

ISO NY Electric Gas Coordination Working Group Meeting

March 5, 2012

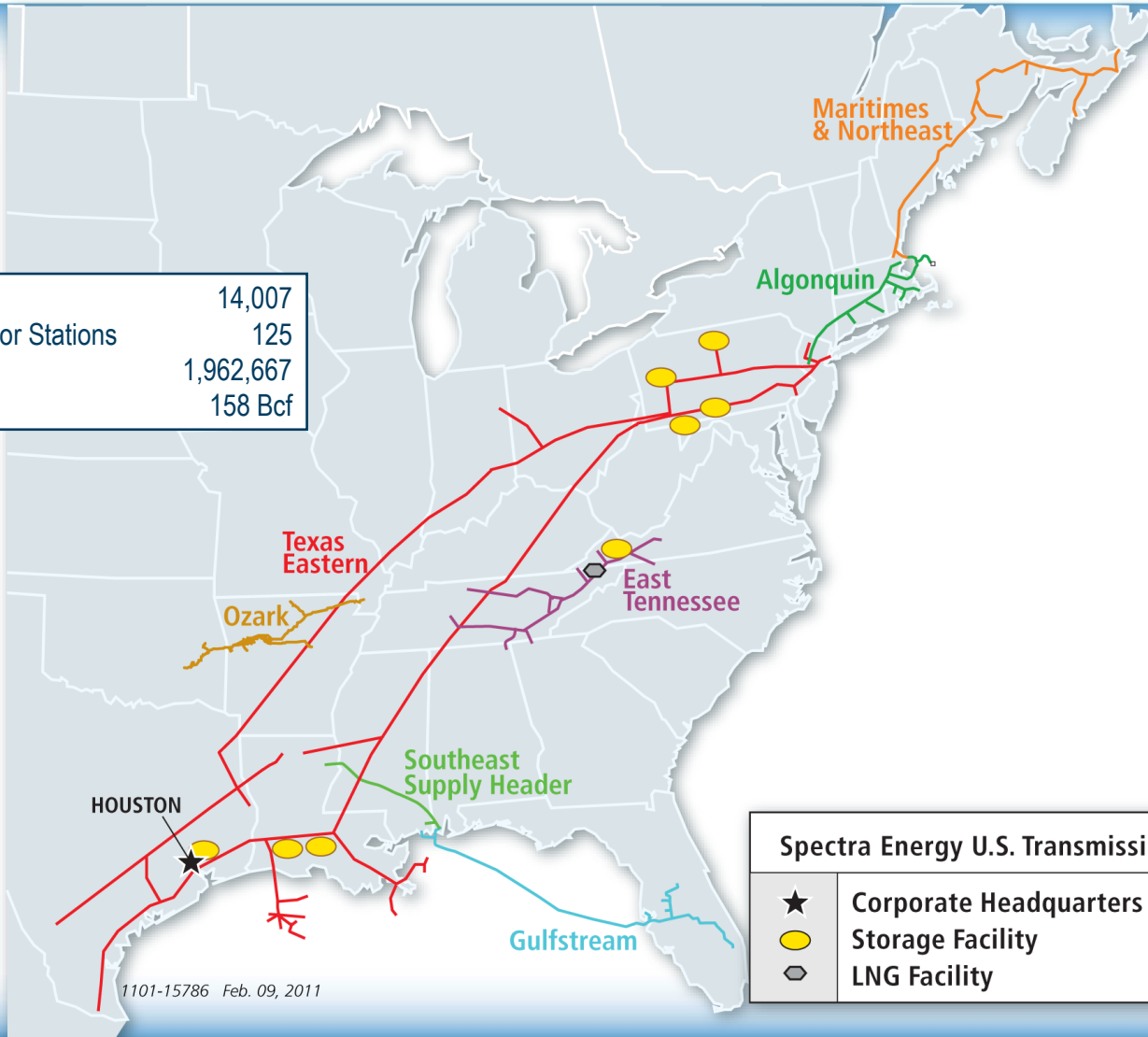
Bill Whaley

Vice President

Gas Control and Customer Service

- Overview of Spectra Energy Transmission
- Growing Power Generation Demand
- Pipeline Design and Capacity Scheduling Priorities
- Outage Communications
- Expansion Projects

Spectra Energy U.S. Transmission Map

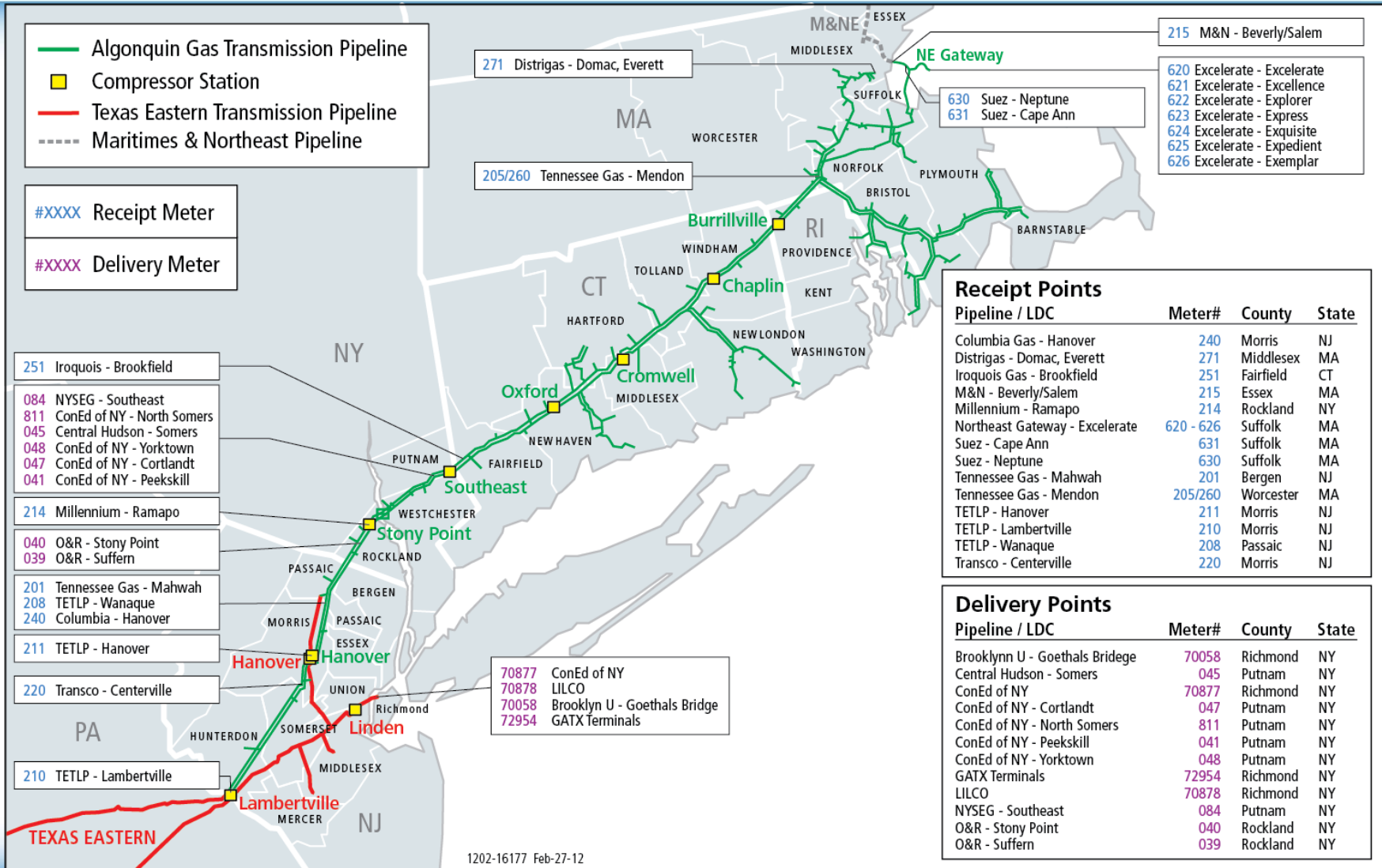


Miles of Pipe	14,007
Number of Compressor Stations	125
Total Horsepower	1,962,667
Storage Capacity	158 Bcf

Spectra Energy U.S. Transmission	
★	Corporate Headquarters
●	Storage Facility
⬡	LNG Facility

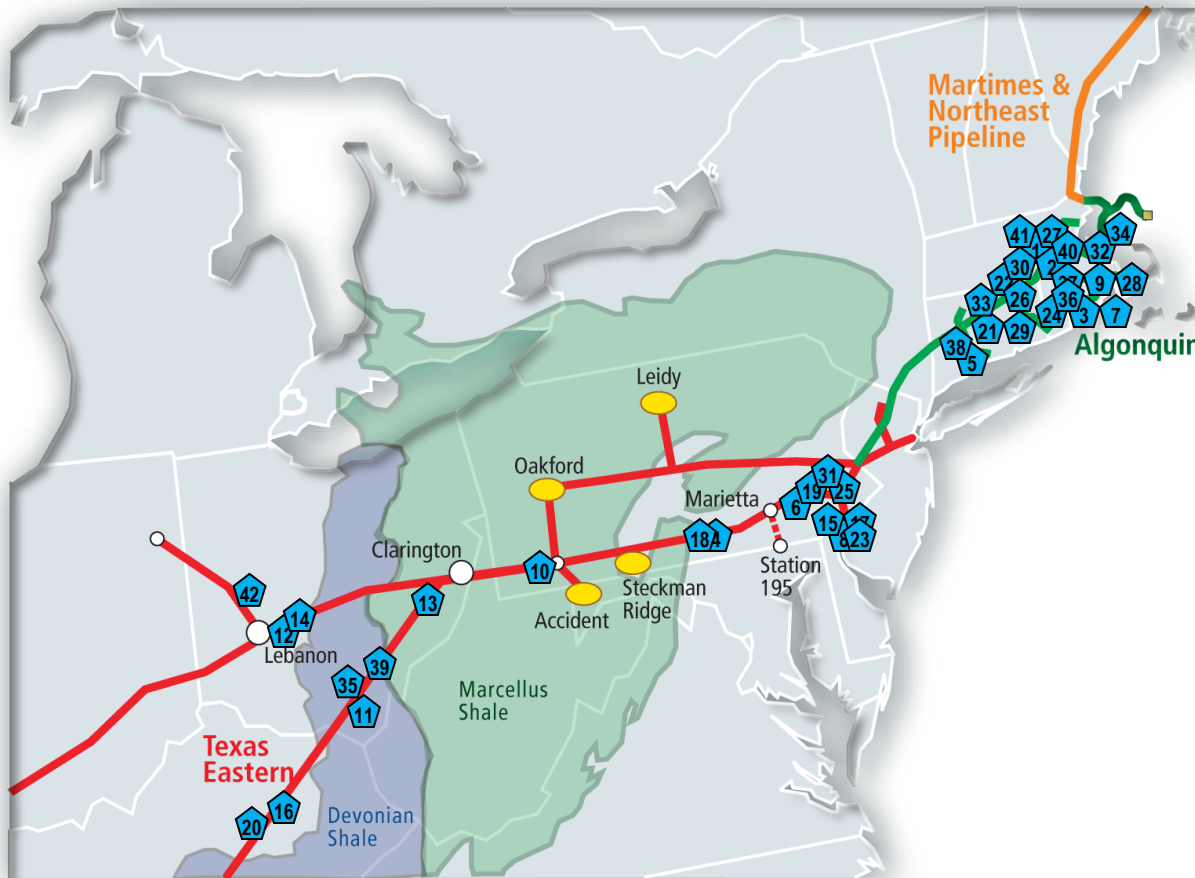
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Texas Eastern/Algonquin Gas Transmission New York Area System Map



Algonquin Gas Transmission Company, Suite 300 - 890 Winter Street, Waltham, MA, 02451. Algonquin does not guarantee the accuracy of this map nor the title delineation thereon, nor does Algonquin assume any responsibility or liability for any reliance thereon.

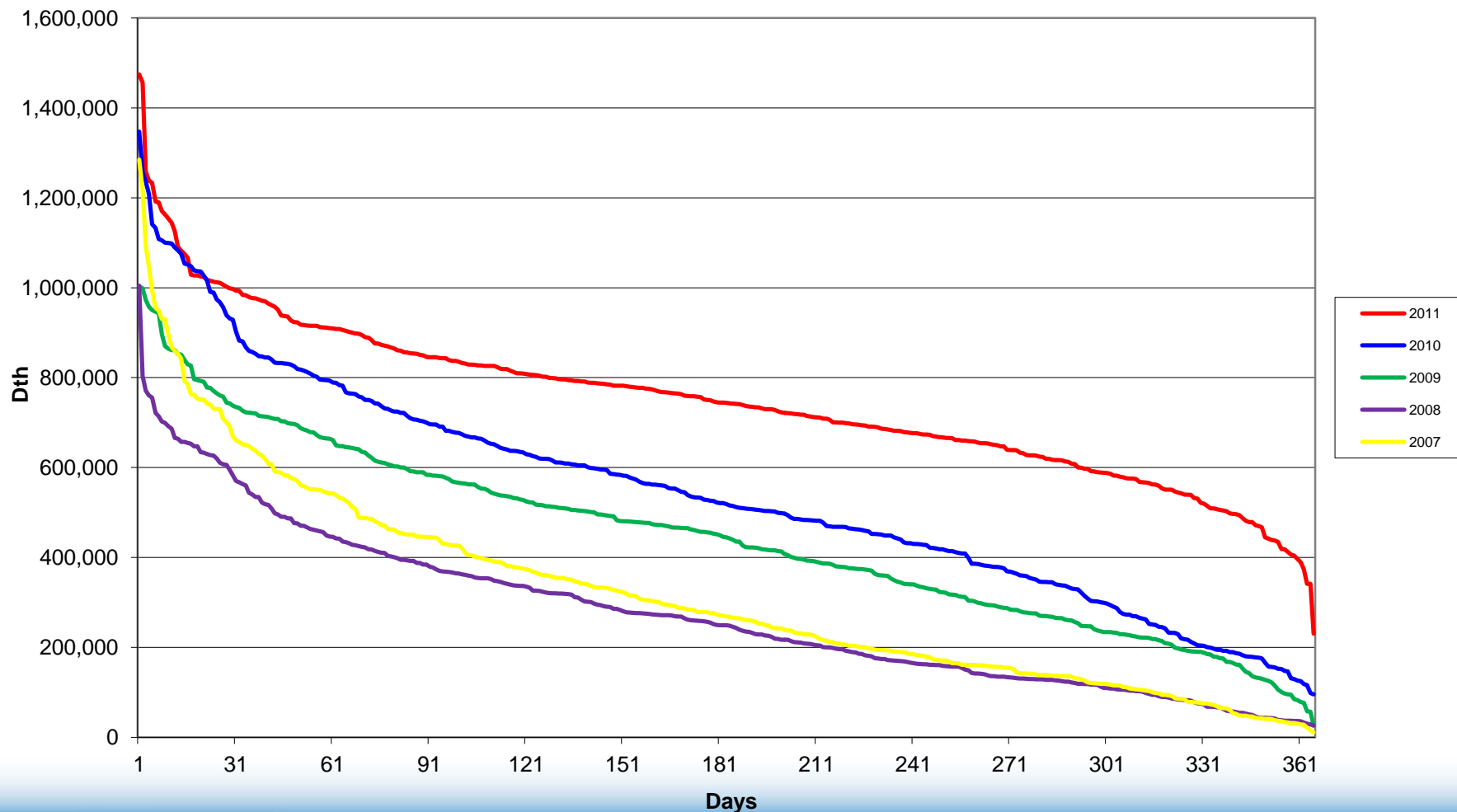
Power Plants Directly Served by Spectra Energy in Northeast



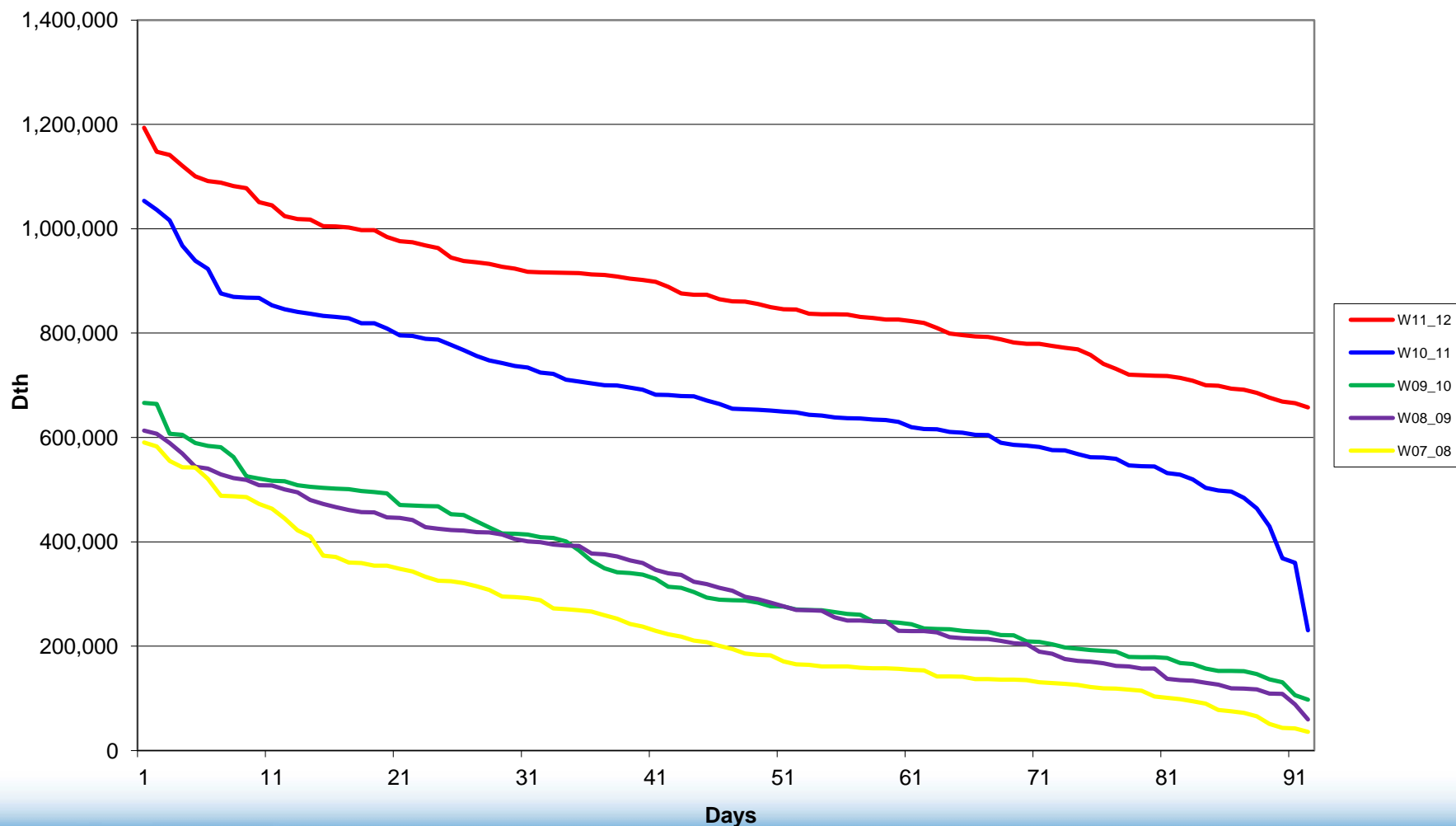
AGT & Northeast TETLP Power Plants		
#	Plant Name	Capacity (MW)
1	ANP Bellingham	576
2	Bellingham	300
3	Brayton Point	432
4	Chambersburg	88
5	CMEEC - Pierce Power	85
6	Cromby	201
7	Dartmouth Power	68
8	Delmarva New Castle	311
9	Dighton Power	168
10	Duke Energy Fayette	700
11	Duke Energy Hanging Rock	600
12	Duke Energy Madison	1,200
13	Duke Energy Washington	600
14	Duke Energy Woodsdale	500
15	Eddystone	760
16	EW Brown Generating Station	800
17	Gray's Ferry	150
18	Hunterstown	903
19	Ironwood	765
20	JK Smith Power Plant	800
21	Kleen Energy	620
22	Lake Road	750
23	Liberty Electric	610
24	Manchester Street	489
25	Martins Creek	1,664
26	Middletown	367
27	Milford Power	140
28	Mirant Canal	295
29	Montville	78
30	Ocean State Power	500
31	Ontelaunee	728
32	Potter Street (BELD I)	77
33	Genconn Power	200
34	Fore River	801
35	Tenaska Rolling Hills	815
36	Tiverton	267
37	TMLP	118
38	Wallingford Energy	244
39	Waterford	800
40	Watson Generating (BELD II)	116
41	West Medway Edison	173
42	DPL Tait	576

20 GW of power generation load attached to Texas Eastern and Algonquin in the Northeast and New England markets

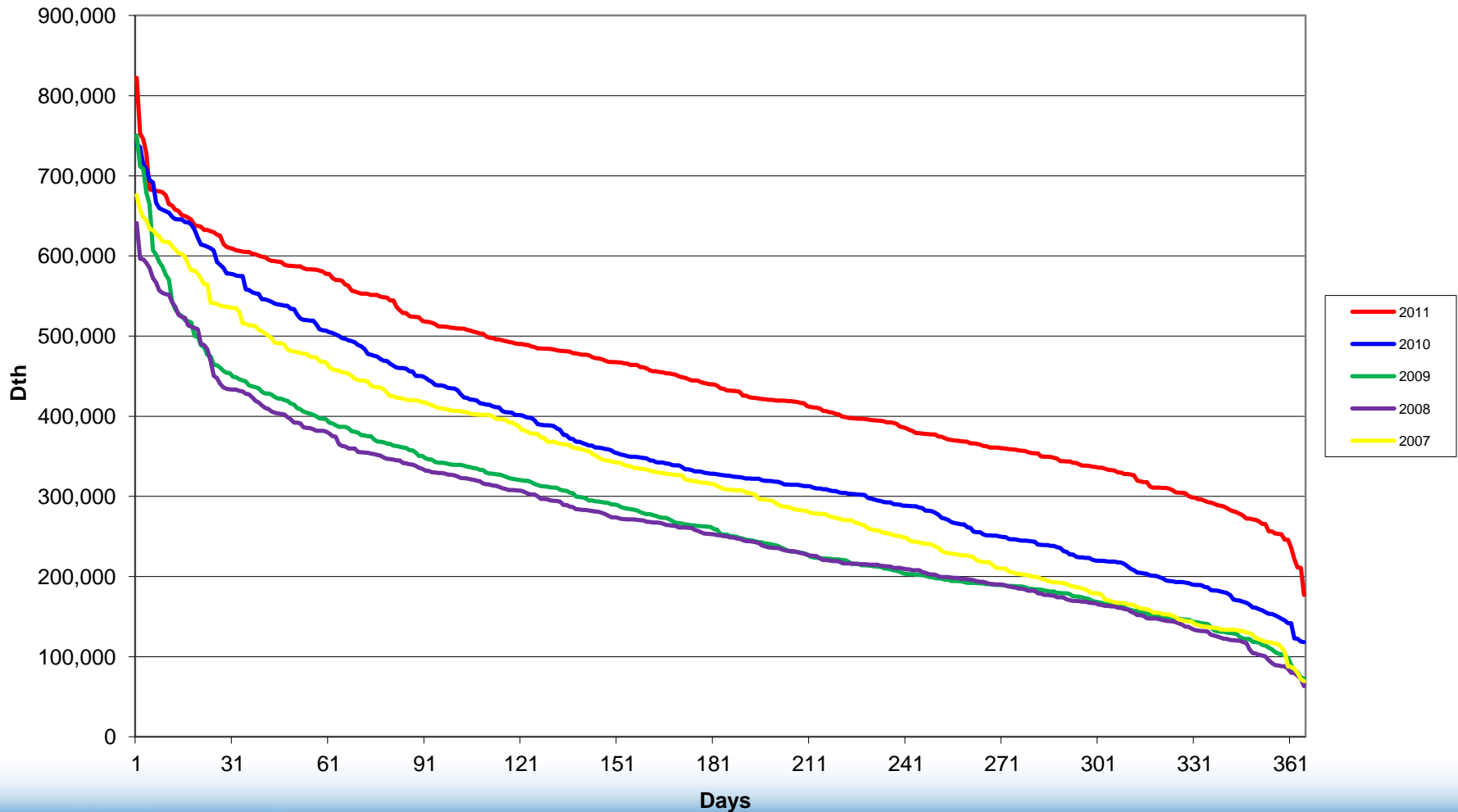
Growing Power Generation Demand Texas Eastern Market Area – Annual 2011/12



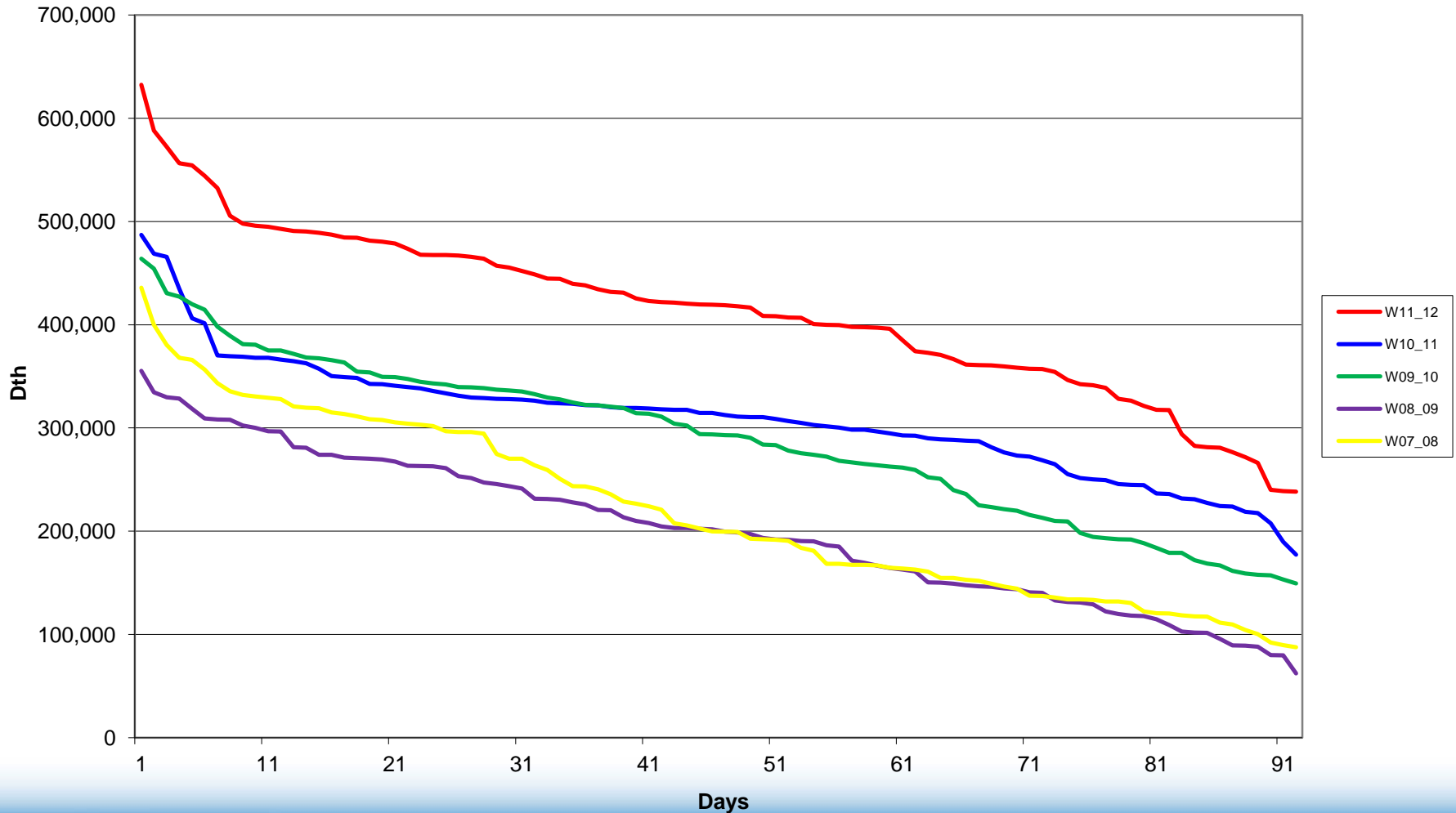
Growing Power Generation Demand Texas Eastern Market Area - Winter 2011/12



Growing Power Generation Demand Algonquin Gas Transmission - Annual 2011/12



Growing Power Generation Demand Algonquin Gas Transmission - Winter 2011/12



	<u>Texas Eastern</u>	<u>Algonquin</u>
Non-Coincidental Burn Potential	1,739 MDth / D	890 MDth / D
Coincidental Peak Day (Summer)	1,536 MDth / D	822 MDth / D
Coincidental Peak Day (Winter)	1,193 MDth / D	632 MDth / D
Contracted Mainline Capacity	276 MDth / D	125 MDth / D
<i>Ratio of Generators' Firm Capacity vs. Winter 2011/12 Peak Day</i>	23.1%	19.8%
<i>Ratio of Non-Generators' Firm Capacity vs. Winter 2011/12 Peak Day</i>	123%	120%

- Facilities designed to support **primary firm obligations** even though actual operation may differ from these obligations
- Assumes all primary firm contracts are flowing **coincidentally** at 100% contract quantity representing a peak day scenario
- **No extra capacity** exists above the coincidental peak day firm capacity
- Design Considerations – quantity, delivery pattern (uniform or transient), pressure, temperature, distance, elevation, pipe wall friction (efficiency), compression HP style/size etc.

- General hierarchy of transport services
 - Priority 1: **Primary Receipt to Primary Delivery**
 - Priority 2: Secondary within contracted path
 - Priority 3A: Secondary outside of path if restriction is in contract path
 - Priority 3B: Secondary outside of path if restriction is outside the contract path
- Interruptible Transportation
- Imbalance Service
- Park and Loan

Scheduling Gas: The NAESB Gas Nomination Timeline

Cycle	Nomination Deadline	Confirmation Deadline	Scheduling Deadline	Gas Flows
Timely (Cycle 1)	11:30 a.m. the day before the gas flows	3:30 P.M. the day before gas flows	4:30 p.m. the day before the gas flows	9:00 a.m. (next day)
Evening (Cycle 2) (bumping allowed)	6:00 p.m. the day before the gas flows	9:00 p.m. the day before the gas flows	10:00 p.m. the day before the gas flows	9:00 a.m. (next day)
Intraday 1 (Cycle 3) (bumping allowed)	10:00 a.m. the gas day	1:00 p.m. the gas day	2:00 p.m. the gas day	5:00 p.m. (current day)
Intraday 2 (Cycle 4) (no bumping)	5:00 p.m. the gas day	8:00 p.m. the gas day	9:00 p.m. the gas day	9:00 p.m. (current day)

- Actual flow flexibility is limited to nominated/scheduled services on high demand days. Likely, no services other than firm transport are available...No IT
- Delivery Points without scheduled supply nominations will highly likely not be allowed to flow
- Supply/demand imbalances are monitored very closely to insure that **all** customers receive their **scheduled** volumes

Serving Electric Generators

- There are no operational impediments to serving electric generators – provided that the generator has contracted for the appropriate pipeline transportation service.
- Pipelines can meet generator pressure requirements and load variations – when properly contracted
- In the northeast, generators typically access pipeline capacity through the secondary market via capacity release or IT on days when it is not needed by firm customers.
- When a pipeline cannot schedule interruptible transportation, it is not a gas reliability issue. It is a customer contracting issue.
- Pipelines will readily build infrastructure for additional capacity based on a customer's firm contract commitment.

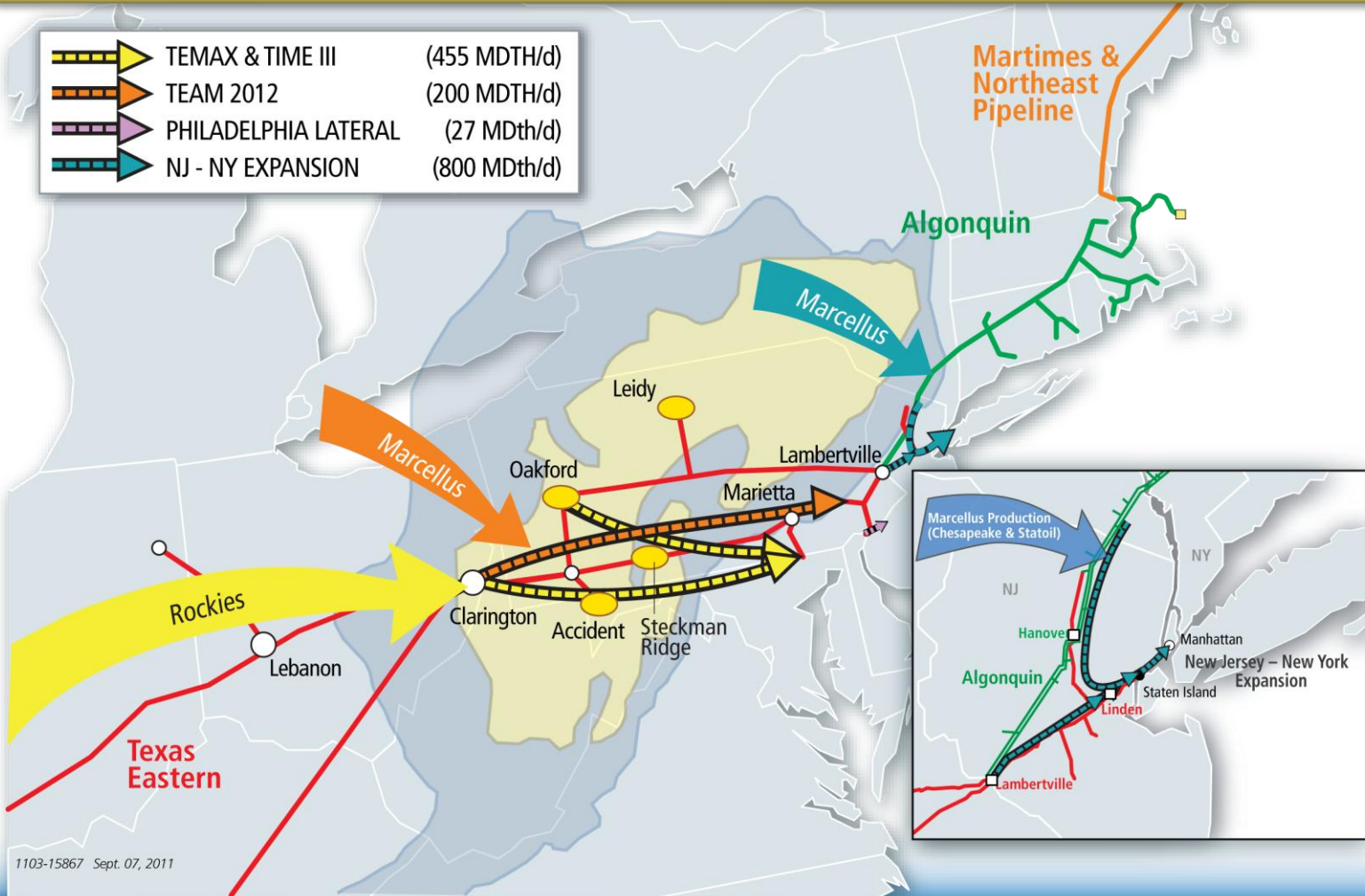
- Algonquin and Texas Eastern's EBB Postings
- Calls as Needed between Gas Control and Scheduling
- Periodic Meetings with Customers
- Communication Postings Occur During All Outages for Material Changes to the Original Plan

2011-2013 Northeast Projects

In Service and In Execution

Executing on Projects to Deliver new Supplies to the growing Markets in the Northeast

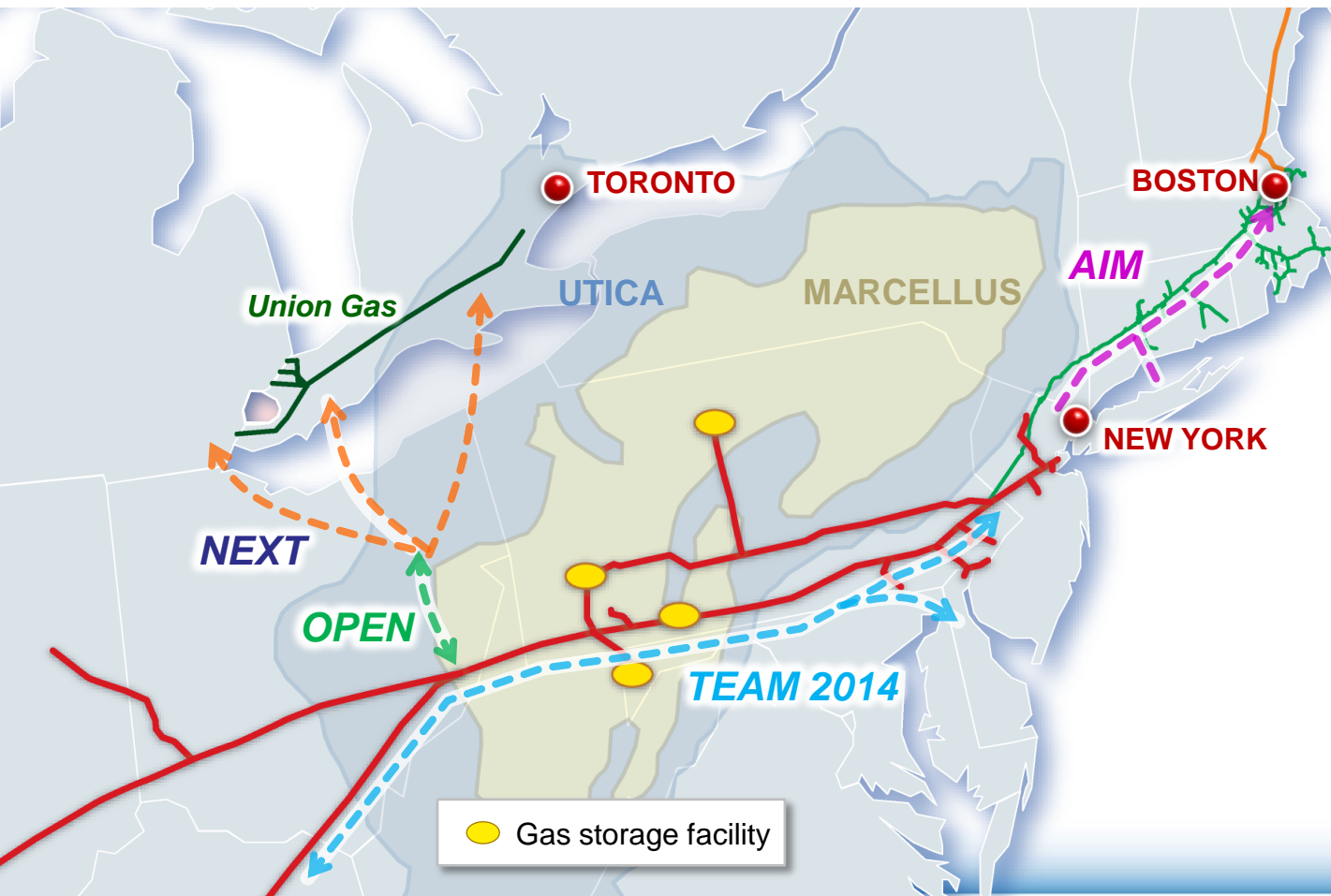
	TEMAX & TIME III	(455 MDTH/d)
	TEAM 2012	(200 MDTH/d)
	PHILADELPHIA LATERAL	(27 MDth/d)
	NJ - NY EXPANSION	(800 MDth/d)



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Northeast Expansion Opportunities

Connecting Marcellus & Utica Supplies to Our Diverse Markets



Texas Eastern Appalachia to Market
TEAM 2014
Providing producers access to diverse Texas Eastern markets

Ohio Pipeline Energy Network
OPEN (2014)
Connecting Utica production to diverse Texas Eastern markets

Northern Expansion Transmission
NEXT (2016/2017)
Providing Appalachian producers access to Eastern Canada LDC & power markets

Algonquin Incremental Market
AIM (2015)
New England market pull combined with Northeast PA supply push

Questions