



79 Wellington St. W., 30th Floor  
Box 270, TD South Tower  
Toronto, Ontario M5K 1N2 Canada  
P. 416.865.0040 | F. 416.865.7380  
www.torys.com

Crawford Smith  
csmith@torys.com  
P. 416.865.8209

September 11, 2013

**BY EMAIL AND RESS**

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

Dear Ms. Walli:

**Re: EB-2012-0451, EB-2012-0433 and EB-2013-0074 – Settlement Term Sheet between Union, Enbridge, GMi and TransCanada**

We are writing on behalf of Union Gas Limited and Enbridge Gas Distribution Inc. (together with Gaz Metro, the “LDCs”).

At the Pre-Hearing Conference, Union and Enbridge agreed to prepare a compendium of documents relating to proceedings currently before the National Energy Board (“NEB”) involving the LDCs and TransCanada. For the reasons that follow, the need for a compendium has been obviated. In this respect, enclosed please find a “Settlement Term Sheet” dated September 10, 2013, between the LDCs and TransCanada. Union and Enbridge, supported by GMi and TransCanada, ask that the Term Sheet be designated as confidential pursuant to rule 10 of the Board’s Rules of Practice and Procedure and its Practice Direction pertaining to Confidential Filings. The Term Sheet remains to be reflected in a further Settlement Agreement, which will then be brought forward to the NEB for approval. Given these further steps, it is respectfully submitted that the Term Sheet meets the Board’s criteria for confidential filings. The document contains sensitive commercial information and disclosure at this time would be detrimental to the proper preparation of the Settlement Agreement. Pursuant to the Practice Direction, an unredacted copy of the Term Sheet has been filed with the Board.

Also enclosed with this letter, please find a table which summarizes the proceedings which have now been superseded by the Term Sheet.

By way of background, the proceedings between the LDCs and TransCanada have touched on a broad array of issues, ranging from access to Dawn including removal of the constraint between Parkway and Maple, changes to TransCanada’s tariffs as well as short haul tolls on the Mainline now and into the future, among other things. Some of these issues are relevant to the

applications currently before the Board; most of them are not. Overall, the proceedings have created uncertainty in the natural gas marketplace in Ontario, Quebec and elsewhere.

Consistent with the view expressed by the Board in Union's 2013 rebasing proceeding, and notwithstanding these proceedings, the LDCs and TransCanada have worked diligently to resolve their differences. The Term Sheet provides for substantial benefits for the LDCs and their customers. Most notably and relevant to the applications before the Board, the Term Sheet provides for:

- Access to Dawn and Niagara for gas consumers in Ontario and Quebec. As a result of changing North American gas supply dynamics, market participants would like to contract for short haul transportation from liquid hubs such as Dawn located closer to market areas. Under the Term Sheet, TransCanada will work with Union, Enbridge and GMi to reinstate the short haul volumes awarded by TransCanada as a result of its May 2012 new capacity open season for an in-service date of November 1, 2015. TransCanada will also begin work immediately on its "Kings North" project which, in conjunction with Segment A of Enbridge's GTA Project and Union's Parkway Projects will relieve the present constraint between Parkway and Maple. Further expansions on this path are expected in 2016 and beyond.
- Stable Mainline Tolls. The current tolling framework results in a substantial disincentive to TransCanada to improve market access to Dawn and Niagara. In order to overcome this disincentive, the LDCs have agreed to a tolling framework which will ensure market access and supply flexibility, while providing cost recovery for TransCanada. Relevant to these applications, the framework will substantially maintain the current differential between short haul and long haul tolls.
- Resolution of Outstanding Claims. As described above, the present litigious atmosphere has created uncertainty in the marketplace including for the LDCs, their customers and TransCanada. The Term Sheet provides for the resolution of all outstanding disputes such as the Complaint filed by the LDCs with the NEB, the s. 71 application filed by Union and GMi, also with the NEB, as well the claim filed by TransCanada against Enbridge in the Ontario Superior Court of Justice.

It is the LDCs' expectation that a TransCanada representative will be seated on the joint panel.

Should you have any questions or concerns, please do not hesitate to contact me at your convenience.

Yours truly,

*[original signed by]*

**Crawford Smith**

CS/t

cc: Myriam Seers  
All Parties by RESS

11229-2104 15926990.1

## **SETTLEMENT TERM SHEET**

This Term Sheet sets out all of the material terms of settlement among Gaz Metro, Union Gas Limited (Union), Enbridge Gas Distribution Inc. (Enbridge or EGD) (jointly, “the LDCs”) and TransCanada PipeLines Limited (TransCanada or Mainline) (all four settlement participants may be referred to jointly as “the Parties”) and is legally binding on the Parties upon execution of this Term Sheet and until such time as the Parties have entered into a Settlement Agreement that by its terms supersedes this Term Sheet.

### **High Level Principles**

- The Mainline will be segmented so that the Eastern Ontario Triangle (EOT) rate base is separated from the Northern Ontario Line (NOL), and the Prairies;
- Capital expansions in the EOT will be promptly pursued to meet market needs and will be added to EOT rate base. TransCanada agrees to accommodate the requests of EOT shippers that request additional short haul capacity during the term of the settlement and reasonably thereafter according to industry practice;
- A temporary transitional bridging contribution that ensures the Mainline recovers all of its annual costs (adjusted accordingly to reflect TransCanada’s contribution) is made by shippers;
- After the end date of this agreement, the Prairies and NOL will be tolled independent of the EOT;
- This Term Sheet will supersede the prior Memorandum of Understanding made between TransCanada and EGD dated January 28, 2013, and amended on April 26, 2013 and May 21, 2013 (the MOU). On execution of this Term Sheet, the MOU is revoked in its entirety;
- Parties supporting this settlement agree to file in a timely manner and support any regulatory applications required to implement the terms of this proposal, even if the settlement is contested by other third parties, including representations in front of Provincial regulators if a party requests it; and
- The Parties will by September 10, 2013 obtain internal approvals obligating each to execute an agreement (Settlement Agreement) pursuant to the terms and principles set forth herein.

### **Term of the Settlement Proposal on Tolls Aspects**

- The term related to the toll segmentation agreement within this settlement will be from January 1<sup>st</sup>, 2015 to December 31, 2020 (with the exception of the bridging contribution for supply flexibility addressed below and the tolling methodology which will have no specified expiry date); and
- Compliance tolls remain in effect until December 31<sup>st</sup>, 2014.

### **Rate of Return and Sharing Mechanism**

- TransCanada ROE of 10.1%, less a fixed post-tax contribution from TransCanada of \$20M annually for the period 2015 to 2020;
- If there is a positive net revenue:
  - 100% of excess net revenue equivalent to TransCanada's fixed post tax contribution goes to TransCanada;
  - 25% of next \$40 M of excess net revenues is to TransCanada's account with 75% to shippers;
  - 10% of excess net revenues above \$40 M is to TransCanada's account with 90% to shippers;
  - ROE capped at 11.5%; and
- If there is a negative net revenue:
  - 25% of first \$40M of deficiency in net revenue is to TransCanada's account, with 75% to shippers;
  - 10% of deficiency in net revenue over \$40M is to TransCanada's account, with 90% to shippers; and
  - ROE floor of 8.7% (inclusive of TransCanada's \$20 million contribution).

### **Commitments**

- Subject to LDC constructed facilities currently applied for (*i.e.* EGD's GTA project as currently proposed and Union's Parkway West, Parkway D, and the Brantford to Kirkwall loop) as well as Union's proposed Burlington-Oakville pipeline project, the LDCs agree to not construct bypass facilities<sup>1</sup> and to commit to use the EOT for at least the next 16 years;
- Union agrees to replace existing firm service from Dawn and Parkway to the Union CDA with service from Kirkwall to the Union CDA that produces a similar or higher level of revenues for at least the next 16 years. Details to be negotiated;
- During the next 16 years, the LDCs might change their paths to supply from different sources within the EOT (after the end of a existing contract or as part of a new contract) but will continue to use the EOT in all cases, whether by contracting with TransCanada or by entering into an arrangement with another party holding capacity on the EOT;

---

<sup>1</sup> The term bypass facilities in this Term Sheet means an alternate transportation path.

- This commitment does not preclude the LDCs accepting direct supply within their own franchise on a marginal basis (less than 5% of their needs / example : possible bio-methane projects promoted or supported by a government in the future);
- TransCanada agrees that beyond a total flow from Kirkwall to Parkway on the Domestic Line of approximately 200,000 GJ/d plus local deliveries off the line, TransCanada will commit to using Union's Dawn to Parkway system for any current or future flow requirements between either Dawn or Kirkwall to Parkway for at least the next 16 years;
- TransCanada agrees not to initiate bypass facilities to serve end users within the LDCs' franchise areas for the 16 year term;
- Nothing in this agreement will impede TransCanada's ability to utilize GLGT backhaul up to currently contracted for quantities;
- Roll-in of TQM and Union TBOs in the EOT segment will be actively supported by all the parties to this agreement for at least the next 16 years; and
- All LDCs will commit to maintain a minimum of 13% of their system supply transportation portfolio in long haul paths until at least the end of 2020. The system supply transportation portfolio of each LDC is the overall capacities needed to serve the franchise not including their direct purchase customers.

#### **Contracts Duration and Renewal Notice**

- Renewal notice for all firm contracts on the Mainline to be set to 2 years;
- In the case that new facilities are needed on the Mainline, all existing contracts with termination dates past the proposed build date, that can affect the design of the new facilities, will be required to be extended by five years commencing on the date the new facilities are placed in service. Shippers requesting new service requiring incremental facilities will be required to agree to a 15 year term commencing on the date the new facilities are placed into service;
- A shipper with a long haul contract will have the option and full flexibility of converting to short haul within the term of their contract subject to existing capacity being available (and the 13% of portfolio long haul minimum noted above), or if new capacity is required, a 3 years notice (to allow for construction) and a 15 year term commitment per the above. However, the 3 years notice will not be applicable to the King's North project or the 2016 Expansion described in "Parkway to Maple Issues" below; and
- Loss of revenues on long haul paths will not be used to assess the viability of a new build to serve the market via short haul.

### **Tolling Methodology**

- Average fixed tolls for the period of the settlement (2015 to 2020). After the first 3 years the billing determinants for the next 3 years will be reviewed and adjusted accordingly, which adjustment will result in updated tolls for the next 3 year period;
- Methodology based on a segmented cost of service (COS) approach (endures past 2020);
- Tolls of all the users (long haul and short haul) of the EOT segment will be based on EOT cost of service (endures past 2020);
- EOT toll design is the current methodology with fixed energy and distance based allocations but specific to the EOT until the end of 2020 at a minimum; and
- New EOT capital is treated on a rolled in basis and rates are set accordingly. Expected amounts of capital additions during the term of the fixed rate period will be forecast and included in the cost of service calculations used to set the rates. Variances will accrue in a deferral account and will bear interest at TransCanada's weighted average cost of capital.

### **Bridging Contribution for Supply Flexibility**

Parties agree that a Bridging Contribution for Supply Flexibility is appropriate and will be payable for the 16 years term of this settlement by all shippers. The contribution will be structured as:

- A fixed surcharge applied to all TransCanada rates on a percentage basis to recover the revenue shortfall expected before January 1<sup>st</sup> 2021 as compared to the current framework and compliance tolls;
  - a. Tolls for deliveries within the Prairies segment will be adjusted to recover their share of the revenue shortfall on the Prairies segment;
  - b. Tolls for service in the NOL will be adjusted to recover their share of the revenues shortfall on the Prairies and NOL segments; and
  - c. Tolls for service in the EOT will be adjusted to ensure recovery of the forecast EOT cost of service plus their share of the revenues shortfall generated before January 1<sup>st</sup> 2021 on the Prairies and NOL segments. TransCanada will spread the resulting surcharge for the EOT over a period of 16 years in order to minimize the impact of the surcharge on tolls. The deferral accounts will bear interest at TransCanada's weighted average cost of capital.
- Effective January 1, 2021, short haul EOT shippers have no further obligation to Prairies or NOL costs if they no longer use those portions of the Mainline;

- Effective January 1, 2021, the Prairies and NOL will be tolled separately and on a segmented basis and EOT tolls will be based upon EOT segmented costs and EOT billing determinants only; and
- As an illustration, prior to January 1, 2021, a shipper using the long haul path from Empress to GMi EDA would pay a toll based upon the compliance toll from Empress to North Bay, plus the full COS toll from North Bay to GMi EDA, plus the surcharge on the EOT segment, plus the surcharge on the Prairies segment, plus the surcharge on the NOL segment. The intent here is to ensure the toll spread between short haul and long haul reflects the proper costs.

### **Discretionary Pricing**

- Discretionary pricing will remain in place per the RH-3-2011 Decision; and
- TransCanada will develop a new discretionary service (the Summer Dawn Storage service) that will provide a price cap for summer Eastern Canada storage flows. This service will be a non-firm service, but will be used to facilitate the flow of natural gas to Dawn storage from Empress in the summer and the toll will be capped at 100% of the FT rate on that path.

### **Diversion Rights**

- In addition to in path diversions as provided in the Mainline's pending tariff amendment application in NEB RH-001-2013, for the term January 1, 2015 to December 31, 2020, out of path diversions will be permitted within a segment in a manner that is consistent with the principle of segmentation at FT tolls;
- Diversions will continue to maintain the same priority they have today; and
- TransCanada will seek, as part of the NEB approval of the Settlement Agreement, to implement the diversion rights changes as soon as reasonably possible after the approval is granted, *i.e.* prior to January 1, 2015.

### **Other Items**

- TransCanada agrees to offer a firm short haul service that offers 8 nomination windows. This service will be priced at 110% of the FT toll. The intent of the service is to replace STS that is attached to long haul only and eliminates the need to keep track of STS injections (that will no longer be happening) and STS withdrawals. Shippers will use the new service in place of some of the STS currently contracted; and
- The costs associated with LMCI and how they will be recovered is not part of this settlement and will be dealt with separately.

### Parkway to Maple Issues

TransCanada and the LDCs commit to ensure that the principle of fair and non-discriminatory access is maintained by doing the following:

- TransCanada will work with the LDCs to reinstate the volumes from the 2012 new capacity open season (NCOS) awarded to Union and Gaz Metro for an in-service date of November 1, 2015, subject to approval of the settlement by the NEB. If an acceptable method to accomplish this can not be established, a new NCOS will be conducted to allow GMi and Union to acquire the transportation service;
- TransCanada will provide the opportunity for all existing FT-NR contract holders to extend the duration of their Non Renewable Firm contracts expiring on November 1, 2015 for one year until November 1, 2016;
- TransCanada will conduct as soon as reasonably possible a NCOS using indicative settlement tolls, offering all paths for an in-service date of November 1, 2016, based on the settlement tolls (2016 Expansion);
- Enbridge will continue with its open season and will receive bids pursuant to STAR rules but will not award any transmission capacity on Segment A until one of the following three conditions is fulfilled :
  - ✓ the settlement is approved by the NEB; or
  - ✓ a mutually acceptable alternative solution is adopted by all parties to this settlement and is approved by the NEB, or
  - ✓ the NEB delivers an alternative ruling on market access and the associated terms and conditions that all parties agree is inconsistent with the principles of this settlement and the Parties agree that this settlement should therefore be terminated.

If the Settlement Agreement contemplated by this Term Sheet is approved, TransCanada will access all of the transmission capacity on Segment A through an assignment from Union and GMi and/or through a new open season in a manner consistent with the OEB's STAR requirements.

- If the Settlement Agreement is not accepted by the NEB, the Parties will meet to discuss possible options for a build for service commencing in 2016. The intent of the Parties will be to continue to cooperate in ensuring the efficient development of natural gas infrastructure to service our respective customers; and
- Union will conduct an open season for new service between Dawn and/or Kirkwall and Parkway for an in-service date of November 1, 2016 to complement the open seasons of EGD and TransCanada.

- Facilities downstream of Albion will be built as follows:
  - TransCanada agrees to immediately begin work on the King's North project for service commencing in 2015;
  - If the Settlement Agreement is accepted by the NEB, the King's North project for service commencing in 2015 will fulfill the 2012 NCOS that awarded capacity to Gaz Metro and Union;
  - TransCanada agrees to work with LDCs to ensure the most efficient facilities are constructed to provide the necessary interconnects at and around Parkway.

### **Energy East Project**

Parties agree that the Energy East Project and the proposed capacity to be transferred to the oil project will be dealt with through an NEB process and/or further discussions in the future.

Each party remains free to make its own representation until then.

### **Access to Financial Information**

TransCanada will provide all the financial information and the related assumptions to the LDCs to allow them to review it to assess final results before final sign off of the settlement. All Parties agree that this settlement is based on the overall principles contained within this Term Sheet, without having the final toll impacts known. The Parties however agree that the collective objective in concluding the discussions and to determine the tolls that would be filed as part of the Settlement Agreement will be to use reasonable efforts to find ways to arrive at short haul tolls within the EOT that increase all EOT tolls less than 50% (relative to the current RH-003-2011 Compliance tolls), for the first 3 year fixed toll period. The expectation is that, of the up to 50% increase in tolls, 30% to 35% will be attributable to recovery of EOT cost of service and the remaining will be attributable to the bridging contribution. Parties to this settlement acknowledge and agree that the final increase in tolls may exceed the targets listed above.

Definitive volumes to consider for setting the resulting tolls from that Term Sheet will be adjusted to reflect the result of the TransCanada open season based on this agreement to be issued shortly. Reasonable assumptions will also be used to ultimately reflect the most probable scenario for years to come.

### Litigation Issues

A number of proceedings are in progress at the NEB, OEB and the Ontario Superior Court of Justice, in which TransCanada and the LDCs are in an adversarial mode. All parties agree to withdraw from litigation upon the receipt by all parties by no later than September 10, 2013 of their respective Board of Director approvals or other internal approvals as required, pursuant to the terms set forth in this Term Sheet:

- Enbridge, Gaz Metro and Union will withdraw their Complaint filed at the NEB against TransCanada;
- Union and Gaz Metro will withdraw their Section 71 application at the NEB;
- Union and Gaz Metro will not file an application at the OEB for a leave to construct a jointly owned pipeline originating at Albion, until an NEB decision is rendered on the Settlement Agreement;
- EGD and TransCanada will execute a full and final release of any and all claims arising out of the MOU, in a form approved by EGD in its sole discretion, of TransCanada's claim issued in the Ontario Superior Court of Justice bearing Court File No. 13-58570 (the "Claim"), commenced in Ottawa on August 16, 2013. TransCanada and EGD will consent to an order dismissing the Claim against EGD on a without costs basis; and
- TransCanada will support the immediate build of Parkway West, Parkway D, Brantford to Kirkwall and the GTA project as currently proposed (42 inches from Parkway). TransCanada will withdraw its intervention in the OEB proceeding and will send a letter to the OEB indicating that as a result of the settlement, it now supports the projects.

TransCanada will continue with its Tariffs and Services Modifications application (RH-001-2013) with the NEB, however, upon regulatory approval of the Settlement Agreement, will amend its tariff to effect the relevant terms and conditions of this settlement.

In recognition of the Parties' desire to work co-operatively on behalf of their customers, any new future complaint or claim to be filed against one of the parties to this agreement would have to be solely based on actions, events and agreements that have occurred after the execution of this Term Sheet. All previous disputes will be considered as closed for good.

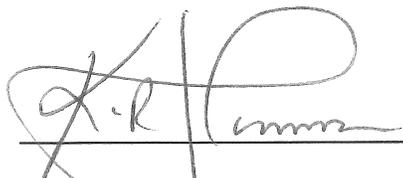
### Settlement Agreement Term

This Term Sheet, if executed by all parties, shall be transposed onto a Settlement Agreement with all necessary terms and conditions including terms and conditions regarding the impact of a decision by NEB which would not approve the Settlement Agreement in its entirety.

The term of this settlement will commence upon Board of Director approvals or other internal approvals as required, received by September 10<sup>th</sup>, 2013 by the Parties and will terminate as follows:

- In the event that the Settlement Agreement is approved by the NEB, it will terminate upon the completion of the last action, contract or approval that is necessary to effect the settlement matters contained herein;
- In the event that the Settlement Agreement is not approved by the NEB, the Settlement Agreement will terminate 3 months following the NEB's Decision. The parties would follow one of the 2 paths described below during the 90 days following the Decision :
  - File a mutually acceptable revised settlement proposal that considers the NEB's reasons for non- approval of the first settlement proposal; or
  - File a joint letter at the NEB regarding the framework necessary to allow for market access for new supplies in eastern Canada and new capacity requirements on the eastern TransCanada Mainline (EOT) in a manner that balances market access with cost recovery associated with new infrastructure investments. The LDCs commit to remain consistent with the principles of this Term Sheet, in which the LDCs support TransCanada having a fair opportunity to recover its costs, including lost revenue associated with shifts from long haul to short haul service, over an appropriate period of time. TransCanada commits to remain consistent with the principles of this Term Sheet, in which TransCanada supports the need for market access to new supplies under a reasonable and fair tolling framework.
- Provided however, that the obligation of Enbridge to not award any transmission capacity on Segment A will survive until one of the conditions described in the Parkway to Maple Issues section is fulfilled.

This Settlement Term Sheet is hereby executed this 10<sup>th</sup> day of September, 2013, by:



---

Mr. Karl Johannson  
President  
TransCanada Pipelines Limited

---

Mrs. Sophie Brochu  
President & CEO  
Gaz Metro

---

Mr. Steve Baker  
President  
Union Gas Limited

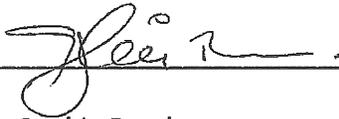
---

Mr. Guy Jarvis  
President  
Enbridge Gas Distribution Inc.

This Settlement Term Sheet is hereby executed this 10<sup>th</sup> day of September, 2013, by:

---

Mr. Karl Johansson  
President  
TransCanada PipeLines Limited



---

Mrs. Sophie Brochu  
President & CEO  
Gaz Metro

---

Mr. Steve Baker  
President  
Union Gas Limited

---

Mr. Guy Jarvis  
President  
Enbridge Gas Distribution Inc.

This Settlement Term Sheet is hereby executed this 10<sup>th</sup> day of September, 2013, by:

---

Mr. Karl Johansson  
President  
TransCanada Pipelines Limited

---

Mrs. Sophie Brochu  
President & CEO  
Gaz Metro



---

Mr. Steve Baker  
President  
Union Gas Limited

---

Mr. Guy Jarvis  
President  
Enbridge Gas Distribution Inc.

This Settlement Term Sheet is hereby executed this 10<sup>th</sup> day of September, 2013, by:

---

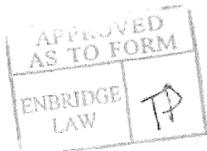
Mr. Karl Johansson  
President  
TransCanada Pipelines Limited

---

Mrs. Sophie Brochu  
President & CEO  
Gaz Metro

---

Mr. Steve Baker  
President  
Union Gas Limited



---

Mr. Guy Jarvis  
President  
Enbridge Gas Distribution Inc.

Ms. Malini Gurdhar  
VP Gas Supply & Business Development  
Enbridge Gas Distribution Inc.

Summary of other NEB and OEB proceedings and the Statement of Claim before the Ontario Superior Court of Justice

Jurisdiction	Docket Number	Date Filed	Applicant / Plaintiff	Reference	Description	Actions
NEB	MH-002-2013	31-Jul-13	Gaz Métro / Union Gas	Filed publicly on the NEB website under MH-002-2013	<u>Vaughan Interconnect</u> - Seeking Orders pursuant to Sections 12, 13, 59 and 71 of the National Energy Board Act, R.S.C. 1985, c. N-7, as amended directing TransCanada to provide an interconnect with its Mainline near Vaughan, Ontario; to provide a Vaughan, Ontario Receipt Point; and to provide long term firm short-haul transportation from the Vaughan Receipt Point to the GMi NDA, GMi EDA, Union NDA and Union EDA effective on or about November 1, 2015.	<b>To be withdrawn.</b>
NEB	Not Assigned	10-Jul-13	Market Area Shippers (MAS)	Enbridge response to CCC 28 interrogatory on EGD's updated evidence Exhibit I.A1.EGD (Update).CCC.28 attachment	<u>New Capacity Complaint</u> - Complaint pursuant to Parts I and IV of the National Energy Board Act, R.S.C., 1985, c. N-7 (the "NEB Act").	<b>To be withdrawn.</b>

Ontario Superior Court of Justice	N/A	August 16, 2013	TransCanada	TCPL response to SEC 8 interrogatory on TCPL's supplementary evidence Exhibit I.TCPL.SEC.8	The Statement of Claim requesting that the court grant TransCanada specific performance of the Memorandum of Understanding (MOU) between EGD and TransCanada.	<b>To be withdrawn.</b>
OEB	EB-2012-0451	8-Aug-13  Exhibit I.A1.EGD (Update). BOMA.2	EGD	Enbridge response to BOMA 2 Interrogatory on Enbridge's updated evidence Exhibit I.A1.EGD (Update) BOMA .2	<u>Enbridge New Capacity Open Season (NCOS)</u> - EGD commenced a NCOS in July 2013 to allocate capacity for the transportation element of Segment A. EGD proposes to award capacity following the NEB's decision on the Term Sheet (September 10, 2013).	<b>Await outcome of application to the NEB.</b>