

TransGas

July 30, 2018

TO: ALL TRANSGAS CUSTOMERS
[BINDING OPEN SEASON FOR SHORT TERM NIT TO TEP SERVICE](#)

On July 27, 2018, NGTL posted Short Term Firm Transport (STFT) Biddable Binding Open Season for 100 TJ/d at Eastgate (EGAT) (Empress/McNeill) for 7 months, from **September 1, 2018 - March 31, 2019**. Closing date for the NGTL open season is August 2, 2018.

Should TransGas customers be interested, TransGas would place a bid and offer this service as Short Term NIT to TEP (STF NTT) service at a premium to the current ACR rate up to the customers bid amount. Therefore, the NTT toll for this service will be the customers bid amount (ACR) plus the current R11.1 (21.73 cents) rate.

Please note these are unique conditions, unlike TransGas offerings in the past as these are bid rates. A link to the details on NGTL's website is provided below:

<http://www.tccustomerexpress.com/5024.html>

To assist TransGas with responding to the NGTL Binding STFT Open Season, we ask that you review your supply requirements for this upcoming winter. TransGas will bid on the transport with NGTL based on the commitment from customers as follows:

1. Bid Price Percentage of the Firm Transport Delivery (FT-D1) Demand Rate.
 - TransGas is unsure what types of transport tolls other NGTL customers are willing to pay, but it is unlikely a customer will be awarded the transport based on the current NGTL posted tolls. The current toll for FT-D1 is 17.7¢/GJ/day. For example, if a customer is willing to pay twice the NGTL toll (200%), then TransGas will submit a bid for 200% of the FT-D1 rate or 35.4 ¢/GJ/day.
 - STFT Bid Price shall not be less than 100% of the applicable FT-D Demand Rate and is expressed as a percentage.
2. Minimum and Maximum Bid Capacity
3. Service Commencement Date and Service Termination Date.
 - Please note that customers have the ability to contract for as little as one month up to the entire 7 month term.

These requests become binding only when TransGas is able to secure Alberta transportation and is able to execute the contract. The requests received will be awarded based on the following priorities to align with NGTL:

- Bids are evaluated first on the basis of the per unit STFT Bid Price multiplied by the requested term.

- STFT Bid Price shall not be less than 100% of the applicable FT-D Demand Rate and is expressed as a percentage. Commencement of service date if bids are otherwise equivalent i.e. service commencing on earlier start dates will be given higher priority.
- Multiple bids by entities or their affiliates can not exceed the capacity posted.
- Bids for different periods/volumes/bid amounts must be on separate bid forms.
- If oversubscribed, tied bids will be allocated on a prorated basis.

Please note TransGas will also be sending out a Binding Open Season in early September 2018 for an Empress to TEP service from November 1, 2018 - October 31, 2019.

If you are interested in this NTT service, please submit the attached Request For Service form. Any requests received by **August 1, 2018 at 12:00 P.M. Central Standard time** will be considered in the response to the NGTL Binding Open Season. TransGas will notify customers as soon as possible after hearing from NGTL. If contracts are awarded, the customer will enter the contract into the TransGas Business System, QPTM..

If you have any questions/concerns, or would like to discuss, please contact myself at (306) 777-9811 or a TransGas Key Account Manager, Wendy Uytterhagen at (306) 777-9687 or Alyssa Stoeck at (306) 777-9501.

Yours truly,

TRANSGAS LIMITED

Tanya Lang

Director, TransGas Customer Services
TransGas Limited



Request for Service

SHORT TERM FIRM BIDDABLE NIT TO TEP TRANSPORTATION SERVICE

In addition to the following terms and conditions, the Biddable Binding Open Season will be subject to the TransGas Tariff.

ELIGIBILITY: All TransGas Shippers
EFFECTIVE DATE: To Be Determined
SERVICE: NIT to TEP

Service	Transportation Capacity	Renewal Rights	Effective Date	End Date
NIT to TEP (NTT)	100,000 GJ/d	Short Term Firm (STF) with No Renewal Rights (NRR)	2018 September 1	2019 March 31

CUSTOMER TO COMPLETE AND RETURN THE FOLLOWING SECTION:

_____ is requesting the following Biddable STF NTT service
(Customer's name)

Bid Price Percentage of the Firm Transport Delivery (FT-D1) Demand Rate: _____% (Cannot be less than 100%)

Maximum allocated NIT to TEP request: _____ GJ/d. (cannot be greater than 100,000 GJ/d)

Minimum allocated NIT to TEP request: _____ GJ/d.

Service Commencement Date: _____

Service Termination Date: _____

_____(Company Name) on this _____ day of _____ 2018 herein accepts the terms described in this STF Biddable Binding Open Season letter dated July 30, 2018, commits to a formal request position for the above described service and understands no changes can be made to the Binding Open Season Request for Service after 12:00 p.m. CST on August 1, 2018.

Per: _____
Signature

Open Season requests can be e-mailed to TransGas at the following addresses/phone number:

Attention: Wendy Uytterhagen, TransGas Key Account Manager
TransGas Limited
500 – 1777 Victoria Avenue
Regina SK S4P 4K5
Fax: (306) 789-6224
E-mail: custserv@transgas.com and/or wuytterhag@transgas.com