

September 9, 2010

Peace River Design Area Capacity Non-Critical Notice

NOVA Gas Transmission (NGTL) continues to review the mainline capacity in Segment 3 (NWML), Segment 4 (GRDL), and Segment 7 (GPML). NGTL advises Customers that the Interruptible Service (IT-R) capacity in these areas is expected to become constrained due to currently known increasing levels of Firm Transportation - Receipt Service (FT-R). NGTL has determined that capacity expansions are required to accommodate the increasing Firm Transportation requirements of Customers and the potential for Interruptible Service (IT-R) may become limited by the summer and fall of 2011. NGTL's assessment indicates that only ~3250 $10^3\text{M}^3/\text{d}$ of additional Firm Service can be accommodated with currently planned capacity additions. Other additional capacity could be installed by November 2011 if required to accommodate Firm Service requirements, however those plans would need to be triggered by no later than October 1, 2010. Incremental firm service requests in excess of the 3250 $10^3\text{M}^3/\text{d}$ of expected available capacity would be required to support the need for additional capacity to be added.

NGTL would note that relatively significant amounts of Interruptible Service have been routinely utilized by Customers in the affected areas. During the month of August 2010, average daily flows indicate that the average amount of IT-R was greater than 6000 $10^3\text{M}^3/\text{d}$ and that IT-R quantities in excess of 9000 $10^3\text{M}^3/\text{d}$ on some days were observed. NGTL does not include IT-R volumes when it designs for additional facilities.

Requests for new FT-R service or transfers of existing contracts into the area will be accepted until the capacity in the area is fully contracted.

NGTL suggests that Customers review their future Firm Service requirements in this area to ensure that their Firm Service levels meet their expected requirements. In the event that Customers submit additional service requests that exceed uncontracted capacity, NGTL will allocate capacity in accordance with its established queuing practice. Available uncontracted capacity will be allocated on a first come, first serve basis.

Please contact your Customer Account Manager if you have questions, require additional information, or want to submit a request for Firm Transportation in these areas.

