

Business Update

TGL provided a current report on various business aspects, which included drilling, land sales, gas supply, projects, new connects and other perceived trends.

Key statistical information from this update can be found on the TransGas Website (www.transgas.com) under “Newsroom”–“Business Update.”

Financial Update

TransGas expects capital spending for the year to be below plan. Revenues continue to track closely with planned due in large part to fiscal constraints implemented by owner.

TransCanada Mainline Herbert LTFP Service

TransGas continues to work with TransCanada Pipelines on a Long Term Fixed Price service from Empress to Herbert.

Gas Quality Specification

Proposed changes to the Gas Quality Specifications in the TransGas tariff were reviewed with customers. Specifically changes to the the C4+ limit, Heating Value limit and Inert Gas limit were discussed.. The Low Heating Value has been deferred.

Storage Subcommittee Update

A Storage Subcommittee meeting was held prior to the Customer Dialogue meeting. The Subcommittee supported the recommendation of a 4 step down withdrawal profile and the development of a formal process for allocating Allowable Excess Withdrawal based on existing deliverability rights.

Alberta Receipts

Alberta receipts continue to grow and there was a general discussion regarding options to bring gas into the province. Several options and items discussed included Eastgate stand-alone, NIT to TEP, Transportation by

others and availability of Interruptible NIT to TEP and/or Empress/McNeill stand-alone. This was a high level discussion with the intent to review each at a more detailed level in upcoming meetings.

Delivery Class Service Changes

Information related to changes to the D3x and D5x services classes was introduced at a prior meeting. Further details of the implementation for this change were presented and it was determined TransGas would need to further assess the proposal.

If you have any questions arising from this meeting or of the TransGas Customer Dialogue process in general, please contact Ty Gillies at (306) 777-9985.