

2018-19 Winter Operations Plan

TransGas presented an overview of the 2018-19 winter operations plan. Some of the items that were highlighted include the curtailment of interruptible (IT) service in the northern portion of the TransGas system early in November, 2018. TransGas curtailed IT based on colder than anticipated weather and is proactively managing the system in advance of colder winter weather.

Proposed Curtailment Enforcement Procedure

TransGas presented an overview of the proposed curtailment enforcement procedure. Under the existing policy, there were some customers that responded to the curtailment and others that did not. Under the proposed procedure, shippers that do not adhere to the IT curtailment will incur an overconsumption surcharge and potentially have service shut in.

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 93% full on October 31, 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) under “Newsroom”– “Business Update.”

Alberta Receipt Service and Export update

TransGas provided an update on the Alberta Receipt, and Export Services. There is high utilization of NTT service which has resulted in TransGas contracts now meeting physical capacity at the TransGas border points. TransGas continues to monitor the potential for summer export and will inform shippers if available

Financial Update

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

Rates Update

TransGas provided an update on the rates. TransGas has engaged an external consultant to review its cost of service model and rate structure. The consultant’s report is anticipated in January, 2019.

Terms of Reference

TransGas provided an update on the terms of reference for Customer Dialogue. The terms of reference will be posted on the TransGas website once finalized.

Other Items

TransGas continues to develop internal processes regarding monitoring and enforcing Shipper’s account balancing requirements.

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