

### 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. Storage was approximately 80% full on September 13, 2018. NIT to TEP utilization continues to be high. Key statistical information from this update can be found on the TransGas Website ([www.transgas.com](http://www.transgas.com)) under “Newsroom” – “Business Update.”

### NIT to TEP Contracting

TransGas presented a proposal regarding changing the terms for NTT contracts. The intent of the proposal is to ensure that TransGas is prudently accounting for capital spending by encouraging shippers to consider longer contracts that match TransGas’ longer terms with NGTL. The renewal notice period would be 26 months.

### Empress to TEP Receipt Service

TransGas provided a summary of the proposed Empress to TEP Receipt Service. The service will be standard tolls and offered through a binding open season. TransGas has the option to convert to NTT when available; however the service will not result in a queue for NTT.

### Interruptible Delivery Rate

TransGas provided an overview of its proposal to create two interruptible (IT) delivery rates. The intent of the new rates would minimize system risk related to winter IT. The proposed rates consist of the following: Summer IT: \$0.2173 per GJ; Winter IT Rate: 1.0194 per GJ.

### Export Open Season Update

TransGas provided an update on the supply/demand balance for the 2018-19 gas year. NTT supply is anticipated to increase by 221 TJ per day from 2017-19 to 2018-19 and delivery contracts increase by 43 TJ during the same timeframe. TransGas offered an export open season for up to 70 TJ per day which closed on August 31, 2018 and was not subscribed to. TransGas will now offer it on a first-come, first-served basis.

### TEP Account Balancing

TransGas provided an overview of TEP account balancing enforcement including a summary of the proposed mechanisms for determining whether a shipper was out of balance. This included a description of the proposed Tariff changes, an explanation of the shippers daily and monthly accounts, and an overview of the how the shipper’s balance range is determined in the current state vs the proposed alternative.

### Financial Update

TransGas provided an update on the financial position for the period of April 1, 2018 to July 31, 2018. TransGas net income is anticipated to be on budget moving into the third quarter of the fiscal year.

### Supply, Demand and Revenue Forecast

TransGas presented a summary of its supply, demand and revenue forecast model. Receipt volume is projected to grow from 1044.2 average TJ per day in 2019-20 to 1050.9 in 2023-24. This is a factor of NTT receipt growth of 64.8 average TJ per day and a decline in Saskatchewan production receipt of 58.1 average TJ per day. Delivery volume is projected to grow from 856.3 average TJ per day in 2019-20 to 984.8 average TJ per day. The growth in new demand is anticipated in enhanced oil recovery, and power generation areas.

### Demand Relief

TransGas presented its position on demand relief. Transgas proposed to maintain status quo for demand relief but which will allow time to study the issue and revisit it next year.

### 2018-19 Winter Operations Plan

TransGas presented an overview of the 2018 summer and 2018-19 winter operations plan. Some of the items that were highlighted storage which is targeted to be 95% full. There is the potential for NGTL curtailments throughout the fall since NGTL has planned work until November.

### Terms of Reference

TransGas proposed updating the terms of reference for Customer Dialogue. Customer Dialogue members shared feedback on a draft document which will be finalized at a future meeting.

### QPTM Build Update

TransGas presented details of the QPTM build. Process improvements are currently underway and TransGas will endeavor to survey customers in November, 2018 to get feedback on the recent build. Moving forward, TransGas will work with the vendor to resolve any issues that are raised, and to enhance the useability of QPTM.

### Other Items

TransGas indicated that the rate review process is currently on-hold pending the SaskEnergy rate application but will reconvene in winter, 2019.

**If you have any questions arising from this meeting or of the TransGas Customer Dialogue process in general, please contact Tanya Lang at (306) 777-9811 or David Cundall at (306) 777-9016**