National Energy Board Office national de l'éneraie

30 April 2005



The period covered in this Regulatory Agenda is the month of April 2005

# 2004 Annual Report

On 6 April 2005, the Board issued its 2004 Annual Report. The report is available on the Board's Web site at www.neb.one.gc.ca under Publications.

## NEB Workshop 2005

The Board will be hosting the NEB Workshop 2005 from 6 to 8 June 2005 at the Calgary Telus Convention Centre. Attendance at the Workshop is free, but you must register by 27 May 2005.

People who have an interest in the NEB, such as representatives of NEB-regulated companies; municipal, provincial and federal agencies; and industry associations, will want to attend this event.

There are five key goals for the Workshop: to communicate, to refine initiatives, to consult, to inform and to enhance. In keeping with the theme for the event, collaborating for regulatory

# **Public Hearing Applications**

### **Decisions Rendered**

Enbridge Pipelines Inc. (Enbridge) – Spearhead 1. Pipeline and a Reversal Pipeline Project – RH-1-2005 (File 4200-E101-6)

On 28 April 2005, the Board announced that it has approved two applications from Enbridge

*improvement*, the Workshop will be highly interactive. We are looking to participants to provide us with insight and ideas for regulatory improvement.

The sessions have been split up into seven streams: (i) Regulatory Initiatives, (ii) Internal Initiatives, (iii) Environmental Protection, (iv) Safety Management, (v) Integrity Management, (vi) Emergency Management and (vii) Human Environment.

For more information, visit our Web site at www. neb-one.gc.ca/EngagingCanadians.

to recover, in its Canadian pipeline tolls, US\$20 million per year for five years related to the extension of service on the Spearhead Pipeline which runs from Chicago, Illinois to Cushing, Oklahoma and an initiative by Mobil Pipe Line Company (Mobil) to reverse the flow of its pipeline which runs from Patoka, Illinois to Corsicana,

### In This Issue

# Preface

The purpose of this agenda is to provide information on the Board's activities. Except where otherwise noted, jurisdiction over the items listed in the agenda is exercised pursuant to the National Energy Board Act, R.S.C. 1985, c. N-7, as amended.

### "We promote Safety, Security, **Environmental Protection and Economic Efficiency**"

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Texas. The Board has found that the tolls that will result from the decisions are just and reasonable and not unduly discriminatory.

The Board has decided to release the Decisions in advance of the Reasons for Decision in response to requests received from several parties during the public hearing held to consider the two applications. The Board will release its Reasons for Decision in due course. The Board held a public hearing from 7 to 12 April 2005 to consider the applications.

#### 2. TransCanada PipeLines Limited (TCPL) – 2004 Tolls, Phase II – RH-2-2004 (File 4200-T001-19)

On 29 April 2005, the Board announced that it has approved an increase in TCPL's Mainline common equity ratio from 33 to 36 percent effective 1 January 2004. The Board considered the cost of capital aspects of TCPL's 2004 Tolls Application during Phase II of the RH-2-2004 public hearing held in Calgary from 29 November 2004 to 4 February 2005 (22 days). All other aspects of the 2004 Tolls Application were heard during Phase I of the public hearing and the Board rendered its decision on that phase of the hearing in September 2004.

### **Decision Pending**

1. Canadian Association of Petroleum Producers (CAPP) – Review of RH-2-2004, Phase I Reasons for Decision – TransCanada PipeLines Limited's (TCPL) 2004 Tolls – RH-R-1-2005 (File 4200-T001-19-R)

The Board heard oral arguments on 26 April 2005 in Calgary on an application from CAPP for a review of the Board's RH-2-2004 Phase I Reasons for Decision with respect to TCPL's 2004 Mainline Tolls. The Board heard arguments on the following:

- whether the Board's decision regarding the tolling of Non-Renewable Firm Transportation Service (FT-NR) should be confirmed, amended or overturned; and
- ii) if the decision should be amended or overturned, how FT-NR should be tolled.

On 18 February 2005, the Board informed parties that it was of the view that CAPP had raised a doubt as to the correctness of the decision on the basis that the Board may have erred in approving a different toll for FT-NR than the cost-based toll charged for Firm Transportation with a step-down. Therefore, the Board decided on 18 March 2005 to hear oral arguments as the second step of the review process on the FT-NR question.

### **Hearings Scheduled**

### 1. New Brunswick Power Transmission Corporation (NB Power) – International Power Line (IPL) – Detailed Route Hearing – MH-1-2005 (File 2200-N102-1-2)

The Board will hold a public hearing commencing 9 May 2005 in St. Stephen, New Brunswick in response to oppositions concerning portions of the proposed detailed route of the NB Power IPL. The objections were filed by eight landowners on the power line route from Lepreau to St. Stephen.

The issues to be discussed at the hearing are limited to (i) the best possible detailed route of the IPL and (ii) the most appropriate methods and timing of construction.

The Board issued a certificate to NB Power in the fall of 2003 approving the construction and operation of the 95.5 kilometre, 345 kilovolts IPL from the existing transmission terminal at the Point Lepreau Generating Station to a point on the Maine-New Brunswick border west of St. Stephen. A public hearing was held in Saint John in March 2003.

2. Chevron Canada Limited (Chevron Canada) and Chevron Standard Limited, Neste Canada Inc. and Chevron Canada Limited (Chevron/ Neste) – Priority Destination – MH-2-2005 (Files 4755-T099-3 and 4755-T099-4)

The Board will hold a public hearing commencing on 12 September 2005 in Calgary on two applications for orders designating Chevron Canada's refinery at Burnaby, British Columbia to be a priority destination for the unapportioned delivery of crude oil and isooctane on Terasen Pipelines (Trans Mountain) Inc.'s pipeline system. The first application is for delivery of crude oil by Chevron Canada, and the second application is for delivery of isooctane by Chevron/Neste.

Chevron Canada is requesting a priority designation for the unapportioned delivery from Edmonton to Burnaby of up to 5 500 cubic metres per day of crude oil during periods that nominations would otherwise be apportioned. Chevron/Neste are requesting priority designation of unapportioned delivery from Edmonton to Burnaby of up to 2 400 cubic metres per day of isooctane during periods that nominations would otherwise be apportioned.

3. Imperial Oil Resources Ventures Limited (Imperial), Mackenzie Valley Aboriginal Pipeline Limited Partnership, ConocoPhillips (North) Limited, Shell Canada Limited and ExxonMobil Canada Properties – Mackenzie Gas Project (Files 3200-J205-1, 2520-C-19-4, 2620-C-19-7, 2620-C-12-7 and 2620-C-20-7)

On 24 November 2004, the Board scheduled for public hearing five applications from Imperial Oil Resources Ventures Limited and other applicants for the Mackenzie Gas Project in Northern Canada. The proponents of the Mackenzie Gas Project are Imperial Oil Resources Ventures Limited, Mackenzie Valley Aboriginal Pipeline Limited Partnership, Imperial Oil Resources Limited, ConocoPhillips Canada (North) Limited, ExxonMobil Canada Properties and Shell Canada Limited. The Board will announce at a later time the dates and locations of its public hearing.

The Mackenzie Gas Project includes a pipeline to transport natural gas to northern Alberta, a pipeline to transport natural gas liquids to Norman Wells, N.W.T., three onshore natural gas fields, a gathering system to transport production from the three fields, and a processing facility in the Inuvik, N.W.T. area where natural gas liquids would be separated from the natural gas for shipping. Other related facilities include compressor stations and a heater station.

# **Non-Public Hearing Applications**

### **Electricity Matters**

### **Matter Completed**

1. Constellation New Energy, Inc. (Constellation) – Electricity Export (File 6200-C382-1)

On 26 April 2005, the Board approved an application dated 11 February 2005 from Constellation for permits to export up to 600 megawatts of firm power, 5256 gigawatt hours of firm energy and 1744 gigawatt hours of interruptible energy per year for a period of 10 years.

### Matters under Consideration

2. Calpine Energy Services Canada Ltd. (Calpine) – Electricity Export (File 6200-C191-1)

On 5 April 2005, Calpine applied for permits to export up to 250 megawatts and up to 2160 gigawatt hours of combined firm and interruptible power and energy, respectively, per year for a period of 10 years.

### 3. Lighthouse Energy Trading Co., Inc. (Lighthouse) – Electricity Export (File 6200-L032-2)

On 5 April 2005, Lighthouse applied for permits to export, per year for a period of 10 years, up to: 300 megawatts of firm power; 500 megawatts of combined firm and interruptible power; 2 628 000 megawatt hours of firm energy, and; 1 752 000 megawatt hours of interruptible energy.

### 4. Manitoba Hydro – Electricity Export (File 6200-M020-16)

On 1 April 2005, Manitoba Hydro applied for a permit to export up to 20 kilowatts of firm power and 60 000 kilowatt hours of firm energy per year for a period five years as a border accommodation transfer to Roseau Electric Cooperative in Minnesota.

### 5. Manitoba Hydro – Electricity Export (File 6200-M020-17)

On 7 April 2005, Manitoba Hydro applied for permits to export up to 3250 megawatts of firm and/or interruptible power and up to 25 434 gigawatt hours of firm and/or interruptible energy per year for a period of five years. The application, in part, represents a renewal of existing Export Permits EPE-45 and EPE-46 which expire on 31 October 2005.

### 6. TransCanada Energy Ltd. (TransCanada) – Electricity Export (File 6200-T094-1)

On 14 April 2005, TransCanada applied for permits to export up to 350 megawatts of short term firm power and 3000 gigawatt hours of interruptible energy per year for a period of 10 years. The application represents a renewal of existing Export Permits EPE-78 and EPE-79 which expire on 15 November 2005.

### **Frontier Matters**

### **Matters Completed**

1. Anadarko Canada Energy Co. (Anadarko) – Application dated 9 April 2003 for a Significant Discovery Declaration

On 11 April 2005, the Board issued a declaration of "Significant Discovery" to Anadarko pursuant to Part II.1, subsection 28.2(4) of the *National Energy Board Act* and to Part III, subsection 28(1) of the *Canada Petroleum Resources Act* with respect to those frontier lands in the Arrowhead area, NWT comprising grid areas:

Latitude	Longitude	Sections
60° 40' N	123° 00' W	1, 2, 11, 12, 13

#### 2. Paramount Resources Ltd. – Well Termination Record

On 1 April 2005, Paramount received approval, pursuant to the *Canada Oil and Gas Drilling Regulations*, of the *Well Termination Record* for the well Cameron 2M-73.

# 3. Paramount Resources Ltd. – Alter the Condition of a Well

On 1 April 2005, Paramount received approval, pursuant to the *Canada Oil and Gas Production and Conservation Regulations* (COGPCR), to alter the condition of the well Cameron 2M-73.

# 4. Paramount Resources Ltd. – Alter the Condition of a Well

On 21 April 2005, Paramount received approval, pursuant to the COGPCR, to alter the condition of the well Liard M-25.

### **Gas Matter**

### **Matter Pending**

1. EnCana Corporation (EnCana) – Replacement of a Gas Sale Agreement – Licences GL-284 and GL-285 (Files 7200-E112-1-1 and 7200-E112-1-2)

On 23 December 2004, EnCana applied for approval of a gas sale agreement entitled the *Cross-Border Commodity Purchase & Sale Agreement* that would replace the original gas sale agreement dated 1 January 1994 underpinning natural gas export Licences GL-284 and GL-285. Under Licences GL-284 and GL-285, EnCana is authorized to export approximately 1.6 billion cubic metres and 1.0 billion cubic metres, respectively, in any consecutive 12-month period ending 31 October. On 3 February 2005, the Board sent a letter to EnCana requesting additional information.

### **Pipeline Matters**

### **Matters Completed**

### 1. Section 58 Applications

The Board has approved applications under Section 58 of the *National Energy Board Act* involving routine pipeline facilities or the construction of pipelines not exceeding 40 kilometres in length. See Appendix I.

#### 2. EnCana Border Pipelines Limited (EnCana) and 1057533 Alberta Ltd. – Sale and Purchase of a Pipeline (Files 3400-E125-3 and 3400-Z011-1)

On 14 April 2005, the Board approved a joint application dated 10 March 2005 from EnCana and 1057533 Alberta Ltd. for leave for EnCana to sell and 1057533 Alberta Ltd. to purchase the Monchy Pipeline Facilities. The facilities include a natural gas meter station located approximately one kilometre from the Village of Monchy, Saskatchewan and 750 metres of pipeline extending directly south from the meter station to the Canada-United States border. The facilities were originally constructed by Canadian-Montana Pipe Line Corp. in 1999.

3. Montreal Pipe Line Limited (MPL) and Shell Canada Products Limited, on behalf of Shell Canada Products (Shell) – Sale and Purchase of Pipelines (Files 3400-M003-29 and 3400-S179-1)

On 25 April 2005, the Board approved a joint application dated 8 March 2005 from MPL and Shell for leave for MPL to sell and Shell to purchase MPL's interest in certain portions of three delivery lines currently servicing the Shell refinery in Montréal, Quebec. The portions of the pipelines that Shell will purchase are all located on the Shell refinery property.

### **Matters Pending**

4. ConocoPhillips Canada Limited (ConocoPhillips) and Duke Energy Empress Management Inc., as General Partner and agent of Duke Energy Empress L.P. (Duke) – (Files 3200-C216-1 and 3200-D073-1) On 22 April 2005, ConocoPhillips and Duke, in a joint application, applied for leave for ConocoPhillips to sell and Duke to purchase certain pipeline facilities. The pipeline is approximately 930 kilometres and runs from near Empress, Alberta to near Winnipeg, Manitoba. The pipeline facilities were constructed in 1963.

5. EnCana Cypress Pipeline Ltd. (Encana) and Prairie Schooner Limited Partnership (Prairie) – Application for the Sale and Purchase of the Cypress Pipeline (Files 3400-E137-1 and 3400-P181-1)

On 21 April 2005, EnCana and Prairie, in a joint application, applied for leave for EnCana to sell and Prairie to purchase the Cypress Pipeline. The Cypress Pipeline is a 6.2 kilometre pipeline that runs from Alberta to Saskatchewan. The pipeline was originally constructed by AEC Suffield Gas Pipeline Inc. in 1999.

### 6. TransCanada PipeLines Limited (TCPL) – Les Cèdres Loop (File 3400-T001-238)

On 28 February 2005, TCPL applied for approval to construct 21.3 kilometres of pipeline loop from mainline valve 147A in the Municipality of Saint-Télesphore, Quebec to mainline valve 148 in the Municipality of Les Cèdres, Quebec (Les Cèdres Loop). The proposed Les Cèdres Loop, together with the capacity provided by the existing mainline facilities, will be needed to enable TCPL to transport the natural gas required for a new gas-fired cogeneration plant being constructed at Bécancour, Quebec. The estimated cost of the project is \$44.1 million and the proposed in service date is 1 November 2006.

### Traffic, Tolls and Tariff Matters

### **Matters Completed**

1. TransCanada PipeLines Limited (TCPL) – Resolution of the 2005 Toll Task Force (File 4200-T001-20)

On 7 April 2005, the Board approved a resolution of the 2005 Toll Task Force as described below.

Resolution No.	Subject	
05.2005	Negotiated Settlement of 2005 Mainline Tolls.	

#### 2. TransCanada Pipelines Limited (TCPL) – Resolution of the 2005 Toll Task Force (File 4775-T001-1-15)

On 12 April 2005, the Board approved a resolution of the 2005 Toll Task Force as described below.

Resolution No.	Subject
06.2005	Fuel Gas Incentive Program effective 1 November 2004 to 31 October 2005. Purpose – to comply with a Board direction in the RH-2-2004 Phase I Reasons for Decision.

#### 3. Westcoast Energy Inc. (WEI) – Final 2005 Tolls for Zones 3 and 4 (File 4200-W005-17)

On 15 April 2005, the Board approved an application dated 24 March 2005 from WEI for approval of the final transmission tolls for Zones 3 and 4 effective 1 January 2005.

#### 4. Terasen Pipelines (Trans Mountain) Inc. (Terasen) – Final 2005 Tolls (File 4200-T099-5)

On 29 April 2005, the Board approved an application dated 8 April 2005 from Terasen for approval of final tolls for the year 2005. The final tolls have been calculated in accordance with the provisions of the current Incentive Toll Settlement for the period 2001 to 2005.

### **Matters Pending**

### 5. TransCanada PipeLines Limited, BC System (TCPL) – Final Tolls for 2004 (File 3400-T054-2004-1)

On 27 October 2004, TCPL requested that the Board order that the 2004 interim rates authorized by Order TGI-10-2003 for the BC System are final tolls.

On 22 November 2004, the Board informed TCPL that it had decided to postpone its decision on the application pending the disposition of the Canadian Association of Petroleum Producers' application for review of the Board's RH-2-2004 Phase I Decision (see item 1 under *Public Hearing Applications, Decision Pending* above and item 1 under *Appeal and Reviews, Reviews Pending* below).

### 6. Trans-Northern Pipelines Inc. (TNPL) – 2005 Tolls (File 4200-T002-12)

On 1 March 2005, TNPI applied for approval of final tolls for 2005 effective 1 January 2005. TNPI stated that its transportation revenue requirement for 2005 will increase to approximately \$60.2 million

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as compared to the calculated transportation requirement of \$35.9 million in 2004. Average tolls for 2005 will decrease by 0.6 percent as compared to those approved for 2004.

On 9 March 2005, the Board approved an application dated 7 March 2005 to continue to charge the interim tolls which were approved by Order TOI-4-2005 until such time as final tolls for 2005 are approved.

### Appeal Pending

#### 1. Sumas Energy 2, Inc. (SE2) – Application for Leave to Appeal a Board Decision

SE2 applied to the Federal Court of Appeal for leave to appeal the Board's 4 March 2004 decision in which it denied an application from SE2 to construct the Canadian portion of an 8.5 kilometre international power line originating at the Canada/ United States international boundary near Sumas, Washington and running to a BC Hydro substation in Abbotsford, British Columbia. On 16 July 2004, the Court granted SE2's application to appeal the Board's decision.

### **Reviews Pending**

1. Canadian Association of Petroleum Producers (CAPP) – Review of RH-2-2004, Phase I Reasons for Decision – TransCanada PipeLines Limited's (TCPL) 2004 Tolls (File 4200-T001-19-R)

(Refer to item 1 under *Public Hearing Applications*, *Decision Pending* above.)

On 12 November 2004, CAPP applied for a review of the Board's RH-2-2004 Phase I Reasons for Decision with respect to TCPL's 2004 Mainline Tolls. CAPP stated that the Board committed errors that raise doubt as to the correctness of its decision. The errors relate to the determinations made by the Board concerning:

- (a) approving tolls for Non-Renewable Firm Transportation Service (FT-NR) to be determined on a biddable basis;
- (b) allowing TCPL to include all forecast longterm incentive compensation costs in its 2004 cost of service; and,
- (c) allowing TCPL to recover through tolls certain regulatory and legal costs relating to review and appeal proceedings.

On 17 March 2005, the Board sought comments of interested parties on the application. On 31 March 2005, Ultramar filed comments in which it indicated that the it remained of the view that the cost overrun associated with the capacity expansion and line reversal project (OH-1-2003 NEB Reasons for Decision) is unacceptable and that a more detailed examination of TNPI's application is necessary. TNPI and Ultramar agreed to meet on this subject in late May.

Appeal and Reviews

On 11 February 2005, CAPP requested that the Board defer consideration of the ground for review relating to long-term incentive compensation, (b) above.

On 18 February, the Board decided with respect to allowing TCPL to recover through tolls certain regulatory and legal costs relating to review and appeal proceedings that CAPP had not raised a doubt as to the correctness of the RH-2-2004 Decision with respect to regulatory costs. With respect to FT-NR, the Board was of the view that CAPP had raised a doubt as to the correctness of the decision on the basis that the Board may have erred in approving a different toll for FT-NR than the cost-based toll charged for Firm Transportation with a step-down. Therefore, the Board decided to proceed to the second step of the review on this question.

After having consulted with interested parties on how to proceed with the second step of the review, the Board decided to hear oral arguments on the matter.

#### 2. Coral Energy Canada Inc. and Cogenerators Alliance (Applicants) – Review of RH-2-2004 Phase I Reasons for Decision – TransCanada PipeLines Limited's (TCPL) 2004 Tolls (File 4200-T001-19-R)

On 11 January 2005, the Applicants applied for review and variance of the Board's RH-2-2004 Phase I Reasons for Decision with respect to TCPL's 2004 Mainline Tolls. The Applicants asked for a review and variance of the Decision on the following issues:

(a) the arrangements entered into by TCPL pursuant to the Waste Heat Agreements and the Compressor Operating Agreement; and, (b) TCPL's applied-for Operation, Maintenance and Administration costs for the 2004 test year.

The Applicants stated that the Board committed errors of law that make certain determinations in the Phase I Decision incorrect. Specifically the Board erred by:

# **Amendments to Regulations**

and.

its decisions.

# Regulatory Initiatives Pursuant to the National Energy Board Act

#### 1. Cost Recovery Regulations – Electricity – Review (File 175-A000-72-2)

The Board has decided to undertake a review of the *National Energy Board Cost Recovery Regulations* as they relate to the allocation of costs within the electricity industry. This decision was made following a request from some of the stakeholders.

As part of the review, the Board held an all-day workshop on 9 December 2004 in Calgary. The Board will hold a second workshop on 2 June 2005 in Montréal.

#### 2. National Energy Board Damage Prevention Regulations

On 7 February 2005, the Board informed interested parties that it has completed the initial development phase of the above-noted Regulations. The Regulations have been submitted to the Department of Justice for review and analysis prior to pre-publication in the *Canada Gazette*, Part 1. The Draft Regulations dated October 2004 are available on the Board's Web site under *Acts and Regulations*.

#### 3. Operations and Maintenance Activities on NEB-Regulated Facilities: Requirements and Guidance Notes

On 11 April 2005, the Board released for public comment documents that detail proposed regulatory changes to clarify requirements for the operation and maintenance of NEB-regulated facilities.

The Board released a draft *Operations and Maintenance Requirements and Guidance Notes* as well as a new draft *Section 58 Streamlining Order*. Once in place, the regulatory changes will provide a clear and consistent approach to regulating operations and maintenance activities on NEB-regulated pipelines so that landowners, the public, regulated companies, and the Board would have a common understanding of how these activities would be regulated in the future and which projects would require an application under Section 58 of the *National Energy Board Act* or would fall under the Section 58 Streamlining Order.

(b) breaching the legal duty of fairness by

failing to provide adequate reasons for

(a) adopting a decision-making procedure that

onto intervenors, thereby compromising the Board's consideration of the evidence:

inappropriately shifted the burden of proof

### 4. Information to be Furnished by Applicants to Import Liquefied Natural Gas (LNG)

On 19 April 2005, the Board sought comments from all potential applicants to import LNG on a draft document to supplement the requirements of the Board's *Filing Manual* of April 2004 and the *National Energy Board Act Part VI (Oil and Gas) Regulations* concerning imports of LNG.

# Regulatory Initiatives Pursuant to the Canada Oil and Gas Operations Act

### 5. Goal-oriented Drilling and Production Regulations (D&PR)

On 11 April 2005, the Board, on behalf of several other federal and provincial agencies, sought comments from interested parties on a draft of the D&PR.

The D&PR project is an initiative of the Board, Natural Resources Canada, the Province of Newfoundland and Labrador, the Province of Nova Scotia, the Canada-Newfoundland Offshore Petroleum Board, the Canada-Nova Scotia Offshore Petroleum Board, and the Department of Indian Affairs and Northern Development. These agencies all have some form of direct regulatory responsibility for companies involved in the drilling for, and production of, oil and gas in Canada's frontier areas (*i.e.* Northwest Territories, Nunavut, and offshore), including those governed under the Offshore Accord Acts.

The intent of the current project is to have goal oriented D&PR in force by approximately the end of 2006. The goal oriented D&PR project will build on draft D&PR that were developed as part of a previous project in 2000; however, several circumstances combined to delay the previous project and prevent those draft D&PR from coming into force.

#### 6. Canada Oil and Gas Diving Regulations and **Guidance** Notes

For more information on this matter, refer to item

### **Administrative Matters**

### **New Federal Government Participant Role**

In 2003, the Board launched the Federal Authority (FA) Initiative to facilitate improved coordination and working relationships with other federal departments involved in environmental assessments carried out within the Board's processes. The Board has used the results of the initiative to identify ways to improve coordination and communication with FAs and facilitate their involvement in Board processes. One improvement is the creation of a new Federal Government Participant (FGP) role for FAs within the Board's hearing process. The intention is to support all FAs in meeting their respective Canadian Environmental Assessment Act responsibilities, while protecting the integrity of the Board's process. The FGP role would work in tandem with the Federal Environmental Assessment Coordinator role to improve FA understanding of, and participation in, the Board's hearings.

In addition to the new FGP role, FAs will still have the letter of comment, oral statement (if provided for in the Hearing Order), and full intervention as participation options available to them.

### Scheduled Energy Market Assessments (EMA) 2005-2006

### 1. Outlook for Electricity Markets 2005-2006

This EMA will provide an assessment of electricity markets in Canada with emphasis on the main drivers influencing current and near-term trends in generation, demand, pricing, capacity additions and trade. As a result of the assessment, the key issues facing the industry will be identified and discussed. The report is expected to be released in June 2005.

### 2. Conventional Natural Gas Resources of British Columbia: An Assessment of Ultimate Potential

The NEB and the British Columbia Ministry of Energy and Mines will be assessing the ultimate potential of conventional natural gas resources of British Columbia. The report is expected to be released in September 2005.

4 under Amendments to Regulations and Rules in the May 2001 issue of the Regulatory Agenda.

### 7. The Canada Oil and Gas Geophysical **Operations Regulations**

For more information on this matter, refer to item 6 under Amendments to Regulations in the October 2004 issue of the Regulatory Agenda.

### 3. Short-term outlook for Natural Gas and NGLs 2000-2006

This EMA will examine supply, demand, inventories, prices, etc., of natural gas and natural gas liquids from 2000 and provide an outlook to 2006. The report is expected to be released in October 2005

### 4. Short-term outlook for Canadian Crude Oil to 2006

This EMA will present the Board's views on crude oil and petroleum product supply, prices and markets to 2006. The report is expected to be released in October 2005

### 5. Short-term Canadian Natural Gas Deliverability, 2005-2007

This EMA will examine the factors which affect Canadian natural gas supply in the short-term and present an outlook for deliverability through to the year 2007. Factors examined include trends in industry activity and the production characteristics of gas wells. The report is expected to be released in October 2005.

### 6. Natural Gas for Power Generation: Issues and Implications

This EMA will examine the fastest growing segment of the North American natural gas market with emphasis on Canada. It would provide an outlook for future demand and related issues/implications for transportation services, storage and gas prices. The report is expected to be released in December 2005.

### 7. Renewable and Alternative Sources of Power

This EMA will address alternative and renewable technologies. Interest in alternative and renewable technologies, such as fuel cells, solar cells, wind, biomass, small-hydro and "clean coal," as credible supplemental energy sources continue to grow in Canada. Demand reduction (or demand response) programs may also be considered an energy source. The report is expected to be released in February 2006.

### Instructions for Filing

All correspondence with the Board should be addressed to the Secretary, National Energy Board, 444 Seventh Avenue SW, Calgary, AB T2P 0X8 – Fax: (403) 292-5503.

### Applications – Copies Required to be Filed

For a list of the number of copies required for the different types of applications, see our Internet site under the heading *Submit a Document*.

### **Communication Numbers**

### General Information:

(403) 292-4800 Toll Free 1-800-899-1265

#### Faxes:

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#### **Telephone Numbers:**

For telephone numbers of Board Members and key staff, see our Web site under the heading *About Us, Our People.* 

National Energy Board Michel L. Mantha Secretary

#### For information:

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# Appendix I

### **Section 58 Applications**

### **Gas Pipelines**

Applicant	File/Order	Application	Est. Cost
Westcoast Energy Inc.	File: 3400-W005-341 Order: XG-W005-12-2005	Application dated 21 December 2004; approved on 21 April 2005. Construct the Sikanni Re-injection Pipeline.	7 300 000
	File: 3400-W005-347 Order: XG-W005-13-2005	Application dated 22 March 2005; approved on 21 April 2005. Pipeline replacement project in the city of Fort St. John, British Columbia.	666 000

# Appendix II

### **Other Filings**

Company	Date	Filing
Montreal Pipe Line Limited	25 March, Received on 4 April	Files 3402-M003-2-2004 and 4710-M003 – Audited Financial Statements for the year 2004 and the list of projects under Streamlining Order XG/XO-100-2002.
Souris Valley Pipeline Limited	5 April	File 3400-S161-3 – Construct a new meter station and associated interconnecting piping approximately four kilometres northeast of Goodwater, Saskatchewan.
ProGas Limited	5 April	Files 7200-P038-3-1 and 7200-P038-4-1 – Amendments to the gas export sales contracts with Ocean States Power I and II underpinning exports under licences GL-101 and GL-109.
USGen New England, Inc.	6 April	File 6200-U063-1 – Application to revoke Electricity Export Permits EPE-230 and EPE-231.
Maritimes & Northeast Pipeline Limited	7 April	File 3400-M124-17 – Construct a custody transfer station facility to provide natural gas service to Heritage Gas Limited, the local distribution franchise for the Town of Amherst, Nova Scotia and surrounding area.
Tractebel Energy Marketing, Inc.	14 April	File 6200-T085-1 – Notification of name change to Suez Energy Marketing NA, Inc. in Electricity Export Permits EPE-86 and EPE-87.
ISH Energy Ltd.	14 April	File 3402-J038-2-2004 – 2004 Annual Report of projects undertaken under Streamlining Order XG/XO-100-2002.
806026 Alberta Ltd.	15 April	File 3400-Z007-4 – Application for leave to open the Pesh Creek Pipeline Loop approved by Board Order XG-Z007-04-2005.
Provident Energy Ltd. and Penn West Petroleum Ltd.	18 April	Files 3400-P115-1 and 3400-P166-5 – Joint application for Provident to sell and Penn West to purchase a 2.35 kilometre pipeline which runs from Alberta to Saskatchewan. The pipeline was originally constructed by Olympia Energy Inc. in 1995.
Westcoast Energy Inc.	20 April	File 3400-W005-349 – Replace 760 metres of the Fort Nelson Mainline between km 49.8 and km 50.6 with a surface pipeline.

# Appendix II

### Other Filings (continued)

Plains Marketing Canada, L.P.	20 April	File 4775-P102-1-1 – Wascana Pipeline Petroleum Toll Schedule –
		Tariff No. 7.5 effective 1 May 2005.
TransCanada PipeLines Limited	21 April	File 3402-T001-2-2004 – Report on expenditures during 2004 under Streamlining Order XG/XO-100-2002.
TransCanada PipeLines Limited BC System	21 April	File 3402-T054-2-2004 – Report on expenditures during 2004 under Streamlining Order XG/XO-100-2002.
Foothills Pipe Lines Ltd.	21 April	File 3402-F006-2-2004 – Report on expenditures during 2004 under Streamlining Order XG/XO-100-2002.
Niagara Gas Transmission Limited	25 April	File 4710-N006 – Financial Statements for the years ended 30 September 2002, 2003, and 2004.
Enbridge Pipelines Inc.	25 April	File 3400-E101-70 – Application for construction pursuant to Section 58 for the Year 2005.
Enbridge Pipelines Inc.	25 April	File 3402-E101-3-9 – Notification pursuant to Streamlining Order XG/XO-100-2002 for construction of facilities to connect the Husky Terminal to Lines 2 and 3 at the Hardisty Terminal.
Westcoast Energy Inc.	27 April	File 4775-W005-1-1 – Framework for Light-handed Regulation: Amendment of Toll Schedules effective 1 May 2005.
Enbridge Pipelines (Westspur) Inc.	26 April	File 4710-N006 – Audited Financial Statements and Audited Cost of Service for the year ended 31 December 2004.
Vector Pipeline Limited Partnership	29 April	File 4710-V016-2004 – Audited Financial Statements for the years ended 31 December 2003 and 2004.
Westcoast Energy Inc.	29 April	File 3400-W005-350 – Application to increase the maximum operating pressure on the Red Willow Pipeline in northern British Columbia and to provide a new tap connection from the Red Willow Pipeline into the Grizzly Extension Pipeline.
Trans-Northern Pipelines Inc.	29 April	File 3400-T002-71 – Pipeline replacement in the City of Quinte West, Ontario.
Trans-Northern Pipelines Inc.	29 April	File 3400-T002-70 – Pipeline replacement in the Township of Augusta, Ontario.
Plains Marketing Canada, L.P.	30 April	File 4710-P102 – Audited Statements of Operation for the Bodo, Milk River, Wapella and Wascana pipelines for the year ended 31 December 2004.

### Profile

The National Energy Board is a federal regulatory tribunal that was created on 2 November 1959 by an Act of Parliament.

The Board's regulatory powers under the *National Energy Board Act* include the granting of authorizations for the exportation of oil, natural gas and electricity, the certification of interprovincial and international pipelines and international power lines, and the setting of tolls and tariffs for oil and gas pipelines under federal jurisdiction.

In addition to its regulatory functions, the Board is responsible for advising the government on the development and use of energy resources.

The Act also requires that the Board keep under review the Canadian supply of all major energy commodities, with emphasis on electricity, oil, natural gas, and the by-products derived from oil and natural gas, as well as the demand for Canadian energy in Canada and in export markets.

The Board's responsibilities under the *Canada Oil and Gas Operations Act* and certain provisions of the *Canada Petroleum Resources Act* encompass the regulation of exploration for and the development and production of oil and gas on Frontier Lands in a manner that promotes safety of the worker, protection of the environment, and conservation of hydrocarbon resources.

The Board also has specific responsibilities under the *Northern Pipeline Act* and the *Energy Administration Act*. In addition, Board inspectors have been appointed safety officers by Human Resources and Skills Development Canada to administer Part II of the *Canada Labour Code*.

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