Herbert	GMIT NDA	37.88482	1.2455
17	Herbert	Union SSMDA	33.33425	1.0959
18	Herbert	Union NCDA	42.48501	1.3968
19	Herbert	Union CDA	43.85997	1.4420
20	Herbert	Enbridge CDA	44.63050	1.4673
21	Herbert	Union EDA	47.20310	1.5519
22	Herbert	Enbridge EDA	46.13829	1.5169
23	Herbert	GMIT EDA	49.60398	1.6308
24	Herbert	KPUC EDA	48.22732	1.5856
25	Herbert	North Bay Junction	39.75657	1.3071
26	Herbert	Kirkwall	43.18462	1.4198
27	Herbert	Enbridge SWDA	40.25009	1.3233
28	Herbert	Union SWDA	40.19425	1.3215
29	Herbert	Spruce	15.19091	0.4994
30	Herbert	Emerson 1	15.51910	0.5102
31	Herbert	Emerson 2	15.51910	0.5102
32	Herbert	St. Clair	39.87944	1.3111
33	Herbert	Dawn Export	40.25009	1.3233
34	Herbert	Niagara Falls	44.91716	1.4767
35	Herbert	Chippawa	44.95433	1.4780
36	Herbert	Iroquois	46.45807	1.5274
37	Herbert	Cornwall	46.97524	1.5444
38	Herbert	Napierville	49.36492	1.6230
39	Herbert	Philipsburg	49.63649	1.6319
40	Herbert	East Hereford	52.51565	1.7265
41	Herbert	Welwyn	9.11482	0.2997
42	Iroquois	Empress	49.45575	1.6259
43	Iroquois	TransGas SSDA	42.70821	1.4041
44	Iroquois	Centram SSDA	39.94352	1.3132
45	Iroquois	Centram MDA	35.78662	1.1766
46	Iroquois	Centrat MDA	33.86759	1.1135
47	Iroquois	Union WDA	26.66043	0.8765
48	Iroquois	Nipigon WDA	23.70148	0.7792
49	Iroquois	Union NDA	12.01094	0.3949
50	Iroquois	Calstock NDA	18.55722	0.6101
51	Iroquois	Tunis NDA	14.50685	0.4769
52	Iroquois	GMIT NDA	11.49735	0.3780
53	Iroquois	Union SSMDA	22.23382	0.7310
54	Iroquois	Union NCDA	10.49849	0.3452
55	Iroquois	Union CDA	9.70664	0.3191
56	Iroquois	Enbridge CDA	8.81961	0.2900
57	Iroquois	Union EDA	4.34836	0.1430
58	Iroquois	Enbridge EDA	4.13419	0.1359
59	Iroquois	GMIT EDA	6.03191	0.1983
60	Iroquois	KPUC EDA	4.51339	0.1484
61	Iroquois	North Bay Junction	9.30178	0.3058
62	Iroquois	Kirkwall	9.83465	0.3233
63	Iroquois	Enbridge SWDA	12.76919	0.4198
64	Iroquois	Union SWDA	12.82518	0.4217
65	Iroquois	Spruce	33.86759	1.1135
66	Iroquois	Emerson 1	36.07483	1.1860
67	Iroquois	Emerson 2	36.07483	1.1860
68	Iroquois	St. Clair	13.13983	0.4320
69	Iroquois	Dawn Export	12.76919	0.4198
70	Iroquois	Niagara Falls	11.30448	0.3717
71	Iroquois	Chippawa	11.34166	0.3729
72	Iroquois	Iroquois	2.60027	0.0855
73	Iroquois	Cornwall	3.40300	0.1119

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Iroquois	Napierville	5.79269	0.1904
2	Iroquois	Philipsburg	6.06426	0.1994
3	Iroquois	East Hereford	8.94342	0.2940
4	Iroquois	Welwyn	39.94352	1.3132
5	Kirkwall	Empress	46.18230	1.5183
6	Kirkwall	TransGas SSDA	39.43445	1.2965
7	Kirkwall	Centram SSDA	36.67007	1.2056
8	Kirkwall	Centram MDA	32.48812	1.0681
9	Kirkwall	Centrat MDA	32.47304	1.0676
10	Kirkwall	Union WDA	26.14420	0.8595
11	Kirkwall	Nipigon WDA	23.18556	0.7623
12	Kirkwall	Union NDA	11.48382	0.3776
13	Kirkwall	Calstock NDA	18.04114	0.5931
14	Kirkwall	Tunis NDA	13.99094	0.4600
15	Kirkwall	GMIT NDA	10.98112	0.3610
16	Kirkwall	Union SSMDA	14.99960	0.4931
17	Kirkwall	Union NCDA	6.05757	0.1992
18	Kirkwall	Union CDA	3.27562	0.1077
19	Kirkwall	Enbridge CDA	4.22953	0.1391
20	Kirkwall	Union EDA	8.21192	0.2700
21	Kirkwall	Enbridge EDA	10.34995	0.3403
22	Kirkwall	GMIT EDA	13.12179	0.4314
23	Kirkwall	KPUC EDA	7.92154	0.2604
24	Kirkwall	North Bay Junction	8.78586	0.2889
25	Kirkwall	Kirkwall	2.60027	0.0855
26	Kirkwall	Enbridge SWDA	5.53481	0.1820
27	Kirkwall	Union SWDA	5.59080	0.1838
28	Kirkwall	Spruce	32.47304	1.0676
29	Kirkwall	Emerson 1	30.26580	0.9950
30	Kirkwall	Emerson 2	30.26580	0.9950
31	Kirkwall	St. Clair	5.90545	0.1942
32	Kirkwall	Dawn Export	5.53481	0.1820
33	Kirkwall	Niagara Falls	4.33265	0.1424
34	Kirkwall	Chippawa	4.36983	0.1437
35	Kirkwall	Iroquois	9.83465	0.3233
36	Kirkwall	Cornwall	10.49351	0.3450
37	Kirkwall	Napierville	12.88319	0.4236
38	Kirkwall	Philipsburg	13.15476	0.4325
39	Kirkwall	East Hereford	16.03393	0.5271
40	Kirkwall	Welwyn	36.67007	1.2056
41	KPUC EDA	Empress	-	1.6841
42	KPUC EDA	TransGas SSDA	-	1.4623
43	KPUC EDA	Centram SSDA	-	1.3714
44	KPUC EDA	Centram MDA	-	1.2336
45	KPUC EDA	Centrat MDA	-	1.1716
46	KPUC EDA	Union WDA	-	0.9347
47	KPUC EDA	Nipigon WDA	-	0.8374
48	KPUC EDA	Union NDA	-	0.4530
49	KPUC EDA	Calstock NDA	-	0.6683
50	KPUC EDA	Tunis NDA	-	0.5351
51	KPUC EDA	GMIT NDA	-	0.4362
52	KPUC EDA	Union SSMDA	-	0.6681
53	KPUC EDA	Union NCDA	-	0.2874
54	KPUC EDA	Union CDA	-	0.2562
55	KPUC EDA	Enbridge CDA	-	0.2271
56	KPUC EDA	Union EDA	-	0.1268
57	KPUC EDA	Enbridge EDA	-	0.1802
58	KPUC EDA	GMIT EDA	-	0.2565
59	KPUC EDA	KPUC EDA	-	0.0855
60	KPUC EDA	North Bay Junction	-	0.3640
61	KPUC EDA	Kirkwall	-	0.2604
62	KPUC EDA	Enbridge SWDA	-	0.3569
63	KPUC EDA	Union SWDA	-	0.3588
64	KPUC EDA	Spruce	-	1.1716
65	KPUC EDA	Emerson 1	-	1.1700
66	KPUC EDA	Emerson 2	-	1.1700
67	KPUC EDA	St. Clair	-	0.3691
68	KPUC EDA	Dawn Export	-	0.3569
69	KPUC EDA	Niagara Falls	-	0.3088
70	KPUC EDA	Chippawa	-	0.3100
71	KPUC EDA	Iroquois	-	0.1484
72	KPUC EDA	Cornwall	-	0.1701
73	KPUC EDA	Napierville	-	0.2486

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	KPUC EDA	Philipsburg	-	0.2575
2	KPUC EDA	East Hereford	-	0.3522
3	KPUC EDA	Welwyn	-	1.3714
4	Liebenthal	Empress	3.27842	0.1078
5	Liebenthal	TransGas SSDA	8.67512	0.2852
6	Liebenthal	Centram SSDA	11.43436	0.3759
7	Liebenthal	Centram MDA	15.63124	0.5139
8	Liebenthal	Centrat MDA	17.51045	0.5757
9	Liebenthal	Union WDA	25.36387	0.8339
10	Liebenthal	Nipigon WDA	27.67640	0.9099
11	Liebenthal	Union NDA	39.37876	1.2946
12	Liebenthal	Calstock NDA	32.82082	1.0790
13	Liebenthal	Tunis NDA	36.87103	1.2122
14	Liebenthal	GMIT NDA	40.20436	1.3218
15	Liebenthal	Union SSMDA	35.65379	1.1722
16	Liebenthal	Union NCDA	44.80486	1.4730
17	Liebenthal	Union CDA	46.17950	1.5182
18	Liebenthal	Enbridge CDA	46.95019	1.5436
19	Liebenthal	Union EDA	49.52248	1.6281
20	Liebenthal	Enbridge EDA	48.45705	1.5931
21	Liebenthal	GMIT EDA	51.92321	1.7071
22	Liebenthal	KPUC EDA	50.54685	1.6618
23	Liebenthal	North Bay Junction	42.07610	1.3833
24	Liebenthal	Kirkwall	45.50416	1.4960
25	Liebenthal	Enbridge SWDA	42.56962	1.3996
26	Liebenthal	Union SWDA	42.51379	1.3977
27	Liebenthal	Spruce	17.51045	0.5757
28	Liebenthal	Emerson 1	17.83863	0.5865
29	Liebenthal	Emerson 2	17.83863	0.5865
30	Liebenthal	St. Clair	42.19898	1.3874
31	Liebenthal	Dawn Export	42.56962	1.3996
32	Liebenthal	Niagara Falls	47.23654	1.5530
33	Liebenthal	Chippawa	47.27371	1.5542
34	Liebenthal	Iroquois	48.77761	1.6037
35	Liebenthal	Cornwall	49.29462	1.6206
36	Liebenthal	Napierville	51.68430	1.6992
37	Liebenthal	Philipsburg	51.95587	1.7081
38	Liebenthal	East Hereford	54.83519	1.8028
39	Liebenthal	Welwyn	11.43436	0.3759
40	Napierville	Empress	52.36245	1.7215
41	Napierville	TransGas SSDA	45.61459	1.4997
42	Napierville	Centram SSDA	42.85022	1.4088
43	Napierville	Centram MDA	38.69346	1.2721
44	Napierville	Centrat MDA	36.77428	1.2090
45	Napierville	Union WDA	29.56712	0.9721
46	Napierville	Nipigon WDA	26.60817	0.8748
47	Napierville	Union NDA	14.91763	0.4904
48	Napierville	Calstock NDA	21.46391	0.7057
49	Napierville	Tunis NDA	17.41355	0.5725
50	Napierville	GMIT NDA	14.40404	0.4736
51	Napierville	Union SSMDA	25.28236	0.8312
52	Napierville	Union NCDA	13.51141	0.4442
53	Napierville	Union CDA	12.75503	0.4193
54	Napierville	Enbridge CDA	11.86800	0.3902
55	Napierville	Union EDA	7.29752	0.2399
56	Napierville	Enbridge EDA	6.92563	0.2277
57	Napierville	GMIT EDA	5.40524	0.1777
58	Napierville	KPUC EDA	7.56193	0.2486
59	Napierville	North Bay Junction	12.20847	0.4014
60	Napierville	Kirkwall	12.88319	0.4236
61	Napierville	Enbridge SWDA	15.81773	0.5200
62	Napierville	Union SWDA	15.87372	0.5219
63	Napierville	Spruce	36.77428	1.2090
64	Napierville	Emerson 1	38.98152	1.2816
65	Napierville	Emerson 2	38.98152	1.2816
66	Napierville	St. Clair	16.18837	0.5322
67	Napierville	Dawn Export	15.81773	0.5200
68	Napierville	Niagara Falls	14.35303	0.4719
69	Napierville	Chippawa	14.39020	0.4731
70	Napierville	Iroquois	5.79269	0.1904
71	Napierville	Cornwall	4.98996	0.1641
72	Napierville	Napierville	2.60027	0.0855
73	Napierville	Philipsburg	4.02935	0.1325

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Napierville	East Hereford	8.65070	0.2844
2	Napierville	Welwyn	42.85022	1.4088
3	Niagara Falls	Empress	47.91468	1.5753
4	Niagara Falls	TransGas SSDA	41.16714	1.3534
5	Niagara Falls	Centram SSDA	38.40245	1.2626
6	Niagara Falls	Centram MDA	34.22019	1.1251
7	Niagara Falls	Centrat MDA	34.20542	1.1246
8	Niagara Falls	Union WDA	27.61419	0.9079
9	Niagara Falls	Nipigon WDA	24.65539	0.8106
10	Niagara Falls	Union NDA	12.95334	0.4259
11	Niagara Falls	Calstock NDA	19.51098	0.6415
12	Niagara Falls	Tunis NDA	15.46077	0.5083
13	Niagara Falls	GMIT NDA	12.45111	0.4094
14	Niagara Falls	Union SSMDA	16.73198	0.5501
15	Niagara Falls	Union NCDA	7.52725	0.2475
16	Niagara Falls	Union CDA	4.23793	0.1393
17	Niagara Falls	Enbridge CDA	5.28532	0.1738
18	Niagara Falls	Union EDA	9.68160	0.3183
19	Niagara Falls	Enbridge EDA	11.81963	0.3886
20	Niagara Falls	GMIT EDA	14.59224	0.4798
21	Niagara Falls	KPUC EDA	9.39137	0.3088
22	Niagara Falls	North Bay Junction	10.25569	0.3372
23	Niagara Falls	Kirkwall	4.33265	0.1424
24	Niagara Falls	Enbridge SWDA	7.26719	0.2389
25	Niagara Falls	Union SWDA	7.32318	0.2408
26	Niagara Falls	Spruce	34.20542	1.1246
27	Niagara Falls	Emerson 1	31.99818	1.0520
28	Niagara Falls	Emerson 2	31.99818	1.0520
29	Niagara Falls	St. Clair	7.63783	0.2511
30	Niagara Falls	Dawn Export	7.26719	0.2389
31	Niagara Falls	Niagara Falls	2.60027	0.0855
32	Niagara Falls	Chippawa	3.20174	0.1053
33	Niagara Falls	Iroquois	11.30448	0.3717
34	Niagara Falls	Cornwall	11.96334	0.3933
35	Niagara Falls	Napierville	14.35303	0.4719
36	Niagara Falls	Philipsburg	14.62460	0.4808
37	Niagara Falls	East Hereford	17.50376	0.5755
38	Niagara Falls	Welwyn	38.40245	1.2626
39	Nipigon WDA	Empress	-	0.9322
40	Nipigon WDA	TransGas SSDA	-	0.7104
41	Nipigon WDA	Centram SSDA	-	0.6195
42	Nipigon WDA	Centram MDA	-	0.4828
43	Nipigon WDA	Centrat MDA	-	0.4197
44	Nipigon WDA	Union WDA	-	0.1864
45	Nipigon WDA	Nipigon WDA	-	0.0855
46	Nipigon WDA	Union NDA	-	0.4702
47	Nipigon WDA	Calstock NDA	-	0.2546
48	Nipigon WDA	Tunis NDA	-	0.3878
49	Nipigon WDA	GMIT NDA	-	0.4974
50	Nipigon WDA	Union SSMDA	-	1.0780
51	Nipigon WDA	Union NCDA	-	0.6486
52	Nipigon WDA	Union CDA	-	0.7581
53	Nipigon WDA	Enbridge CDA	-	0.7395
54	Nipigon WDA	Union EDA	-	0.8055
55	Nipigon WDA	Enbridge EDA	-	0.7691
56	Nipigon WDA	GMIT EDA	-	0.8827
57	Nipigon WDA	KPUC EDA	-	0.8374
58	Nipigon WDA	North Bay Junction	-	0.5589
59	Nipigon WDA	Kirkwall	-	0.7623
60	Nipigon WDA	Enbridge SWDA	-	0.8587
61	Nipigon WDA	Union SWDA	-	0.8606
62	Nipigon WDA	Spruce	-	0.4197
63	Nipigon WDA	Emerson 1	-	0.4923
64	Nipigon WDA	Emerson 2	-	0.4923
65	Nipigon WDA	St. Clair	-	0.8709
66	Nipigon WDA	Dawn Export	-	0.8587
67	Nipigon WDA	Niagara Falls	-	0.8106
68	Nipigon WDA	Chippawa	-	0.8118
69	Nipigon WDA	Iroquois	-	0.7792
70	Nipigon WDA	Cornwall	-	0.7962
71	Nipigon WDA	Napierville	-	0.8748
72	Nipigon WDA	Philipsburg	-	0.8837
73	Nipigon WDA	East Hereford	-	0.9784

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Nipigon WDA	Welwyn	-	0.6195
2	North Bay Junction	Empress	42.75425	1.4056
3	North Bay Junction	TransGas SSDA	36.00639	1.1838
4	North Bay Junction	Centram SSDA	33.24202	1.0929
5	North Bay Junction	Centram MDA	29.08527	0.9562
6	North Bay Junction	Centrat MDA	27.16593	0.8931
7	North Bay Junction	Union WDA	19.95877	0.6562
8	North Bay Junction	Nipigon WDA	16.99997	0.5589
9	North Bay Junction	Union NDA	5.30881	0.1745
10	North Bay Junction	Calstock NDA	11.85556	0.3898
11	North Bay Junction	Tunis NDA	7.80535	0.2566
12	North Bay Junction	GMIT NDA	4.79569	0.1577
13	North Bay Junction	Union SSMDA	21.18503	0.6965
14	North Bay Junction	Union NCDA	5.32887	0.1752
15	North Bay Junction	Union CDA	8.65785	0.2846
16	North Bay Junction	Enbridge CDA	8.09496	0.2661
17	North Bay Junction	Union EDA	10.10218	0.3321
18	North Bay Junction	Enbridge EDA	8.99304	0.2957
19	North Bay Junction	GMIT EDA	12.44800	0.4093
20	North Bay Junction	KPUC EDA	11.07102	0.3640
21	North Bay Junction	North Bay Junction	2.60027	0.0855
22	North Bay Junction	Kirkwall	8.78586	0.2889
23	North Bay Junction	Enbridge SWDA	11.72039	0.3853
24	North Bay Junction	Union SWDA	11.77623	0.3872
25	North Bay Junction	Spruce	27.16593	0.8931
26	North Bay Junction	Emerson 1	29.37332	0.9657
27	North Bay Junction	Emerson 2	29.37332	0.9657
28	North Bay Junction	St. Clair	12.09104	0.3975
29	North Bay Junction	Dawn Export	11.72039	0.3853
30	North Bay Junction	Niagara Falls	10.25569	0.3372
31	North Bay Junction	Chippawa	10.29287	0.3384
32	North Bay Junction	Iroquois	9.30178	0.3058
33	North Bay Junction	Cornwall	9.81879	0.3228
34	North Bay Junction	Napierville	12.20847	0.4014
35	North Bay Junction	Philipsburg	12.48004	0.4103
36	North Bay Junction	East Hereford	15.35936	0.5050
37	North Bay Junction	Welwyn	33.24202	1.0929
38	Philipsburg	Empress	52.63402	1.7304
39	Philipsburg	TransGas SSDA	45.88632	1.5086
40	Philipsburg	Centram SSDA	43.12178	1.4177
41	Philipsburg	Centram MDA	38.96457	1.2810
42	Philipsburg	Centrat MDA	37.04585	1.2180
43	Philipsburg	Union WDA	29.83885	0.9810
44	Philipsburg	Nipigon WDA	26.87974	0.8837
45	Philipsburg	Union NDA	15.18920	0.4994
46	Philipsburg	Calstock NDA	21.73532	0.7146
47	Philipsburg	Tunis NDA	17.68512	0.5814
48	Philipsburg	GMIT NDA	14.67561	0.4825
49	Philipsburg	Union SSMDA	25.55393	0.8401
50	Philipsburg	Union NCDA	13.78314	0.4531
51	Philipsburg	Union CDA	13.02660	0.4283
52	Philipsburg	Enbridge CDA	12.13926	0.3991
53	Philipsburg	Union EDA	7.56909	0.2489
54	Philipsburg	Enbridge EDA	7.19704	0.2366
55	Philipsburg	GMIT EDA	5.63606	0.1853
56	Philipsburg	KPUC EDA	7.83350	0.2575
57	Philipsburg	North Bay Junction	12.48004	0.4103
58	Philipsburg	Kirkwall	13.15476	0.4325
59	Philipsburg	Enbridge SWDA	16.08930	0.5290
60	Philipsburg	Union SWDA	16.14529	0.5308
61	Philipsburg	Spruce	37.04585	1.2180
62	Philipsburg	Emerson 1	39.25309	1.2905
63	Philipsburg	Emerson 2	39.25309	1.2905
64	Philipsburg	St. Clair	16.45994	0.5412
65	Philipsburg	Dawn Export	16.08930	0.5290
66	Philipsburg	Niagara Falls	14.62460	0.4808
67	Philipsburg	Chippawa	14.66177	0.4820
68	Philipsburg	Iroquois	6.06426	0.1994
69	Philipsburg	Cornwall	5.26153	0.1730
70	Philipsburg	Napierville	4.02935	0.1325
71	Philipsburg	Philipsburg	2.60027	0.0855
72	Philipsburg	East Hereford	8.92227	0.2933
73	Philipsburg	Welwyn	43.12178	1.4177

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Richmound	Empress	2.63480	0.0866
2	Richmound	TransGas SSDA	9.31376	0.3062
3	Richmound	Centram SSDA	12.07797	0.3971
4	Richmound	Centram MDA	16.27454	0.5351
5	Richmound	Centrat MDA	18.15391	0.5968
6	Richmound	Union WDA	26.00748	0.8550
7	Richmound	Nipigon WDA	28.32002	0.9311
8	Richmound	Union NDA	40.02207	1.3158
9	Richmound	Calstock NDA	33.46428	1.1002
10	Richmound	Tunis NDA	37.51464	1.2334
11	Richmound	GMIT NDA	40.84782	1.3429
12	Richmound	Union SSMDA	36.29725	1.1933
1	Richmound	Union NCDA	45.44832	1.4942
2	Richmound	Union CDA	46.82281	1.5394
3	Richmound	Enbridge CDA	47.59365	1.5647
4	Richmound	Union EDA	50.16687	1.6493
5	Richmound	Enbridge EDA	49.10128	1.6143
6	Richmound	GMIT EDA	52.56745	1.7282
7	Richmound	KPUC EDA	51.19047	1.6830
8	Richmound	North Bay Junction	42.71972	1.4045
9	Richmound	Kirkwall	46.14777	1.5172
10	Richmound	Enbridge SWDA	43.21324	1.4207
11	Richmound	Union SWDA	43.15725	1.4189
12	Richmound	Spruce	18.15391	0.5968
13	Richmound	Emerson 1	18.48225	0.6076
14	Richmound	Emerson 2	18.48225	0.6076
15	Richmound	St. Clair	42.84259	1.4085
16	Richmound	Dawn Export	43.21324	1.4207
17	Richmound	Niagara Falls	47.88016	1.5741
18	Richmound	Chippawa	47.91733	1.5754
19	Richmound	Iroquois	49.42123	1.6248
20	Richmound	Cornwall	49.93823	1.6418
21	Richmound	Napierville	52.32792	1.7204
22	Richmound	Philipsburg	52.59949	1.7293
23	Richmound	East Hereford	55.47865	1.8240
24	Richmound	Welwyn	12.07797	0.3971
25	Sainte-Genevieve-de-Berthier	Empress	52.87199	1.7383
26	Sainte-Genevieve-de-Berthier	TransGas SSDA	46.12460	1.5164
27	Sainte-Genevieve-de-Berthier	Centram SSDA	43.35991	1.4255
28	Sainte-Genevieve-de-Berthier	Centram MDA	39.20207	1.2888
29	Sainte-Genevieve-de-Berthier	Centrat MDA	37.28382	1.2258
30	Sainte-Genevieve-de-Berthier	Union WDA	30.07667	0.9888
31	Sainte-Genevieve-de-Berthier	Nipigon WDA	27.11771	0.8915
32	Sainte-Genevieve-de-Berthier	Union NDA	15.42717	0.5072
33	Sainte-Genevieve-de-Berthier	Calstock NDA	21.97345	0.7224
34	Sainte-Genevieve-de-Berthier	Tunis NDA	17.92324	0.5893
35	Sainte-Genevieve-de-Berthier	GMIT NDA	14.91343	0.4903
36	Sainte-Genevieve-de-Berthier	Union SSMDA	25.79206	0.8480
37	Sainte-Genevieve-de-Berthier	Union NCDA	14.02127	0.4610
38	Sainte-Genevieve-de-Berthier	Union CDA	13.26473	0.4361
39	Sainte-Genevieve-de-Berthier	Enbridge CDA	12.37754	0.4069
40	Sainte-Genevieve-de-Berthier	Union EDA	7.80768	0.2567
41	Sainte-Genevieve-de-Berthier	Enbridge EDA	7.43486	0.2444
42	Sainte-Genevieve-de-Berthier	GMIT EDA	4.57374	0.1504
43	Sainte-Genevieve-de-Berthier	KPUC EDA	8.07147	0.2654
44	Sainte-Genevieve-de-Berthier	North Bay Junction	12.71817	0.4181
45	Sainte-Genevieve-de-Berthier	Kirkwall	13.39274	0.4403
46	Sainte-Genevieve-de-Berthier	Enbridge SWDA	16.32727	0.5368
47	Sainte-Genevieve-de-Berthier	Union SWDA	16.38311	0.5386
48	Sainte-Genevieve-de-Berthier	Spruce	37.28382	1.2258
49	Sainte-Genevieve-de-Berthier	Emerson 1	39.49106	1.2983
50	Sainte-Genevieve-de-Berthier	Emerson 2	39.49106	1.2983
51	Sainte-Genevieve-de-Berthier	St. Clair	16.69792	0.5490
52	Sainte-Genevieve-de-Berthier	Dawn Export	16.32727	0.5368
53	Sainte-Genevieve-de-Berthier	Niagara Falls	14.86257	0.4886
54	Sainte-Genevieve-de-Berthier	Chippawa	14.89974	0.4899
55	Sainte-Genevieve-de-Berthier	Iroquois	6.30223	0.2072
56	Sainte-Genevieve-de-Berthier	Cornwall	5.49950	0.1808
57	Sainte-Genevieve-de-Berthier	Napierville	6.00951	0.1976
58	Sainte-Genevieve-de-Berthier	Philipsburg	6.28108	0.2065
59	Sainte-Genevieve-de-Berthier	East Hereford	6.71238	0.2207
60	Sainte-Genevieve-de-Berthier	Welwyn	43.35991	1.4255
61	Shackleton	Empress	4.04086	0.1329

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Shackleton	TransGas SSDA	7.92885	0.2607
2	Shackleton	Centram SSDA	10.67191	0.3509
3	Shackleton	Centram MDA	14.86941	0.4889
4	Shackleton	Centrat MDA	16.74784	0.5506
5	Shackleton	Union WDA	24.60126	0.8088
6	Shackleton	Nipigon WDA	26.91396	0.8848
7	Shackleton	Union NDA	38.61616	1.2696
8	Shackleton	Calstock NDA	32.05822	1.0540
9	Shackleton	Tunis NDA	36.10858	1.1871
10	Shackleton	GMIT NDA	39.44176	1.2967
11	Shackleton	Union SSMDA	34.89119	1.1471
12	Shackleton	Union NCDA	44.04226	1.4480
13	Shackleton	Union CDA	45.41675	1.4932
14	Shackleton	Enbridge CDA	46.18744	1.5185
15	Shackleton	Union EDA	48.75988	1.6031
16	Shackleton	Enbridge EDA	47.69491	1.5681
17	Shackleton	GMIT EDA	51.16092	1.6820
18	Shackleton	KPUC EDA	49.78441	1.6368
19	Shackleton	North Bay Junction	41.31366	1.3583
20	Shackleton	Kirkwall	44.74171	1.4710
21	Shackleton	Enbridge SWDA	41.80718	1.3745
22	Shackleton	Union SWDA	41.75118	1.3726
23	Shackleton	Spruce	16.74784	0.5506
24	Shackleton	Emerson 1	17.07619	0.5614
25	Shackleton	Emerson 2	17.07619	0.5614
26	Shackleton	St. Clair	41.43653	1.3623
27	Shackleton	Dawn Export	41.80718	1.3745
28	Shackleton	Niagara Falls	46.47409	1.5279
29	Shackleton	Chippawa	46.51127	1.5291
30	Shackleton	Iroquois	48.01516	1.5786
31	Shackleton	Cornwall	48.53217	1.5956
32	Shackleton	Napierville	50.92185	1.6741
33	Shackleton	Philipsburg	51.19342	1.6831
34	Shackleton	East Hereford	54.07259	1.7777
35	Shackleton	Welwyn	10.67191	0.3509
36	Spruce	Empress	-	0.5980
37	Spruce	TransGas SSDA	-	0.3761
38	Spruce	Centram SSDA	-	0.2853
39	Spruce	Centram MDA	-	0.1486
40	Spruce	Centrat MDA	-	0.0855
41	Spruce	Union WDA	-	0.3437
42	Spruce	Nipigon WDA	-	0.4197
43	Spruce	Union NDA	-	0.8044
44	Spruce	Calstock NDA	-	0.5888
45	Spruce	Tunis NDA	-	0.7220
46	Spruce	GMIT NDA	-	0.8316
47	Spruce	Union SSMDA	-	0.7438
48	Spruce	Union NCDA	-	0.9828
49	Spruce	Union CDA	-	1.0834
50	Spruce	Enbridge CDA	-	1.0705
51	Spruce	Union EDA	-	1.1398
52	Spruce	Enbridge EDA	-	1.1033
53	Spruce	GMIT EDA	-	1.2169
54	Spruce	KPUC EDA	-	1.1716
55	Spruce	North Bay Junction	-	0.8931
56	Spruce	Kirkwall	-	1.0676
57	Spruce	Enbridge SWDA	-	0.9711
58	Spruce	Union SWDA	-	0.9693
59	Spruce	Spruce	-	0.0855
60	Spruce	Emerson 1	-	0.1581
61	Spruce	Emerson 2	-	0.1581
62	Spruce	St. Clair	-	0.9589
63	Spruce	Dawn Export	-	0.9711
64	Spruce	Niagara Falls	-	1.1246
65	Spruce	Chippawa	-	1.1258
66	Spruce	Iroquois	-	1.1135
67	Spruce	Cornwall	-	1.1305
68	Spruce	Napierville	-	1.2090
69	Spruce	Philipsburg	-	1.2180
70	Spruce	East Hereford	-	1.3126
71	Spruce	Welwyn	-	0.2853
72	SS. Marie	Empress	36.16380	1.1890
73	SS. Marie	TransGas SSDA	29.41594	0.9671

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	SS. Marie	Centram SSDA	26.65157	0.8762
2	SS. Marie	Centram MDA	22.46977	0.7387
3	SS. Marie	Centrat MDA	22.45453	0.7382
4	SS. Marie	Union WDA	30.27311	0.9953
5	SS. Marie	Nipigon WDA	32.62064	1.0725
6	SS. Marie	Union NDA	23.71439	0.7797
7	SS. Marie	Calstock NDA	30.27233	0.9953
8	SS. Marie	Tunis NDA	26.22212	0.8621
9	SS. Marie	GMIT NDA	23.21247	0.7632
10	SS. Marie	Union SSMDA	2.76825	0.0910
11	SS. Marie	Union NCDA	18.28860	0.6013
12	SS. Marie	Union CDA	15.50665	0.5098
13	SS. Marie	Enbridge CDA	16.46088	0.5412
14	SS. Marie	Union EDA	20.44311	0.6721
15	SS. Marie	Enbridge EDA	22.58129	0.7424
16	SS. Marie	GMIT EDA	25.35360	0.8335
17	SS. Marie	KPUC EDA	20.15272	0.6626
18	SS. Marie	North Bay Junction	21.01705	0.6910
19	SS. Marie	Kirkwall	14.83146	0.4876
20	SS. Marie	Enbridge SWDA	11.89693	0.3911
21	SS. Marie	Union SWDA	11.84109	0.3893
22	SS. Marie	Spruce	22.45453	0.7382
23	SS. Marie	Emerson 1	20.24729	0.6657
24	SS. Marie	Emerson 2	20.24729	0.6657
25	SS. Marie	St. Clair	11.52628	0.3790
26	SS. Marie	Dawn Export	11.89693	0.3911
27	SS. Marie	Niagara Falls	16.56384	0.5446
28	SS. Marie	Chippawa	16.60102	0.5458
29	SS. Marie	Iroquois	22.23398	0.7310
30	SS. Marie	Cornwall	22.72454	0.7471
31	SS. Marie	Napierville	25.11423	0.8257
32	SS. Marie	Philipsburg	25.38580	0.8346
33	SS. Marie	East Hereford	28.26512	0.9293
34	SS. Marie	Welwyn	26.65157	0.8762
35	St. Clair	Empress	42.87712	1.4097
36	St. Clair	TransGas SSDA	36.12896	1.1878
37	St. Clair	Centram SSDA	33.36489	1.0969
38	St. Clair	Centram MDA	29.18279	0.9594
39	St. Clair	Centrat MDA	29.16786	0.9589
40	St. Clair	Union WDA	29.16972	0.9590
41	St. Clair	Nipigon WDA	26.49074	0.8709
42	St. Clair	Union NDA	14.78869	0.4862
43	St. Clair	Calstock NDA	21.34632	0.7018
44	St. Clair	Tunis NDA	17.29612	0.5686
45	St. Clair	GMIT NDA	14.28646	0.4697
46	St. Clair	Union SSMDA	11.69442	0.3845
47	St. Clair	Union NCDA	9.36244	0.3078
48	St. Clair	Union CDA	6.58095	0.2164
49	St. Clair	Enbridge CDA	7.53502	0.2477
50	St. Clair	Union EDA	11.51711	0.3786
51	St. Clair	Enbridge EDA	13.65482	0.4489
52	St. Clair	GMIT EDA	16.42744	0.5401
53	St. Clair	KPUC EDA	11.22672	0.3691
54	St. Clair	North Bay Junction	12.09104	0.3975
55	St. Clair	Kirkwall	5.90545	0.1942
56	St. Clair	Enbridge SWDA	2.97092	0.0977
57	St. Clair	Union SWDA	2.91493	0.0958
58	St. Clair	Spruce	29.16786	0.9589
59	St. Clair	Emerson 1	26.96062	0.8864
60	St. Clair	Emerson 2	26.96062	0.8864
61	St. Clair	St. Clair	2.60027	0.0855
62	St. Clair	Dawn Export	2.97092	0.0977
63	St. Clair	Niagara Falls	7.63783	0.2511
64	St. Clair	Chippawa	7.67501	0.2523
65	St. Clair	Iroquois	13.13983	0.4320
66	St. Clair	Cornwall	13.79869	0.4537
67	St. Clair	Napierville	16.18837	0.5322
68	St. Clair	Philipsburg	16.45994	0.5412
69	St. Clair	East Hereford	19.33911	0.6358
70	St. Clair	Welwyn	33.36489	1.0969
71	Steelman	Empress	8.57184	0.2818
72	Steelman	TransGas SSDA	3.55045	0.1167
73	Steelman	Centram SSDA	6.14094	0.2019

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Steelman	Centram MDA	10.33844	0.3399
2	Steelman	Centrat MDA	12.21703	0.4017
3	Steelman	Union WDA	20.07045	0.6599
4	Steelman	Nipigon WDA	22.38298	0.7359
5	Steelman	Union NDA	34.08550	1.1206
6	Steelman	Calstock NDA	27.52740	0.9050
7	Steelman	Tunis NDA	31.57761	1.0382
8	Steelman	GMIT NDA	34.91094	1.1478
9	Steelman	Union SSMDA	30.36037	0.9982
10	Steelman	Union NCDA	39.51128	1.2990
11	Steelman	Union CDA	40.88608	1.3442
12	Steelman	Enbridge CDA	41.65646	1.3695
13	Steelman	Union EDA	44.22953	1.4541
14	Steelman	Enbridge EDA	43.16409	1.4191
15	Steelman	GMIT EDA	46.63010	1.5330
16	Steelman	KPUC EDA	45.25343	1.4878
17	Steelman	North Bay Junction	36.78268	1.2093
18	Steelman	Kirkwall	40.21074	1.3220
19	Steelman	Enbridge SWDA	37.27620	1.2255
20	Steelman	Union SWDA	37.22037	1.2237
21	Steelman	Spruce	12.21703	0.4017
22	Steelman	Emerson 1	12.54521	0.4125
23	Steelman	Emerson 2	12.54521	0.4125
24	Steelman	St. Clair	36.90556	1.2133
25	Steelman	Dawn Export	37.27620	1.2255
26	Steelman	Niagara Falls	41.94312	1.3790
27	Steelman	Chippawa	41.98029	1.3802
28	Steelman	Iroquois	43.48419	1.4296
29	Steelman	Cornwall	44.00120	1.4466
30	Steelman	Napierville	46.39088	1.5252
31	Steelman	Philipsburg	46.66245	1.5341
32	Steelman	East Hereford	49.54177	1.6288
33	Steelman	Welwyn	6.14094	0.2019
34	Success	Empress	4.70781	0.1548
35	Success	TransGas SSDA	7.28119	0.2394
36	Success	Centram SSDA	10.00497	0.3289
37	Success	Centram MDA	14.20184	0.4669
38	Success	Centrat MDA	16.08090	0.5287
39	Success	Union WDA	23.93463	0.7869
40	Success	Nipigon WDA	26.24701	0.8629
41	Success	Union NDA	37.94922	1.2477
42	Success	Calstock NDA	31.39127	1.0320
43	Success	Tunis NDA	35.44148	1.1652
44	Success	GMIT NDA	38.77481	1.2748
45	Success	Union SSMDA	34.22424	1.1252
46	Success	Union NCDA	43.37516	1.4260
47	Success	Union CDA	44.74996	1.4712
48	Success	Enbridge CDA	45.52033	1.4966
49	Success	Union EDA	48.09262	1.5811
50	Success	Enbridge EDA	47.02812	1.5461
51	Success	GMIT EDA	50.49350	1.6601
52	Success	KPUC EDA	49.11746	1.6148
53	Success	North Bay Junction	40.64655	1.3363
54	Success	Kirkwall	44.07461	1.4490
55	Success	Enbridge SWDA	41.14008	1.3526
56	Success	Union SWDA	41.08408	1.3507
57	Success	Spruce	16.08090	0.5287
58	Success	Emerson 1	16.40924	0.5395
59	Success	Emerson 2	16.40924	0.5395
60	Success	St. Clair	40.76958	1.3404
61	Success	Dawn Export	41.14008	1.3526
62	Success	Niagara Falls	45.80715	1.5060
63	Success	Chippawa	45.84432	1.5072
64	Success	Iroquois	47.34822	1.5567
65	Success	Cornwall	47.86522	1.5737
66	Success	Napierville	50.25491	1.6522
67	Success	Philipsburg	50.52648	1.6611
68	Success	East Hereford	53.40564	1.7558
69	Success	Welwyn	10.00497	0.3289
70	Suffield 2	Empress	2.63185	0.0865
71	Suffield 2	TransGas SSDA	9.31655	0.3063
72	Suffield 2	Centram SSDA	12.08093	0.3972
73	Suffield 2	Centram MDA	16.27750	0.5352

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Suffield 2	Centrat MDA	18.15686	0.5969
2	Suffield 2	Union WDA	26.01044	0.8551
3	Suffield 2	Nipigon WDA	28.32298	0.9312
4	Suffield 2	Union NDA	40.02534	1.3159
5	Suffield 2	Calstock NDA	33.46724	1.1003
6	Suffield 2	Tunis NDA	37.51744	1.2335
7	Suffield 2	GMIT NDA	40.85078	1.3430
8	Suffield 2	Union SSMDA	36.30020	1.1934
9	Suffield 2	Union NCDA	45.45143	1.4943
10	Suffield 2	Union CDA	46.82576	1.5395
11	Suffield 2	Enbridge CDA	47.59599	1.5648
12	Suffield 2	Union EDA	50.16936	1.6494
13	Suffield 2	Enbridge EDA	49.10439	1.6144
14	Suffield 2	GMIT EDA	52.56993	1.7283
15	Suffield 2	KPUC EDA	51.19342	1.6831
16	Suffield 2	North Bay Junction	42.72252	1.4046
17	Suffield 2	Kirkwall	46.15057	1.5173
18	Suffield 2	Enbridge SWDA	43.21604	1.4208
19	Suffield 2	Union SWDA	43.16020	1.4190
20	Suffield 2	Spruce	18.15686	0.5969
21	Suffield 2	Emerson 1	18.48520	0.6077
22	Suffield 2	Emerson 2	18.48520	0.6077
23	Suffield 2	St. Clair	42.84555	1.4086
24	Suffield 2	Dawn Export	43.21604	1.4208
25	Suffield 2	Niagara Falls	47.88311	1.5742
26	Suffield 2	Chippawa	47.92028	1.5755
27	Suffield 2	Iroquois	49.42418	1.6249
28	Suffield 2	Cornwall	49.94119	1.6419
29	Suffield 2	Napierville	52.33087	1.7205
30	Suffield 2	Philipsburg	52.60244	1.7294
31	Suffield 2	East Hereford	55.48160	1.8241
32	Suffield 2	Welwyn	12.08093	0.3972
33	TransGas SSDA	Empress	-	0.3073
34	TransGas SSDA	TransGas SSDA	-	0.0855
35	TransGas SSDA	Centram SSDA	-	0.1764
36	TransGas SSDA	Centram MDA	-	0.3144
37	TransGas SSDA	Centrat MDA	-	0.3761
38	TransGas SSDA	Union WDA	-	0.6343
39	TransGas SSDA	Nipigon WDA	-	0.7104
40	TransGas SSDA	Union NDA	-	1.0950
41	TransGas SSDA	Calstock NDA	-	0.8795
42	TransGas SSDA	Tunis NDA	-	1.0127
43	TransGas SSDA	GMIT NDA	-	1.1223
44	TransGas SSDA	Union SSMDA	-	0.9726
45	TransGas SSDA	Union NCDA	-	1.2735
46	TransGas SSDA	Union CDA	-	1.3187
47	TransGas SSDA	Enbridge CDA	-	1.3439
48	TransGas SSDA	Union EDA	-	1.4286
49	TransGas SSDA	Enbridge EDA	-	1.3936
50	TransGas SSDA	GMIT EDA	-	1.5075
51	TransGas SSDA	KPUC EDA	-	1.4623
52	TransGas SSDA	North Bay Junction	-	1.1838
53	TransGas SSDA	Kirkwall	-	1.2965
54	TransGas SSDA	Enbridge SWDA	-	1.2000
55	TransGas SSDA	Union SWDA	-	1.1982
56	TransGas SSDA	Spruce	-	0.3761
57	TransGas SSDA	Emerson 1	-	0.3869
58	TransGas SSDA	Emerson 2	-	0.3869
59	TransGas SSDA	St. Clair	-	1.1878
60	TransGas SSDA	Dawn Export	-	1.2000
61	TransGas SSDA	Niagara Falls	-	1.3534
62	TransGas SSDA	Chippawa	-	1.3547
63	TransGas SSDA	Iroquois	-	1.4041
64	TransGas SSDA	Cornwall	-	1.4211
65	TransGas SSDA	Napierville	-	1.4997
66	TransGas SSDA	Philipsburg	-	1.5086
67	TransGas SSDA	East Hereford	-	1.6032
68	TransGas SSDA	Welwyn	-	0.1764
69	Tunis NDA	Empress	-	1.2345
70	Tunis NDA	TransGas SSDA	-	1.0127
71	Tunis NDA	Centram SSDA	-	0.9218
72	Tunis NDA	Centram MDA	-	0.7851
73	Tunis NDA	Centrat MDA	-	0.7220

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Tunis NDA	Union WDA	-	0.4851
2	Tunis NDA	Nipigon WDA	-	0.3878
3	Tunis NDA	Union NDA	-	0.1833
4	Tunis NDA	Calstock NDA	-	0.2187
5	Tunis NDA	Tunis NDA	-	0.0855
6	Tunis NDA	GMIT NDA	-	0.1951
7	Tunis NDA	Union SSMDA	-	0.8676
8	Tunis NDA	Union NCDA	-	0.3463
9	Tunis NDA	Union CDA	-	0.4558
10	Tunis NDA	Enbridge CDA	-	0.4372
11	Tunis NDA	Union EDA	-	0.5032
12	Tunis NDA	Enbridge EDA	-	0.4668
13	Tunis NDA	GMIT EDA	-	0.5804
14	Tunis NDA	KPUC EDA	-	0.5351
15	Tunis NDA	North Bay Junction	-	0.2566
16	Tunis NDA	Kirkwall	-	0.4600
17	Tunis NDA	Enbridge SWDA	-	0.5565
18	Tunis NDA	Union SWDA	-	0.5583
19	Tunis NDA	Spruce	-	0.7220
20	Tunis NDA	Emerson 1	-	0.7946
21	Tunis NDA	Emerson 2	-	0.7946
22	Tunis NDA	St. Clair	-	0.5686
23	Tunis NDA	Dawn Export	-	0.5565
24	Tunis NDA	Niagara Falls	-	0.5083
25	Tunis NDA	Chippawa	-	0.5095
26	Tunis NDA	Iroquois	-	0.4769
27	Tunis NDA	Cornwall	-	0.4939
28	Tunis NDA	Napierville	-	0.5725
29	Tunis NDA	Philipsburg	-	0.5814
30	Tunis NDA	East Hereford	-	0.6761
31	Tunis NDA	Welwyn	-	0.9218
32	Union CDA	Empress	-	1.5405
33	Union CDA	TransGas SSDA	-	1.3187
34	Union CDA	Centram SSDA	-	1.2278
35	Union CDA	Centram MDA	-	1.0903
36	Union CDA	Centrat MDA	-	1.0834
37	Union CDA	Union WDA	-	0.8553
38	Union CDA	Nipigon WDA	-	0.7581
39	Union CDA	Union NDA	-	0.3733
40	Union CDA	Calstock NDA	-	0.5889
41	Union CDA	Tunis NDA	-	0.4558
42	Union CDA	GMIT NDA	-	0.3568
43	Union CDA	Union SSMDA	-	0.5153
44	Union CDA	Union NCDA	-	0.1949
45	Union CDA	Union CDA	-	0.0855
46	Union CDA	Enbridge CDA	-	0.1350
47	Union CDA	Union EDA	-	0.2658
48	Union CDA	Enbridge EDA	-	0.3361
49	Union CDA	GMIT EDA	-	0.4272
50	Union CDA	KPUC EDA	-	0.2562
51	Union CDA	North Bay Junction	-	0.2846
52	Union CDA	Kirkwall	-	0.1077
53	Union CDA	Enbridge SWDA	-	0.2042
54	Union CDA	Union SWDA	-	0.2060
55	Union CDA	Spruce	-	1.0834
56	Union CDA	Emerson 1	-	1.0172
57	Union CDA	Emerson 2	-	1.0172
58	Union CDA	St. Clair	-	0.2164
59	Union CDA	Dawn Export	-	0.2042
60	Union CDA	Niagara Falls	-	0.1393
61	Union CDA	Chippawa	-	0.1406
62	Union CDA	Iroquois	-	0.3191
63	Union CDA	Cornwall	-	0.3408
64	Union CDA	Napierville	-	0.4193
65	Union CDA	Philipsburg	-	0.4283
66	Union CDA	East Hereford	-	0.5229
67	Union CDA	Welwyn	-	1.2278
68	Union Dawn	Empress	43.24777	1.4218
69	Union Dawn	TransGas SSDA	36.50007	1.2000
70	Union Dawn	Centram SSDA	33.73554	1.1091
71	Union Dawn	Centram MDA	29.55344	0.9716
72	Union Dawn	Centrat MDA	29.53850	0.9711
73	Union Dawn	Union WDA	28.86238	0.9489

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Union Dawn	Nipigon WDA	26.12009	0.8587
2	Union Dawn	Union NDA	14.41835	0.4740
3	Union Dawn	Calstock NDA	20.97568	0.6896
4	Union Dawn	Tunis NDA	16.92547	0.5565
5	Union Dawn	GMIT NDA	13.91581	0.4575
6	Union Dawn	Union SSMDA	12.06507	0.3967
7	Union Dawn	Union NCDA	8.99195	0.2956
8	Union Dawn	Union CDA	6.21000	0.2042
9	Union Dawn	Enbridge CDA	7.16453	0.2356
10	Union Dawn	Union EDA	11.14630	0.3665
11	Union Dawn	Enbridge EDA	13.28433	0.4367
12	Union Dawn	GMIT EDA	16.05695	0.5279
13	Union Dawn	KPUC EDA	10.85607	0.3569
14	Union Dawn	North Bay Junction	11.72039	0.3853
15	Union Dawn	Kirkwall	5.53481	0.1820
16	Union Dawn	Enbridge SWDA	2.60027	0.0855
17	Union Dawn	Union SWDA	2.65611	0.0873
18	Union Dawn	Spruce	29.53850	0.9711
19	Union Dawn	Emerson 1	27.33127	0.8986
20	Union Dawn	Emerson 2	27.33127	0.8986
21	Union Dawn	St. Clair	2.97092	0.0977
22	Union Dawn	Dawn Export	2.60027	0.0855
23	Union Dawn	Niagara Falls	7.26719	0.2389
24	Union Dawn	Chippawa	7.30436	0.2401
25	Union Dawn	Iroquois	12.76919	0.4198
26	Union Dawn	Cornwall	13.42804	0.4415
27	Union Dawn	Napierville	15.81773	0.5200
28	Union Dawn	Philipsburg	16.08930	0.5290
29	Union Dawn	East Hereford	18.96846	0.6236
30	Union Dawn	Welwyn	33.73554	1.1091
31	Union EDA	Empress	-	1.6504
32	Union EDA	TransGas SSDA	-	1.4286
33	Union EDA	Centram SSDA	-	1.3377
34	Union EDA	Centram MDA	-	1.2003
35	Union EDA	Centrat MDA	-	1.1398
36	Union EDA	Union WDA	-	0.9028
37	Union EDA	Nipigon WDA	-	0.8055
38	Union EDA	Union NDA	-	0.4208
39	Union EDA	Calstock NDA	-	0.6364
40	Union EDA	Tunis NDA	-	0.5032
41	Union EDA	GMIT NDA	-	0.4043
42	Union EDA	Union SSMDA	-	0.6776
43	Union EDA	Union NCDA	-	0.2948
44	Union EDA	Union CDA	-	0.2658
45	Union EDA	Enbridge CDA	-	0.2365
46	Union EDA	Union EDA	-	0.0855
47	Union EDA	Enbridge EDA	-	0.1758
48	Union EDA	GMIT EDA	-	0.2475
49	Union EDA	KPUC EDA	-	0.1268
50	Union EDA	North Bay Junction	-	0.3321
51	Union EDA	Kirkwall	-	0.2700
52	Union EDA	Enbridge SWDA	-	0.3665
53	Union EDA	Union SWDA	-	0.3683
54	Union EDA	Spruce	-	1.1398
55	Union EDA	Emerson 1	-	1.1646
56	Union EDA	Emerson 2	-	1.1646
57	Union EDA	St. Clair	-	0.3786
58	Union EDA	Dawn Export	-	0.3665
59	Union EDA	Niagara Falls	-	0.3183
60	Union EDA	Chippawa	-	0.3195
61	Union EDA	Iroquois	-	0.1430
62	Union EDA	Cornwall	-	0.1614
63	Union EDA	Napierville	-	0.2399
64	Union EDA	Philipsburg	-	0.2489
65	Union EDA	East Hereford	-	0.3435
66	Union EDA	Welwyn	-	1.3377
67	Union NCDA	Empress	-	1.4953
68	Union NCDA	TransGas SSDA	-	1.2735
69	Union NCDA	Centram SSDA	-	1.1826
70	Union NCDA	Centram MDA	-	1.0459
71	Union NCDA	Centrat MDA	-	0.9828
72	Union NCDA	Union WDA	-	0.7459
73	Union NCDA	Nipigon WDA	-	0.6486

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Union NCDA	Union NDA	-	0.2638
2	Union NCDA	Calstock NDA	-	0.4795
3	Union NCDA	Tunis NDA	-	0.3463
4	Union NCDA	GMIT NDA	-	0.2474
5	Union NCDA	Union SSMDA	-	0.6068
6	Union NCDA	Union NCDA	-	0.0855
7	Union NCDA	Union CDA	-	0.1949
8	Union NCDA	Enbridge CDA	-	0.1764
9	Union NCDA	Union EDA	-	0.2948
10	Union NCDA	Enbridge EDA	-	0.3437
11	Union NCDA	GMIT EDA	-	0.4520
12	Union NCDA	KPUC EDA	-	0.2874
13	Union NCDA	North Bay Junction	-	0.1752
14	Union NCDA	Kirkwall	-	0.1992
15	Union NCDA	Enbridge SWDA	-	0.2956
16	Union NCDA	Union SWDA	-	0.2975
17	Union NCDA	Spruce	-	0.9828
18	Union NCDA	Emerson 1	-	1.0553
19	Union NCDA	Emerson 2	-	1.0553
20	Union NCDA	St. Clair	-	0.3078
21	Union NCDA	Dawn Export	-	0.2956
22	Union NCDA	Niagara Falls	-	0.2475
23	Union NCDA	Chippawa	-	0.2487
24	Union NCDA	Iroquois	-	0.3452
25	Union NCDA	Cornwall	-	0.3657
26	Union NCDA	Napierville	-	0.4442
27	Union NCDA	Philipsburg	-	0.4531
28	Union NCDA	East Hereford	-	0.5478
29	Union NCDA	Welwyn	-	1.1826
30	Union NDA	Empress	-	1.3169
31	Union NDA	TransGas SSDA	-	1.0950
32	Union NDA	Centram SSDA	-	1.0042
33	Union NDA	Centram MDA	-	0.8674
34	Union NDA	Centrat MDA	-	0.8044
35	Union NDA	Union WDA	-	0.5674
36	Union NDA	Nipigon WDA	-	0.4702
37	Union NDA	Union NDA	-	0.0855
38	Union NDA	Calstock NDA	-	0.3011
39	Union NDA	Tunis NDA	-	0.1833
40	Union NDA	GMIT NDA	-	0.1704
41	Union NDA	Union SSMDA	-	0.7852
42	Union NDA	Union NCDA	-	0.2638
43	Union NDA	Union CDA	-	0.3733
44	Union NDA	Enbridge CDA	-	0.3547
45	Union NDA	Union EDA	-	0.4208
46	Union NDA	Enbridge EDA	-	0.3846
47	Union NDA	GMIT EDA	-	0.4980
48	Union NDA	KPUC EDA	-	0.4530
49	Union NDA	North Bay Junction	-	0.1745
50	Union NDA	Kirkwall	-	0.3776
51	Union NDA	Enbridge SWDA	-	0.4740
52	Union NDA	Union SWDA	-	0.4759
53	Union NDA	Spruce	-	0.8044
54	Union NDA	Emerson 1	-	0.8770
55	Union NDA	Emerson 2	-	0.8770
56	Union NDA	St. Clair	-	0.4862
57	Union NDA	Dawn Export	-	0.4740
58	Union NDA	Niagara Falls	-	0.4259
59	Union NDA	Chippawa	-	0.4271
60	Union NDA	Iroquois	-	0.3949
61	Union NDA	Cornwall	-	0.4119
62	Union NDA	Napierville	-	0.4904
63	Union NDA	Philipsburg	-	0.4994
64	Union NDA	East Hereford	-	0.5940
65	Union NDA	Welwyn	-	1.0042
66	Union Parkway Belt	Empress	46.77661	1.5379
67	Union Parkway Belt	TransGas SSDA	40.02891	1.3160
68	Union Parkway Belt	Centram SSDA	37.26438	1.2251
69	Union Parkway Belt	Centram MDA	33.08244	1.0876
70	Union Parkway Belt	Centrat MDA	32.75736	1.0770
71	Union Parkway Belt	Union WDA	25.55020	0.8400
72	Union Parkway Belt	Nipigon WDA	22.59125	0.7427
73	Union Parkway Belt	Union NDA	10.88920	0.3580

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Union Parkway Belt	Calstock NDA	17.44683	0.5736
2	Union Parkway Belt	Tunis NDA	13.39663	0.4404
3	Union Parkway Belt	GMIT NDA	10.38681	0.3415
4	Union Parkway Belt	Union SSMDA	15.59391	0.5127
5	Union Parkway Belt	Union NCDA	5.46310	0.1796
6	Union Parkway Belt	Union CDA	3.06658	0.1008
7	Union Parkway Belt	Enbridge CDA	3.78609	0.1245
8	Union Parkway Belt	Union EDA	7.61793	0.2505
9	Union Parkway Belt	Enbridge EDA	9.75548	0.3207
10	Union Parkway Belt	GMIT EDA	12.52810	0.4119
11	Union Parkway Belt	KPUC EDA	7.32723	0.2409
12	Union Parkway Belt	North Bay Junction	8.19155	0.2693
13	Union Parkway Belt	Kirkwall	3.19458	0.1050
14	Union Parkway Belt	Enbridge SWDA	6.12912	0.2015
15	Union Parkway Belt	Union SWDA	6.18511	0.2034
16	Union Parkway Belt	Spruce	32.75736	1.0770
17	Union Parkway Belt	Emerson 1	30.86011	1.0146
18	Union Parkway Belt	Emerson 2	30.86011	1.0146
19	Union Parkway Belt	St. Clair	6.49976	0.2137
20	Union Parkway Belt	Dawn Export	6.12912	0.2015
21	Union Parkway Belt	Niagara Falls	4.66442	0.1534
22	Union Parkway Belt	Chippawa	4.70159	0.1546
23	Union Parkway Belt	Iroquois	9.24034	0.3038
24	Union Parkway Belt	Cornwall	9.89920	0.3255
25	Union Parkway Belt	Napierville	12.28888	0.4040
26	Union Parkway Belt	Philipsburg	12.56045	0.4130
27	Union Parkway Belt	East Hereford	15.43962	0.5076
28	Union Parkway Belt	Welwyn	37.26438	1.2251
29	Union SSMDA	Empress	-	1.1945
30	Union SSMDA	TransGas SSDA	-	0.9726
31	Union SSMDA	Centram SSDA	-	0.8817
32	Union SSMDA	Centram MDA	-	0.7442
33	Union SSMDA	Centrat MDA	-	0.7438
34	Union SSMDA	Union WDA	-	1.0008
35	Union SSMDA	Nipigon WDA	-	1.0780
36	Union SSMDA	Union NDA	-	0.7852
37	Union SSMDA	Calstock NDA	-	1.0008
38	Union SSMDA	Tunis NDA	-	0.8676
39	Union SSMDA	GMIT NDA	-	0.7687
40	Union SSMDA	Union SSMDA	-	0.0855
41	Union SSMDA	Union NCDA	-	0.6068
42	Union SSMDA	Union CDA	-	0.5153
43	Union SSMDA	Enbridge CDA	-	0.5467
44	Union SSMDA	Union EDA	-	0.6776
45	Union SSMDA	Enbridge EDA	-	0.7479
46	Union SSMDA	GMIT EDA	-	0.8391
47	Union SSMDA	KPUC EDA	-	0.6681
48	Union SSMDA	North Bay Junction	-	0.6965
49	Union SSMDA	Kirkwall	-	0.4931
50	Union SSMDA	Enbridge SWDA	-	0.3967
51	Union SSMDA	Union SWDA	-	0.3948
52	Union SSMDA	Spruce	-	0.7438
53	Union SSMDA	Emerson 1	-	0.6712
54	Union SSMDA	Emerson 2	-	0.6712
55	Union SSMDA	St. Clair	-	0.3845
56	Union SSMDA	Dawn Export	-	0.3967
57	Union SSMDA	Niagara Falls	-	0.5501
58	Union SSMDA	Chippawa	-	0.5513
59	Union SSMDA	Iroquois	-	0.7310
60	Union SSMDA	Cornwall	-	0.7526
61	Union SSMDA	Napierville	-	0.8312
62	Union SSMDA	Philipsburg	-	0.8401
63	Union SSMDA	East Hereford	-	0.9348
64	Union SSMDA	Welwyn	-	0.8817
65	Union WDA	Empress	-	0.8562
66	Union WDA	TransGas SSDA	-	0.6343
67	Union WDA	Centram SSDA	-	0.5434
68	Union WDA	Centram MDA	-	0.4067
69	Union WDA	Centrat MDA	-	0.3437
70	Union WDA	Union WDA	-	0.0855
71	Union WDA	Nipigon WDA	-	0.1864
72	Union WDA	Union NDA	-	0.5674
73	Union WDA	Calstock NDA	-	0.3519

Line No.	Receipt Point	Delivery Point	FT Toll ($/GJ/MO)	Daily Equivalent FT for IT / STFT ($/GJ)
1	Union WDA	Tunis NDA	-	0.4851
2	Union WDA	GMIT NDA	-	0.5947
3	Union WDA	Union SSMDA	-	1.0008
4	Union WDA	Union NCDA	-	0.7459
5	Union WDA	Union CDA	-	0.8553
6	Union WDA	Enbridge CDA	-	0.8368
7	Union WDA	Union EDA	-	0.9028
8	Union WDA	Enbridge EDA	-	0.8663
9	Union WDA	GMIT EDA	-	0.9799
10	Union WDA	KPUC EDA	-	0.9347
11	Union WDA	North Bay Junction	-	0.6562
12	Union WDA	Kirkwall	-	0.8595
13	Union WDA	Enbridge SWDA	-	0.9489
14	Union WDA	Union SWDA	-	0.9504
15	Union WDA	Spruce	-	0.3437
16	Union WDA	Emerson 1	-	0.4163
17	Union WDA	Emerson 2	-	0.4163
18	Union WDA	St. Clair	-	0.9590
19	Union WDA	Dawn Export	-	0.9489
20	Union WDA	Niagara Falls	-	0.9079
21	Union WDA	Chippawa	-	0.9091
22	Union WDA	Iroquois	-	0.8765
23	Union WDA	Cornwall	-	0.8935
24	Union WDA	Napierville	-	0.9721
25	Union WDA	Philipsburg	-	0.9810
26	Union WDA	East Hereford	-	1.0757
27	Union WDA	Welwyn	-	0.5434
28	Welwyn	Empress	12.11250	0.3982
29	Welwyn	TransGas SSDA	5.36496	0.1764
30	Welwyn	Centram SSDA	2.60027	0.0855
31	Welwyn	Centram MDA	6.79731	0.2235
32	Welwyn	Centrat MDA	8.67636	0.2853
33	Welwyn	Union WDA	16.52947	0.5434
34	Welwyn	Nipigon WDA	18.84232	0.6195
35	Welwyn	Union NDA	30.54421	1.0042
36	Welwyn	Calstock NDA	23.98673	0.7886
37	Welwyn	Tunis NDA	28.03694	0.9218
38	Welwyn	GMIT NDA	31.37027	1.0314
39	Welwyn	Union SSMDA	26.81970	0.8817
40	Welwyn	Union NCDA	35.97062	1.1826
41	Welwyn	Union CDA	37.34526	1.2278
42	Welwyn	Enbridge CDA	38.11533	1.2531
43	Welwyn	Union EDA	40.68855	1.3377
44	Welwyn	Enbridge EDA	39.62327	1.3027
45	Welwyn	GMIT EDA	43.08943	1.4166
46	Welwyn	KPUC EDA	41.71277	1.3714
47	Welwyn	North Bay Junction	33.24202	1.0929
48	Welwyn	Kirkwall	36.67007	1.2056
49	Welwyn	Enbridge SWDA	33.73554	1.1091
50	Welwyn	Union SWDA	33.67955	1.1073
51	Welwyn	Spruce	8.67636	0.2853
52	Welwyn	Emerson 1	9.00455	0.2960
53	Welwyn	Emerson 2	9.00455	0.2960
54	Welwyn	St. Clair	33.36489	1.0969
55	Welwyn	Dawn Export	33.73554	1.1091
56	Welwyn	Niagara Falls	38.40245	1.2626
57	Welwyn	Chippawa	38.43963	1.2638
58	Welwyn	Iroquois	39.94352	1.3132
59	Welwyn	Cornwall	40.46053	1.3302
60	Welwyn	Napierville	42.85022	1.4088
61	Welwyn	Philipsburg	43.12178	1.4177
62	Welwyn	East Hereford	46.00110	1.5124
63	Welwyn	Welwyn	2.60027	0.0855

(i) Any transportation with a Union Dawn receipt point is subject to a Union Dawn Receipt Point Surcharge. Transport under FT, FT-NR and FT-SN service is subject to the monthly surcharge toll, and other transportation services are subject to the daily equivalent toll. Refer to Toll Design Schedule 5.1 for the Union Dawn Receipt Point Surcharge tolls.

(ii) Transportation with receipt points from delivery areas or Spruce is for STFT and IT service only.

(iii) The following delivery points are subject to an additional charge for delivery pressure: Emerson 1& 2, Union SWDA, Enbridge SWDA, Dawn Export, Niagara Falls, Iroquois, Chippawa, East Hereford. Refer to Toll Design Schedule 5.1 for the delivery pressure toll.

(iv) Bid floors for IT service may be set at any level and bid floors for STFT may be set at the daily equivalent FT toll or higher.

Attachment 8

TransCanada
In business to deliver

TransCanada PipeLines Limited
200 Bay Street, South Tower
Toronto, Ontario
M5J 2J1

tel 416.869.2191
fax 416.869.2119
email don_bell@transcanada.com
web www.transcanada.com

April 29, 2013

Union Gas Limited
50 Keil Drive North
Chatham, Ontario
N7M 5M1

Attention: Chris Shorts
Director, Gas Supply

Dear Chris,

Reference: Precedent Agreement between TransCanada PipeLines Limited ("TransCanada") and Union Gas Limited dated October 2, 2012 (the "Precedent Agreement") for 10,000 GJ/d from Union Parkway Belt to Union NDA

Please be advised that the Board of Directors of TransCanada has not approved the Eastern Mainline expansion projects for 2015 in light of the recent NEB Decision for RH-003-2011. Although Union Gas Limited did not execute the above mentioned Precedent Agreement, the Eastern Mainline 2015 expansion project included the transaction contemplated in the above noted Precedent Agreement. As such we would like to notify you that TransCanada is not prepared to execute the Precedent Agreement on the basis that the Condition Precedent, as such term is defined in the Precedent Agreement under Paragraph 29 (a), would not be satisfied.

Notwithstanding the suspension of the 2015 Eastern Mainline Expansion, TransCanada would like to work with you to explore what solutions or alternatives may be available to move these initiatives ahead given the NEB RH-003-2011 Decision.

Sincerely,

Don Bell
Director, Mainline East
Commercial East

TransCanada
In business to deliver

TransCanada PipeLines Limited
200 Bay Street, South Tower
Toronto, Ontario
M5J 2J1

tel 416.869.2191
fax 416.869.2119
email don_bell@transcanada.com
web www.transcanada.com

April 29, 2013

Union Gas Limited
50 Keil Drive North
Chatham, Ontario
N7M 5M1

Attention: Chris Shorts
Director, Gas Supply

Dear Chris,

Reference: Precedent Agreement between TransCanada PipeLines Limited ("TransCanada") and Union Gas Limited dated October 2, 2012 (the "Precedent Agreement") for 100,000 GJ/d from Union Parkway Belt to Union EDA

Please be advised that the Board of Directors of TransCanada has not approved the Eastern Mainline expansion projects for 2015 in light of the recent NEB Decision for RH-003-2011. Although Union Gas Limited did not execute the above mentioned Precedent Agreement, the Eastern Mainline 2015 expansion project included the transaction contemplated in the above noted Precedent Agreement. As such we would like to notify you that TransCanada is not prepared to execute the Precedent Agreement on the basis that the Condition Precedent, as such term is defined in the Precedent Agreement under Paragraph 29 (a), would not be satisfied.

Notwithstanding the suspension of the 2015 Eastern Mainline Expansion, TransCanada would like to work with you to explore what solutions or alternatives may be available to move these initiatives ahead given the NEB RH-003-2011 Decision.

Sincerely,

Don Bell
Director, Mainline East
Commercial East

TransCanada
In business to deliver

TransCanada PipeLines Limited
200 Bay Street, South Tower
Toronto, Ontario
M5J 2J1

tel 416.869.2191
fax 416.869.2119
email don_bell@transcanada.com
web www.transcanada.com

April 29, 2013

Gaz Metro Limited Partnership
1717 Rue du Havre
Montreal, Quebec
H2K 2X3

Attention: Frederic Morel,
Director of Gas Supply

Dear Frederic,

Reference: **Precedent Agreement between TransCanada PipeLines Limited ("TransCanada") and Gaz Metro Limited Partnership dated October 2, 2012 (the "Precedent Agreement") for 239,148 GJ/d from Parkway to GMI EDA**

Please be advised that the Board of Directors of TransCanada has not approved the Eastern Mainline Expansion projects for 2015 in light of the recent NEB Decision for RH-003-2011. The Eastern Mainline 2015 Expansion project included the transaction contemplated in the above noted Precedent Agreements. As such we hereby notify you that the Condition Precedent, as such term is defined in the Precedent Agreement under Paragraph 29 (a), has not been satisfied.

Notwithstanding the suspension of the 2015 Eastern Mainline Expansion, TransCanada would like to work with you to explore what solutions or alternatives maybe available to move these initiatives ahead given the NEB RH-003-2011 Decision.

Sincerely,

Don Bell
Director, Mainline East
Commercial East

TransCanada
In business to deliver

TransCanada PipeLines Limited
200 Bay Street, South Tower
Toronto, Ontario
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April 29, 2013

Gaz Metro Limited Partnership
1717 Rue du Havre
Montreal, Quebec
H2K 2X3

Attention: Frederic Morel,
Director of Gas Supply

Dear Frederic,

Reference: **Precedent Agreement between TransCanada PipeLines Limited ("TransCanada") and Gaz Metro Limited Partnership dated October 2, 2012 (the "Precedent Agreement") for 15,327 GJ/d from Parkway to GMI NDA**

Please be advised that the Board of Directors of TransCanada has not approved the Eastern Mainline Expansion projects for 2015 in light of the recent NEB Decision for RH-003-2011. The Eastern Mainline 2015 Expansion project included the transaction contemplated in the above noted Precedent Agreements. As such we hereby notify you that the Condition Precedent, as such term is defined in the Precedent Agreement under Paragraph 29 (a), has not been satisfied.

Notwithstanding the suspension of the 2015 Eastern Mainline Expansion, TransCanada would like to work with you to explore what solutions or alternatives maybe available to move these initiatives ahead given the NEB RH-003-2011 Decision.

Sincerely,

Don Bell
Director, Mainline East
Commercial East

Attachment 9

GazMétro

Sophie Brochu
President and Chief Executive Officer

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June 7th, 2013

Mr. Russ Girling
President and CEO
TransCanada Pipelines Limited
450 – 1st Street S.W.
Calgary, AB T2P 5H1

Dear Russ,

Thank you again for making yourself available last Tuesday in order to meet with Steve Baker, Guy Jarvis and I to discuss the many opportunities to grow natural gas markets in Eastern Canada and what we collectively need to accomplish to support our customers.

We found the meeting useful as we believe we better understand your business drivers in evaluating how to increase capacity within the Eastern Triangle.

The purpose of this letter is to communicate what is our understanding of the key takeaways of our meeting and make sure that we are aligned with TCPL on what are our collective next steps required to secure transportation capacity for our customers.

- TCPL wants to keep developing its system but feels that it cannot build new assets/ capacity under current NEB tolls. In your perspective, the recent NEB decision does not allow TCPL to cover cost of its existing assets in the east nor did the cost of any new assets build in the East to facilitate Dawn/Niagra access.

- That being said, we all recognize the need to provide our customers with security of supply and transportation capacity certainty. This is even more important in the light of TCPL project to convert part of its existing natural gas system to oil transportation.

- The 3 Eastern LDC's agree that it makes sense to support and facilitate the free movement of energy. However, we cannot support the conversion to oil unless TCPL clearly demonstrates that it will not remove existing natural gas transportation capacity in a manner that will result in foreclosing customer options and in a manner that will result in a negative economic impact for our customers.

- Our collective challenge is then twofold: secure transportation capacity for the eastern markets notwithstanding the conversion of part of your system to oil, and have TCPL build the required facilities notwithstanding what it feels to be impediments from the last NEB decision.

- We can collectively work on two parallel paths aiming at moving ahead in building capacity as well as developing a new tolling approach solving the issues associated with the displacement of volumes from western Canada to Dawn:

    1. Develop the use of a negotiated incremental toll that would take the existing approved short haul toll and add on an amount to provide recovery of the cost of new facilities under a long term contract.

    2. Further explore the concept of a segmentation business model that would allow a transitional period during which TCPL would be able the recover part of its stranded assets costs within a redesigned short haul tariff.

- Hence, we discussed three scenarios:

    1. For new incremental load (ie IFFCO). We understand TCPL is open to building to access Dawn under a negotiated/incremental based toll.

    2. For existing load that has been previously served using IT/STFT discretionary services. We understand TCPL is directionally ok to build to allow access to Dawn/Niagra under a negotiated/incremental based toll

    3. For existing long haul FT load that wishes to convert to Dawn short haul. We understand this is where lies the challenge as TCPL is concerned around lost revenue and risk of recovery based on the NEB decision.

- The 3 LDC's indicated, and are hereby reiterating, that to the extent that TCPL is open to allowing open access to Dawn/Parkway/Niagra (ie. all 3 scenarios above), we are willing to consider the impacts of lost long haul revenue as part of the segmentation discussion.

- TCPL and the 3 LDC's agreed that the incremental contracts may be "temporary" and will have the option to be rolled into existing rates to the extent we are able to come up with a new segmentation proposal that is ultimately accepted/approved by the NEB.

We left the meeting with the understanding that you and your team will be evaluating the three options mentioned above and that you will come back to the 3 LDC's working as a group, to confirm your intent to move ahead with this working plan. As such, we are awaiting your confirmation at your earliest convenience.

With my best regards,

Sophie Brochu

c.c. Guy Jarvis, President, Enbridge Gas Distribution
Steve Baker, President, Union Gas Limited