

bp

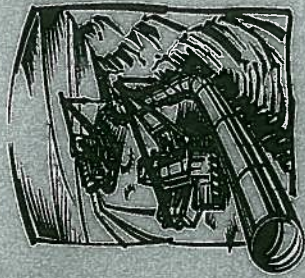


plus ça change, plus c'est la même chose

IGUA/ACIG 2010 Seminar
Gatineau (Québec)

May 7, 2010

**PRESENTATIONS FROM
SEMINAR ON NATURAL GAS
CONTRACTING, UPSTREAM
TRANSPORTATION AND STORAGE**



**Thursday and Friday, 10 and 11 June
Ramada Conference Resort
Belleville, Ontario**



Sponsored by

Industrial Gas Users Association
l'Association des consommateurs industriels de gaz

UNION

Concluding Messages

1. Industrial customers are key to Union's business.
2. Union is continually striving to be business partners with Industrial customers.
3. Union reviewing how we most effectively serve all of our customers in this rapidly changing market place.
4. Full range of service options are available to suit a variety of plant needs.

Concluding Messages

5. Definite continuation of bundled services, both existing and new.
6. Unbundled service will be a new option and is being developed in consultation with customers

ENBRIDGE

Presentation Outline

- Guiding Principles
- Unbundling of Rates and Services
- Operational Constraints and Challenges
- Transition and Timing

Guiding Principles

- provide all customers the opportunity to share in the benefits of increased competition
- promote full and fair competition
- preserve system reliability
- minimize stranded costs
- provide a broad range of choices
- enable customers to dictate supply choices

TCPL

TransCanada - Your Gas Transportation Advantage



TransCanada

Advantages of Contracting With TransCanada - Summary

- ◆ Reliable Service
- ◆ Flexible Service, including 1 Year FT Renewals
- ◆ Operational Simplicity (move gas across the continent on one pipeline)
- ◆ Effective Canadian Regulation (more protection for shippers than in secondary markets)
- ◆ Keep Control Over Transportation Capacity
- ◆ Knowledgeable, Experienced Personnel
- ◆ Low Tolls For Service

TransCanada  ⁴⁵

Petro-Can

Trends and Issues to Manage

- FAS Rules - US Accounting Principles:
 - new disclosure requirements on physical transactions
- For 1999 Gas Year, the Ontario/Quebec Market is not overpipelined:
 - TCPL utilization should be high, particularly in winter
 - market value of pipe could be large
 - firm supply from reliable supplier



DUKE

Conclusion

- Market forces and regulatory proceedings are leading towards an unbundled natural gas environment
- End-use customers will have increased choice and complexity in managing their complete portfolios
- Marketers are well positioned to provide both unbundled and bundled services



WHAT DOES IT MEAN

- Merchandise will be readily available to Gaz Métro's franchise from a larger number of production basins
- There will be more than one trading point from each basin
- Much more flexibility for all
- Much more complexity

Why should I pay for support?

- Cost savings resulting from:
 - ▶ greater efficiencies
 - ◆ nominations
 - ◆ imbalance tracking
 - ◆ invoice verification and payment
 - ▶ greater effectiveness
 - ◆ timely pricing decisions
 - ◆ identification and analysis of options

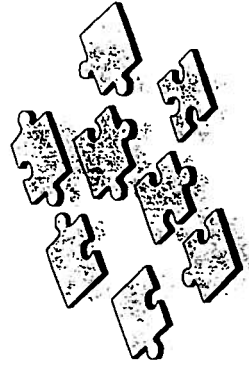
Success stories

- Significant savings vs Union Rate 25 gas costs during 1998/99
 - Burner tip cost savings using Union T-1 rate
 - Consumers CDS administration
 - Successful regulatory intervention



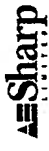
Services of the Agent/Advisor

- Analyst, Consultant, Advisor
- Advocate, Representative, Agent
- Aggregator
- Administrator
- Asset Manager



The Agent/Advisor

- compensated solely from providing agency and/or advisory services
- responsible to the client
- knowledgeable in all aspects of the gas supply chain
- objective and impartial



Seminar on Natural Gas Contracting,

Upstream Transportation and

Gas Storage

Presented by

Amoco Canada Petroleum Company

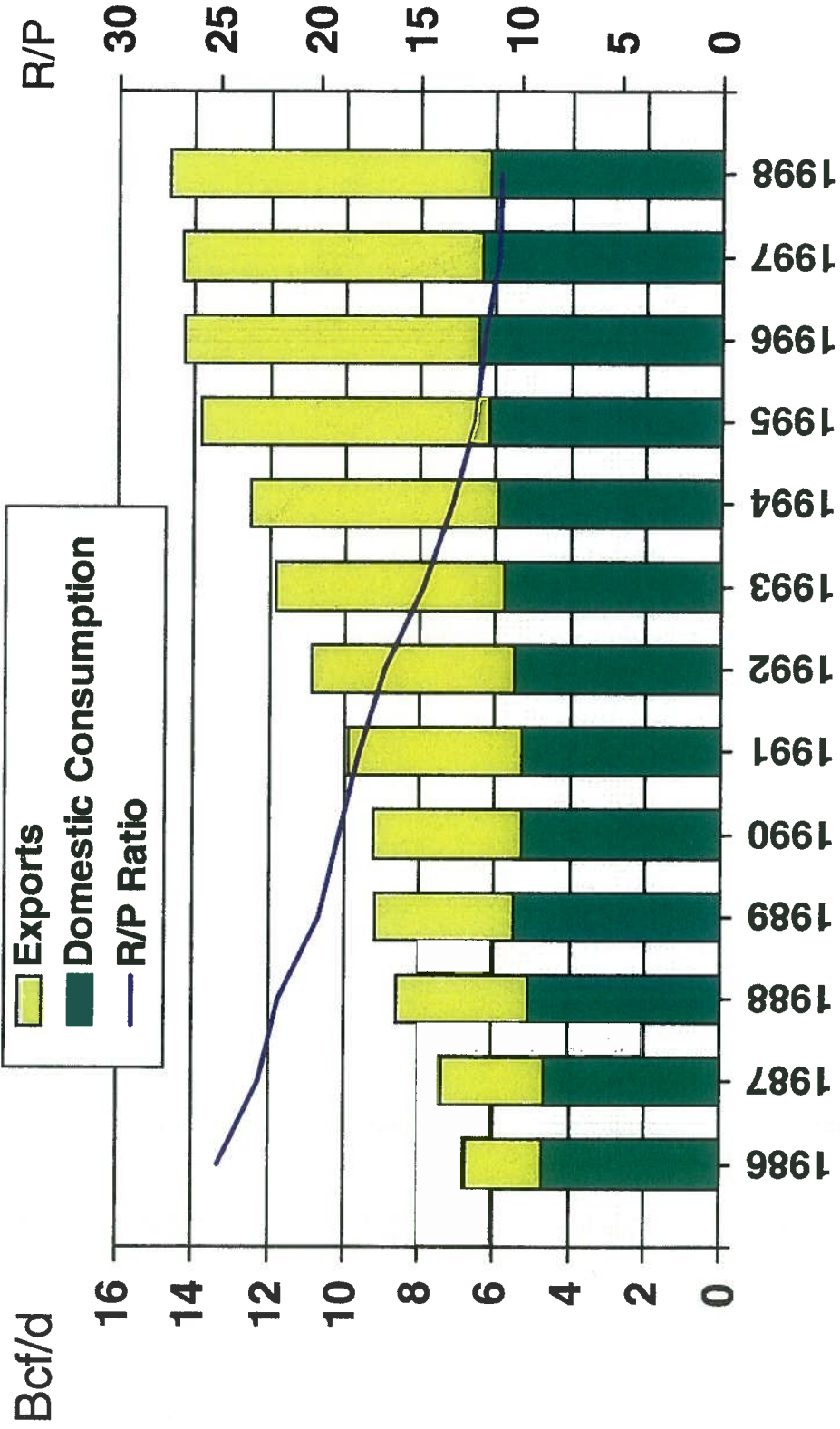
Industrial Gas Users Association

June 10 and 11, 1999

Belleville, Ontario

WCSB Marketed Gas

BP Amoco



Supply Management in WCSB

