



500 – 1777 Victoria Avenue
Regina, SK S4P 4K5

TO: NIT to TEP Customers
April 28, 2020

**NIT TO TEP ALBERTA RECEIPT SERVICE UPDATE
ADDITIONAL COST RECOVERY (Effective May 1, 2020)**

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 **May 1, 2020** has increased from last month as outlined below:

Effective May 1, 2020					
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	\$7.427	-	¢24.42	¢24.31
	3 - 4 years	\$7.056	-	¢23.20	¢23.09
	5 + years	\$6.684	-	¢21.97	¢21.88
Short Term Firm		\$7.427	-	¢24.42	¢24.31
Interruptible		-	\$0.2686	¢26.86	¢26.74

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 February 1, 2019 to April 30, 2020 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 May 1, 2020 and historical February 1, 2020, is outlined below:

May 1, 2020			
Service Type	Additional Cost Recovery (¢/GJ)	TransGas Toll (¢/GJ)	Total (¢/GJ)
R110N (1-2 years)	24.42	19.75	44.17
R1103 (3-4 years)	23.20	19.75	42.95
R1105 (> 5 years)	21.97	19.75	41.72
R11N (Short Term < 1 year)	24.42	21.73	46.15
R190N (IT)	26.86	26.34	53.20

February 1, 2020			
Service Type	Additional Cost Recovery (¢/GJ)	TransGas Toll (¢/GJ)	Total (¢/GJ)
R110N (1-2 years)	24.31	19.75	44.06
R1103 (3-4 years)	23.09	19.75	42.84
R1105 (> 5 years)	21.88	19.75	41.63
R11N (Short Term < 1 year)	24.31	21.73	46.04
R190N (IT)	26.74	26.34	53.08

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

Alexis Schmidt
Key Account Manager
(306) 777-9687
aschmidt@transgas.com

Adam Tulloch
Key Account Manager
(306) 777-9501
atulloch@transgas.com

Tanya Lang
Director, TransGas Customer Service
(306) 777-9811
tlang@transgas.com