

TransGas

2016 October 25

TO: NIT TO TEP CUSTOMERS
NIT TO TEP ALBERTA RECEIPT SERVICE UPDATE
ADDITIONAL COST RECOVERY (Effective November 1, 2016)

TransGas' NIT to TEP Alberta Receipt Service is for receipt points that initiate at Nova Inventory Transfer (NIT) with TransGas being responsible to contract and transport natural gas through the Nova Gas Transmission Ltd. (NGTL) system in Alberta.

Customers utilizing this specific service are:

- Charged TransGas' standard receipt transportation rates; and
- Subject to an Additional Cost Recovery (ACR) charge related to the transportation of gas to the Saskatchewan border.

The ACR charge to be recovered from customers utilizing the NIT to TEP Receipt Service effective **November 1, 2016** remains unchanged from last quarter as outlined below:

		Effective November 1, 2016			
Service Type	Term	Demand Charge (per GJ/d per month)	Commodity Charge (per GJ)	Proposed Rate 100% Load Factor Equivalent (cents per GJ)	Previous Rate 100% LF Equivalent (cents per GJ)
Long Term Firm	1 to 2 years	\$5.686	-	¢18.69	¢18.69
	3 to 4 years	\$5.402	-	¢17.76	¢17.76
	5 + years	\$5.117	-	¢16.82	¢16.82
Short Term Firm		\$5.686	-	¢18.69	¢18.69
Interruptible		-	\$0.2060	¢20.60	¢20.60

These charges are based on actual historic costs and historic liquid credits. TransGas will continue to review and update the ACR charge on a quarterly basis to minimize any cumulative imbalance between costs and recoveries.

Information related to the current ACR charge in effect from August 1, 2016 to October 31, 2016 and historical ACR charges can also be found on the TransGas website under Services.

If you have any questions please call myself, Tanya Lang, or Key Account Manager Nicole Sali at 306-777-9503 or Wendy Uytterhagen, Key Account Manager, at (306) 777-9687.

Tanya Lang

Director, TransGas Customer Services
(306) 777-9811