

# TransGas Flood Preparation

TransGas is keeping a close watch on the spring melt and managing the risk associated with potential flooding in several ways. Consistent with other risk management activities, we are working on mitigation measures, preparations and response protocols. These activities were tested during the widespread flooding event during 2011, and the lessons learned from this experience will help improve our response this year.

The two high risk areas in the province, with high potential for significant flooding, are bounded by Moose Jaw, Indian Head and Weyburn in the south; and in the north, by Saskatoon, North Battleford, Prince Albert and Waskesiu.

TransGas, in conjunction with SaskEnergy, is working with local agencies (cities and rural municipalities) to understand their flood response plans and to make sure that our plans are properly coordinated with others. We are updating our corporate inventory of equipment that may be required for flood response so that we can respond quickly to move equipment into the areas that need support and are increasing



aerial patrols of pipelines in impacted areas. As well, we are preparing our physical facilities by removing snow and assessing the flood risk at critical sites.

Communication, both internal and external, will be critically important during any flooding event. TransGas is well connected to the Saskatchewan Emergency Measures Organization and will utilize a form of the Incident Command System to reinforce proper communication and decision making. This will help support a well coordinated response by all the parties

*(Continued on page 2)*

TransGas Flood Preparation .....	1
2012 Customer Satisfaction Survey Results Released .....	2
TransGas 2013 Pipeline Integrity .....	3
TransGas Transport .....	4
TransGas System Expansion .....	5
TransGas Storage Update .....	6
TransGas 2013 Outage Scheduling .....	7
Building with . . . cans? .....	8

*(Continued from page 1)*

involved. TransGas is also advising any party that may undertake ground disturbance activities, such as ditching and berms in response to flood conditions, to ensure proper procedures to establish line locations before beginning work, and to call Sask 1<sup>st</sup> Call at 1-866-828-4888.

TransGas will update any customers whose service may be threatened by an unforeseen flooding incident involving our facilities. As was the case in 2011, TransGas has taken precautions, and we do not foresee any impact of services to our customers.



## 2012 Customer Satisfaction Survey Results Released

Every year, TransGas conducts a Customer Satisfaction Survey in order to determine how satisfied our customers are with our customer service.

In 2012, the electronic survey was emailed to approximately 300 people representing the companies with whom TransGas conducts business.

TransGas was pleased with the response rate and the results from the 2012 survey. The survey indicated that 96 per cent of respondents were either "somewhat satisfied" or "very satisfied" with TransGas overall. This result is identical to the results obtained in 2011.

Although TransGas is very happy with the high level of customer satisfaction, we remain dedicated to improving our service in all areas of the company.

TransGas would like to thank those customers who took the time to complete our survey. Customer feedback is highly valued at TransGas, and we encourage all our customers to contact their Key Account Managers whenever they have questions or concerns about their transportation or storage service.

# TRANS GAS 2013 Pipeline Integrity

TransGas Pipeline Integrity has lots on the go for 2013, ensuring a safe and reliable system. Planned integrity spending for 2013 is a 178 per cent (\$25.8 million) increase over the 2012 spending. The budget increase will accelerate Integrity programming to keep alignment with industry.

Pipeline Integrity is responsible for the safety of the approximately 15,000 kilometres of TransGas operated pipelines. The pipeline program focuses on risk reduction and meeting long-term goals based on work with industry research and technical groups to ensure that TransGas is aligned with industry best practices related to integrity programming.

Risk reduction is the focus of a project in Moose Jaw (Replacements, Bypass and Remote Isolation) and will help to reduce the overall risk exposure to our customers and the public. A remote isolation block valve project taking place in parallel with the Moose Jaw project will provide TransGas with long-term remote isolation plans, gas control and operations playbooks, as well as standards and procedures to implement remote isolation at other strategic locations throughout the system. Pipeline Integrity is working with C-Fer Technologies to refine the transmission pipeline risk assessment. This project is working in parallel with the system wide (pipelines, distribution, storage and plant) risk assessment, which will allow us to compare all pressure containing assets

on an equal playing field. Two of the Pipeline Integrity targets are focused on in-line inspections (ILI) and failure reductions.

The ILI targets work towards in-line inspecting every pipeline over six inches in diameter and five kilometres in length by the end of 2022, and to have a maximum re-inspection interval of ten years. To meet



An 8" in-line inspection (ILI) tool being loaded into a pipeline.

*(Continued on page 4)*

*(Continued from page 3)*

the ILI targets, modifications have to take place at an increased rate over the next few years to ensure that the pipelines are ILI ready. Currently TransGas performs in-line inspections on 500 kilometres of pipelines annually. This will increase to over 800 kilometres in the next five years.

To meet the pipeline failure targets, Pipeline Integrity has started exploring inspections options for small diameter pipelines (under six inches) and has set the ILI re-inspection intervals and dig program up in a conservative manner to decrease the likelihood of

failures on pipelines that have been in-line inspected.

We are also using new technologies in our ILI program to get the best results on a pipeline specific basis.

TransGas has a long history of providing safe and reliable natural gas transportation and storage services in the province of Saskatchewan. The 2013 work plan will help ensure that we continue to provide safe and reliable service, while still meeting the province's growing energy needs.

## TransGas Transport

The energy transported by TransGas and Many Islands PipeLines (Canada) Limited (MIPL) during the first quarter of 2013 was 79 PJ, which is 11 per cent greater than first quarter 2012 transport. The significant

increase in first quarter transport is driven by the combination of Saskatchewan load growth and very cold winter we have just had. The 2012/13 winter was a one-in-16 year colder winter.

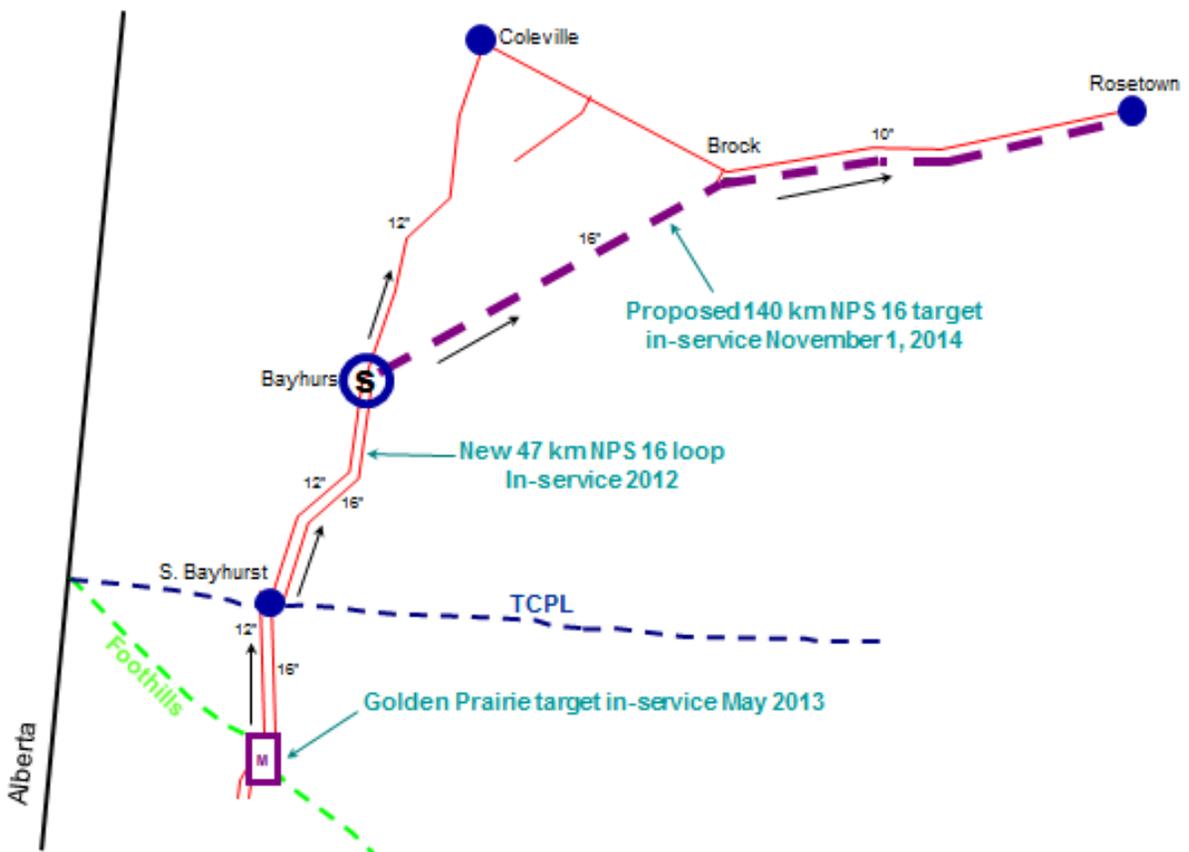


# TransGas System Expansion

TransGas is currently planning on constructing a 140 kilometer 16-inch pipeline from Bayhurst to Rosetown at an estimated capital cost of \$75 million. This pipeline is an integral part of meeting future Saskatchewan natural gas transportation requirements cost effectively. A final decision on this pipeline will be made in the next few months. This pipeline has a target in service of November 1, 2014. It is an extension of a 47 kilometer 16-inch pipeline loop that was placed in service in 2012.

Another key new TransGas facility is a second interconnect with the Foothills Pipeline at Golden Prairie. This interconnect is planned to be in service by the end of May 2013 and will increase TransGas receipt capacity from Foothills from current 54 TJ/d to 154 TJ/d. The Foothills receipts form an integral part of incremental Alberta supply being received.

Below is a diagram of these completed, pending and planned facilities.



TransGas System Expansion

### DID YOU KNOW . .

TransGas has two binding Open Season storage services offerings as follows:

- 1) Non-standard Storage Service; and
- 2) Summer Use ("Open Season").

The Binding Open Season Packages are available on the TransGas website, [www.transgas.com](http://www.transgas.com) under News at TransGas.

## TransGas Storage Update

As of April 15, TransGas storage customers have a total inventory in storage of 22 PJ, which is 43 per cent of full based on currently contracted storage of 51.4 PJ. The net TransGas storage withdrawal during the 2012/13 winter (November to March) was 23 PJ. In addition, 1 PJ was net produced for the period April 1 to 15. Historically, TransGas is on net injection during the

month of April; however, due to near record low Saskatchewan temperatures April to date, the storage withdrawal cycle continues. As of April 15, a 2013 summer TransGas storage net injection requirement of 29 PJ exists, assuming storage customers fill to currently contracted storage of 51 PJ.

# TRANS GAS 2013 Outage Scheduling

In 2013 a projected 150 planned outages on the TransGas system will occur, which is similar to the past few years. The main driver of these planned outages, as in past years, is the TransGas Pipeline Integrity Program. It is anticipated the planned 2013 outages will be completed with minimal TransGas customer impact.

TransGas maintains a Planned Outages web page found at [www.transgas.com/infopostings/plannedoutages.asp](http://www.transgas.com/infopostings/plannedoutages.asp), where TransGas customers can view scheduled outages and impact to service. In addition, TransGas continues to communicate all planned outages impacting customer service a minimum of one week prior to the outage, and for major outages, a minimum of one month prior to the outage.

## DID YOU KNOW . . .

TransGas NIT to TEP Alberta Receipt Service Customers are subject to an Additional Cost Recovery (ACR) charge related to the transportation of gas to the Saskatchewan border, in addition to TransGas' standard receipt transportation rates.

Effective April 1, 2013, there was an increase to the ACR charge to enable TransGas to recover past and current projections for the cost of transportation service in Alberta. Information related to the current and historical ACR charges can be found on the TransGas website, [www.transgas.com](http://www.transgas.com), under Services - Additional Cost Recovery.

## Building with . . . Cans?

A group of TransGas employees was busy playing with their food at Regina's Cornwall Centre on February 25, drawing attention and curious looks from shoppers. Fortunately, it was all for a good cause, as the team quickly "canstructed" a giant version of the SaskEnergy/TransGas corporate fleaf logo.

Standing eight feet tall and weighing in at over 1,000 kilograms (2,200 pounds), the sculpture was made up of 2,521 cans of food. The canned goods were donated to the Regina Food Bank once the competition ended on March 9.

Led by some talented TransGas engineers from the Engineering and Technology division, the team used drafting software to produce a 3D diagram of the Fleaf, to determine the number and nature of cans required for the project.

The team then raffled off a Valentine's Day gift package and held a 50/50 draw, and thanks to the generous support of employees, more than

\$2,200 was raised to put toward the purchase of canned foods for the Regina Food Bank. SaskEnergy/TransGas contributed an additional \$1,000 through the company's Charity Match Grant.

While teams had up to 12 hours to build their Canstructions, the TransGas team was done in only four hours — thanks to a successful pre-build earlier in the month.

Once all the structures had been erected, the public had the opportunity to vote for their favourite Canstruction creation on Facebook. Up against teams from SaskPower, the University of Regina, and Stantec Consulting, it was the TransGas team that shone in the end. At the Canstruction luncheon, held on March 8, the team was presented with three of the six possible awards to be given — best use of labels, structural ingenuity and jurors' favourite.

The finished structures were on display until March 9 at both the Northgate Mall and Cornwall Centre in Regina.

