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TO: NIT to TEP Customers
February 2, 2021

**NIT TO TEP ALBERTA RECEIPT SERVICE UPDATE
ADDITIONAL COST RECOVERY (Effective February 1, 2021)**

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 recover from customers utilizing the NIT to TEP Receipt Service effective **February 1, 2021** has decreased from last quarter as outlined below:

Effective February 1, 2021					
Service Type	Term	Demand Charge (per GJ/D per month)	Commodity Charge (per GJ)	Proposed Rate 100% Load Factor Equivalent (¢/GJ)	Previous Rate 100%LF Equivalent (¢/GJ)
Long Term Firm	1 - 2 years	\$5.8647	-	¢19.28	¢20.76
	3 - 4 years	\$5.5714	-	¢18.32	¢19.72
	5 + years	\$5.2782	-	¢17.35	¢18.68
Short Term Firm		\$5.8647	-	¢19.28	¢20.76
Interruptible		-	\$0.2121	¢21.21	¢22.83

These charges are based on actual historic costs, historic liquid credits and third party contracting costs (including NGTL delivery rate increase effective January 1, 2020). 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 November 1, 2020 to January 31, 2021 and historical ACR charges can also be found on the TransGas website under Services.

A summary of the total NIT to TEP cost, which includes both the ACR and the TransGas receipt toll effective February 1, 2021 and historical November 1, 2020, is outlined below:

February 1, 2021			
Service Type	Additional Cost Recovery (¢/GJ)	TransGas Toll (¢/GJ)	Total (¢/GJ)
R110N (1-2 years)	19.28	19.75	39.03
R1103 (3-4 years)	18.32	19.75	38.07
R1105 (> 5 years)	17.35	19.75	37.10
R11N (Short Term < 1 year)	19.28	21.73	41.01
R190N (IT)	21.21	26.34	47.55

November 1, 2020			
Service Type	Additional Cost Recovery (¢/GJ)	TransGas Toll (¢/GJ)	Total (¢/GJ)
R110N (1-2 years)	20.76	19.75	40.51
R1103 (3-4 years)	19.72	19.75	39.47
R1105 (> 5 years)	18.68	19.75	38.43
R11N (Short Term < 1 year)	20.76	21.73	42.49
R190N (IT)	22.83	26.34	49.17

Please contact a member of the TransGas Customer Services team if you have any questions.

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