

# Iroquois Gas Transmission System, L.P.

NYISO

Electric Gas Coordination Working Group

*Overview of Iroquois' Operations*

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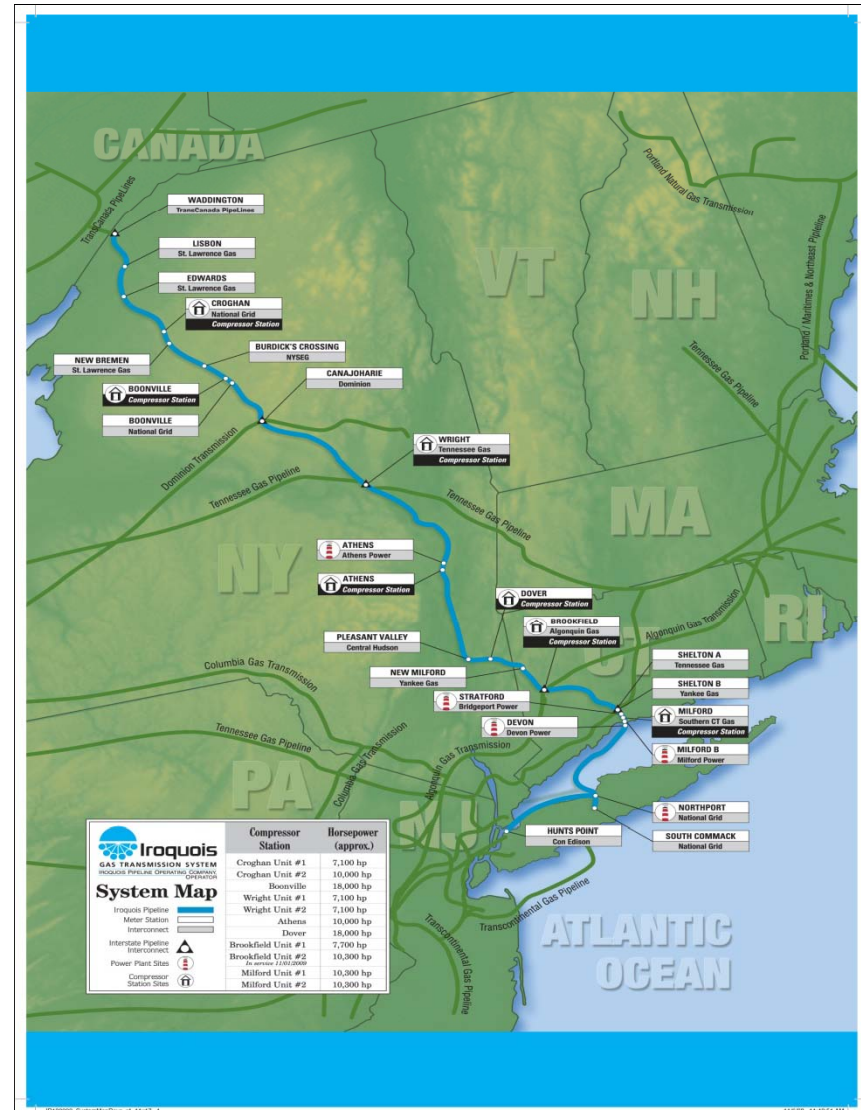
Rensselaer, NY  
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# Forward-Looking Statement Disclaimer

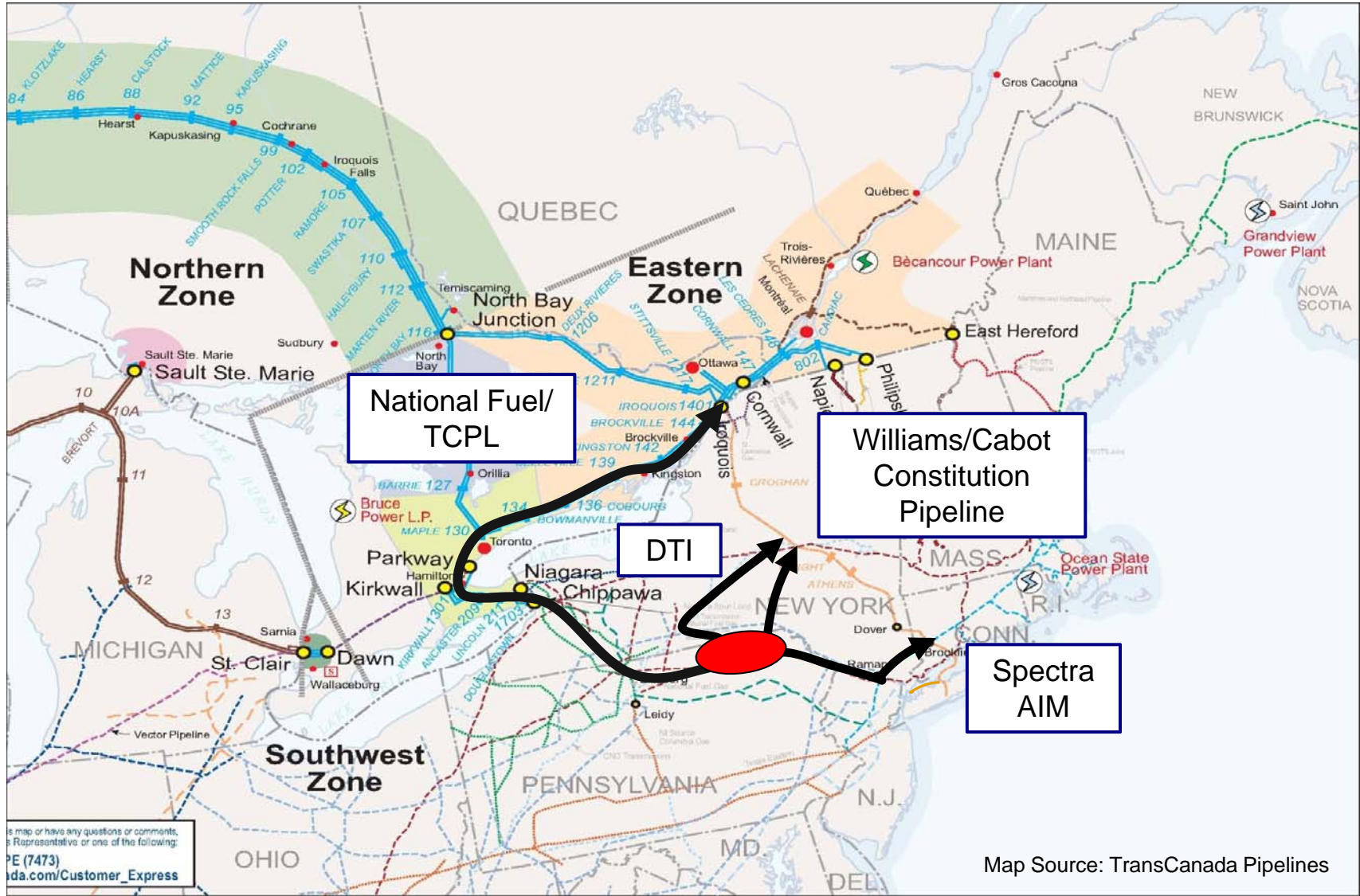
This publication may contain various forward-looking statements. Such forward-looking statements are based on current expectations, are not guarantees of future performance and include assumptions about future market conditions, operations and results. Iroquois can give no assurance that such expectations will be achieved. Among the many factors that could cause actual results to differ materially from those in the forward-looking statements herein are: future demand and prices for natural gas; availability of supplies of Canadian natural gas; regulatory, political, legislative and judicial developments, particularly with regard to regulation by the Federal Energy Regulatory Commission; the timing and cost of Iroquois' expansion projects; competitive conditions in the marketplace; changes in the receptivity of the financial markets to Iroquois or other oil and gas credits similar to Iroquois and, accordingly, our strategy for financing any such change in business strategy or expansions.

# Iroquois Gas Transmission System

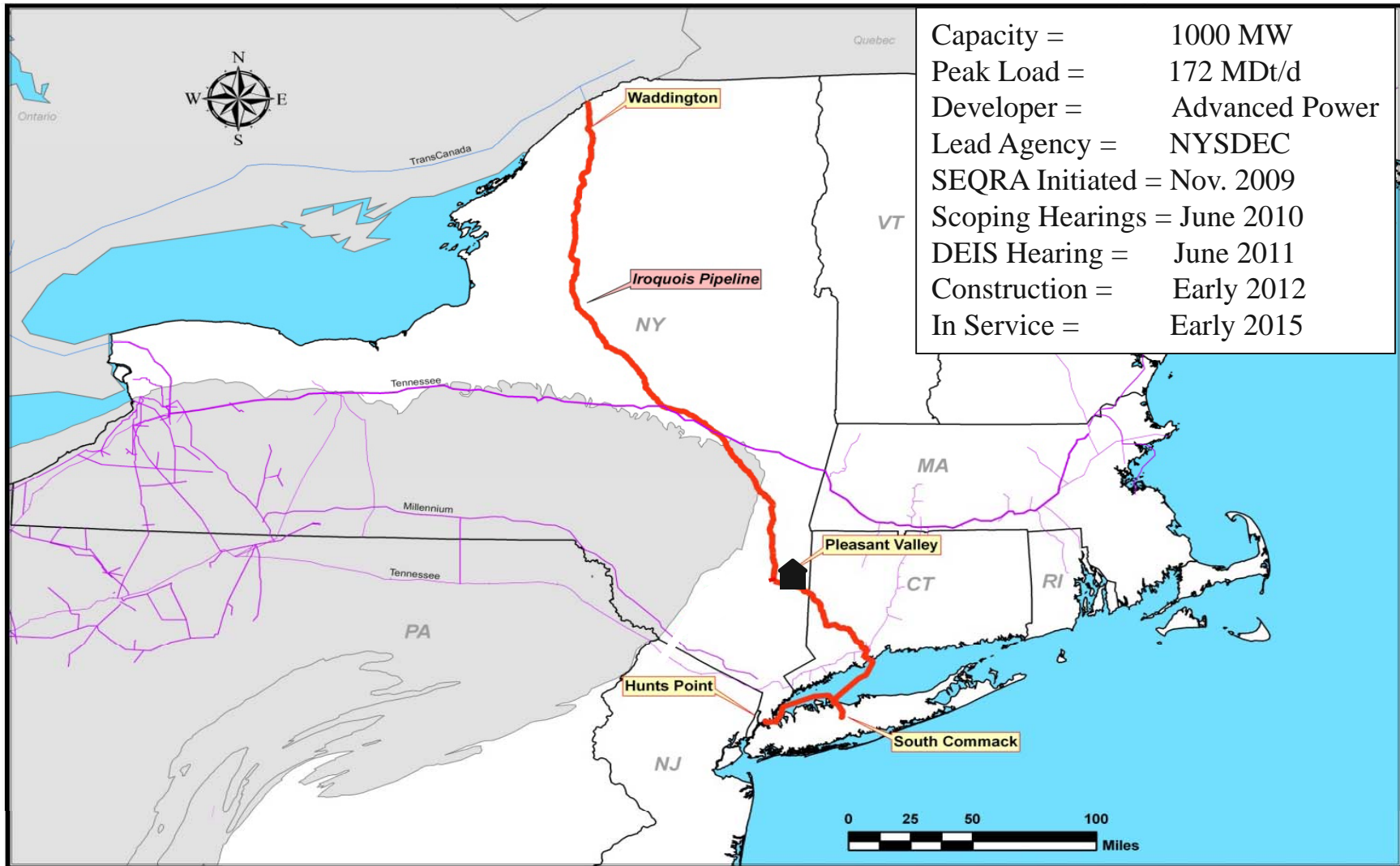
- Commenced Operations in 1991
- Primary Markets
  - New York City, Long Island
  - Connecticut
- 1.5 Bcf/d Physical Receipt Capability:
  - TransCanada = 1.2 Bcf/d
  - Algonquin = 0.3 Bcf/d
- Piping
  - 416-mile of 30” and 24” pipeline
  - MAOP = 1440 psig
- Pipeline Interconnects:
  - TransCanada
  - Dominion
  - Tennessee (200 and 300 lines)
  - Algonquin
- 7 Compressor Stations - 106,400 HP
- NY LDC City Gates
  - St. Lawrence Gas, National Grid, NYSEG, Central Hudson, and Con Edison
- NY Electric Generation – Directly Connected
  - Athens Generation



# Proposed Expansions Into Iroquois



# Cricket Valley Energy (Proposed)



# Iroquois Zone 2 Power Generation Markets

Generator	MW	Peak Load (Dt/d)	Firm Transport (Dt/d)
Athens Generating	1,080	180,000	70,000
Cricket Valley (Proposed)	1,000	168,000	0
Milford Power	540	96,000	35,000
Bridgeport Energy	520	94,000	20,000
Northport	1,582	270,000	0
NRG Power	600	145,000	0
Total	5,322	953,000	125,000

# Nominating/Scheduling Process

- Iroquois adheres to NAESB standard timelines
- Timelines for each NAESB cycle – times shown in Eastern time
  - Timely (nom deadline: 12:30 pm, scheduling deadline: 5:30 pm, start flow time: 10 am)
  - Evening (nom deadline: 7 pm, scheduling deadline: 11 pm, start flow time: 10 am)
    - Timely and Evening deadlines are on day prior start flow time
  - Intraday 1 (nom deadline: 11 am, scheduling deadline: 3 pm, start flow time: 6 pm)
  - Intraday 2 (nom deadline: 6 pm, scheduling deadline :10 pm, start flow time: 10 pm)
    - Intraday 1 and Intraday 2 deadlines are on same day as start flow time
- Scheduling process (within each scheduling window)
  - Primary firm (and secondary within path if a transportation allocation)
  - Secondary firm (secondary out of path only if a transportation allocation)
  - Tertiary firm (extended receipt/delivery – ER/ED)
  - Interruptible services (ITS, HUB, and PAL)
- Scheduling process notes
  - Point allocation is done first, then transportation allocation
  - Firm can bump interruptible in the Evening, and Intraday 1 cycles
  - Primary/secondary firm can bump tertiary firm (ER/ED ) in the Evening and Intraday 1 cycles
  - On a peak day, if the pipeline is scheduled to capacity in the Timely cycle with primary/secondary firm only, then no capacity can be bumped in later cycles, even by primary firm

# Operational Challenges- Power Generation

- Assumption is that shippers will flow gas using a uniform hourly rate
- Flexibility allowed under Iroquois' tariff consists of the following:
  - Shippers may flow 120% of uniform hourly quantity for up to 3 consecutive hours twice in any 24 hour period
  - There must be a minimum of 8 hours between such use
  - Additional flexibility is offered on a “best efforts only” basis
- Power generators can vary flow as desired only when it is operationally feasible on Iroquois, such use will not impact other shipper's scheduled flows, and a nomination is in place
- Iroquois has no storage directly attached to its system, therefore no-notice service is not currently available on either a firm or interruptible basis



