



Filing Manual - A.3.1 Supply

Goal

The application includes information indicating that there is or will be adequate supply to support the use of the pipeline, taking into account all potential supply sources that could reasonably be expected to be sourced by the applied-for facilities over their expected economic life.

Filing Requirements

Provide:

1. a description of each product to be transported (e.g., crude oil, natural gas, or NGL);
2. a discussion of all potential supply sources and their competitiveness in the markets they will supply;
3. a forecast of the productive capacity for each product over the economic life of the facilities; and
4. for pipelines with contracted capacity, a discussion of the contractual arrangements underpinning the supply.

Guidance

Given the abundant supply of hydrocarbons in North America, the CER must be satisfied there is, or will be, adequate, competitive supply available to the pipeline such that the applied-for facilities could be expected to be used at a reasonable level over their economic life and would be in the public interest.

The level of detail in the supply information would normally correspond to:

- the projected increase in capacity or throughput;
- the nature and complexity of the supply source; and
- the potential impact on the public interest, commercial or otherwise.

Generally, the greater the projected increase in capacity or throughput, the greater the amount of supply information that would be required. Additional information might be required for proposed projects that have a larger potential impact on third parties or the environment to demonstrate that the project is in the public interest.

Product Description

Describe each product that would be transported by the applied-for facilities. Adhere to the guidelines for describing products provided in Section 1.10 – Measurement, Conversion Factors and Commodity Description.

Resources

Describe each current and potential supply source that the applied-for facilities are relying upon, including methods used to derive any estimates of resource potential, if provided.

Competitiveness

Describe the economic competitiveness of the supply source. Compare the competitiveness of the supply source and other sources supplying the same downstream markets. Consider how climate policy might affect competitiveness (see Filing Manual Table A-4 for more guidance).

Productive Capacity

Forecast the current and future production over the economic life of the project. Include forecasts from:

- the various supply sources; and
- conventional and unconventional production as well as production from other basins that could be sourced.

Clearly describe the sources for and the methods used to derive the forecasts. Consider how climate policy might affect productive capacity (see Filing Manual Table A-4 for more guidance).

Data for any tables and charts should be provided in machine-readable format.

Contractual Arrangements

For pipelines with contracted capacity, include a description of any relevant contractual arrangements underpinning the supply arrangements. Also include key contractual terms such as length of contract and volumes under contract, where available.

Filing Manual – s. A.3.3 Markets

Goal

The application includes information indicating that adequate markets exist for the incremental volumes that would be available to the marketplace as a result of the applied-for facilities.

Filing Requirements

Provide:

1. an analysis of the market in which each product is expected to be used or consumed;
2. a discussion of the physical capability of upstream and downstream facilities to accept the incremental volumes that would be delivered; and
3. an indication of whether the proposed pipeline relies on, or joins with, any other proposed facilities or facilities which have been approved but not yet brought into service.

Guidance

Information on markets is required to demonstrate that there is sufficient demand to absorb the incremental volumes and, where applicable, physical capability in the upstream and downstream facilities for the incremental volumes. Where long-term transportation and downstream arrangements are in place, the required market information will be more general in nature but must be adequate to allow the Commission to determine whether market demand will be sufficient to support the economic feasibility of the pipeline.

The level of detail will correspond to:

- the magnitude of the incremental volumes that would be delivered into the market;
- the degree of competition from other supply areas and from other fuels in the market to be served; and
- the potential impact on the public interest, commercial or otherwise.

The greater the projected increase in volumes delivered to the marketplace, the greater the amount of market information that would be required. Proposed projects that have a larger potential impact on third parties or the environment may require filing additional information to demonstrate that the project is in the public interest.

Description of the Market

Describe the market(s) that will receive the product or products, including:

- detailed information about where the product or products could be delivered (e.g., specific gas hubs or designated refineries);

- the potential competition to serve the market(s) from other
 - pipelines;
 - energy sources
- transportation systems; and
- how climate policy might affect the market's demand for the product or products (see Filing Manual Table A-4 for more guidance).

The data for any charts and tables should be provided in machine-readable format.

Ability of Upstream and Downstream Facilities to Accept Incremental Volumes

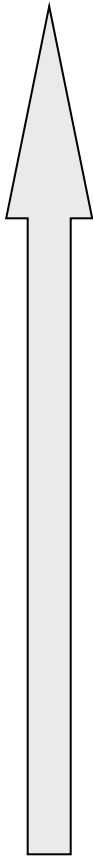
In cases where the applied-for facilities would be receiving product(s) from an upstream facility or delivering product(s) to downstream facilities, provide evidence that the connecting facilities are physically able to accept the additional volumes being received or delivered.

If this project relies on, or joins, with other proposed projects or projects which have been approved but not yet built, confirm there would be sufficient upstream and downstream pipeline capacity for this project if the other project(s) were not to proceed. For example, discuss for the proposed facilities and any other facilities:

- the capacity;
- current and incremental contracted volumes;
- current summer/winter capabilities and projected flows;
- a schematic linking other projects to this project (new, approved but not yet built, or proposed expansions/extensions) that have common connections, including related pipelines and shared facilities.



Table A-4: Overview of Supply, Transportation and Markets Filing Requirements

Scope of Project	Source	Supply	Transportation		Markets	
 <p>Major Project</p>	Basin-wide supply source (e.g., a transmission line not dedicated to a specific supply area)	Resources: <ul style="list-style-type: none"> Description of conventional and/or unconventional resources available to the proposed project. Description of the sources and methods used to derive resource estimates, if any. Competitiveness: <ul style="list-style-type: none"> Description of economic competitiveness of the resources listed above. Description of the sources and methods used to derive economic assessments, if any. Productive Capacity: <ul style="list-style-type: none"> Table and graph providing productive capacity estimates for each of the resources listed above over the life of the project. Description of the sources and methods used to derive these estimates. Contractual Arrangement(s): A detailed description of the contractual arrangements.	New Pipeline (larger project)	Pipeline Capacity: <ul style="list-style-type: none"> Total capacity of the pipeline. Justification that pipeline capacity is appropriate. Contractual Arrangement(s): <ul style="list-style-type: none"> Pipelines with contracted capacity: a detailed description of the transportation contract arrangements underpinning the projected throughput. Other: forecast of projected throughput by product, receipt location and delivery point. Evidence that upstream facilities are physically able to deliver incremental volumes. 	More shippers	Comprehensive market analysis with justification that incremental or new volumes will be absorbed. Evidence that downstream facilities are physically able to receive incremental volumes.
		Expansion (larger project)	Pipeline Capacity: <ul style="list-style-type: none"> Before expansion. Incremental capacity added and total capacity following expansion. Justification that the additional capacity is appropriate. Contractual Arrangement(s): <ul style="list-style-type: none"> Pipelines with contracted capacity: a detailed description of the transportation contract arrangements underpinning the projected throughput. Other: forecast of projected throughput by product, receipt location and delivery point. Evidence that upstream facilities are physically able to deliver incremental volumes. 	Fewer shippers	Comprehensive market description and assurance of demand for incremental volumes. Assurance that downstream facilities are physically able to receive incremental volumes.	
Local Connection	Regional-resource supply source (e.g., transmission extension or expansion in new or growing supply area)	Resources: <ul style="list-style-type: none"> Description of conventional and unconventional resources and table of resource estimates. Description of the sources and methods used to derive the estimates. Competitiveness: <ul style="list-style-type: none"> Description of economic competitiveness of the resources 	New Pipeline (larger project)	Pipeline Capacity: <ul style="list-style-type: none"> Total capacity of the pipeline. Justification that pipeline capacity is appropriate. Contractual Arrangement(s): <ul style="list-style-type: none"> Pipelines with contracted capacity: a detailed description of the transportation contract arrangements underpinning the projected throughput. Other: forecast of projected throughput by product, receipt location and delivery point. 	More shippers	Comprehensive market analysis with justification that incremental or new volumes will be absorbed. Evidence that downstream facilities are physically able to receive incremental volumes.

		<p>listed above, including in downstream markets.</p> <ul style="list-style-type: none"> Description of the sources and methods used to derive economic assessments, if any. <p>Productive Capacity:</p> <ul style="list-style-type: none"> Table and graph providing productive capacity estimates for each of the resources listed above over the life of the project. Description of the sources and methods used to derive these estimates. <p>Contractual Arrangement(s):</p> <ul style="list-style-type: none"> A detailed description of the contractual arrangements. 		<ul style="list-style-type: none"> Evidence that upstream facilities are physically able to deliver incremental volumes. 		
			Expansion (larger project)	<p>Pipeline Capacity:</p> <ul style="list-style-type: none"> Before expansion. Incremental capacity added and total capacity following expansion. Justification that the additional capacity is appropriate. <p>Contractual Arrangement(s):</p> <ul style="list-style-type: none"> Pipelines with contracted capacity: a detailed description of the transportation contract arrangements underpinning the projected throughput. Other: forecast of projected throughput by product, receipt location and delivery point. Evidence that upstream facilities are physically able to deliver incremental volumes. 	Fewer shippers	<p>Comprehensive market description and assurance of demand for incremental volumes.</p> <p>Assurance that downstream facilities are physically able to receive incremental volumes.</p>
	Localized supply source (e.g., part of a gathering system)	<p>Resources:</p> <ul style="list-style-type: none"> Table with resource estimates. Description of the sources and methods used to derive the estimates. <p>Competitiveness:</p> <ul style="list-style-type: none"> Description of economic competitiveness of the resources listed above. Description of the sources and methods used to derive economic assessments, if any. <p>Productive Capacity:</p> <ul style="list-style-type: none"> Table and graph providing productive capacity estimates for each of the resources listed for the economic life of the project. Description of the sources and methodology used to derive these estimates. <p>Contractual Arrangement(s):</p> <p>A description of any relevant supply arrangements.</p>	New Pipeline (smaller project)	<p>Pipeline Capacity:</p> <ul style="list-style-type: none"> Total capacity of the pipeline. Justification that the pipeline capacity is appropriate. <p>Contractual Arrangement(s):</p> <ul style="list-style-type: none"> Pipelines with contracted capacity: evidence of the transportation contract arrangements underpinning the projected throughput. Other: forecast of projected throughput by product, receipt location and delivery point. Evidence that upstream facilities are physically able to deliver incremental volumes. 	Fewer shippers	<p>Market description and assurance of demand for incremental volumes.</p> <p>Assurance that downstream facilities are physically able to receive incremental volumes.</p>
			Expansion (smaller project)	<p>Pipeline Capacity:</p> <ul style="list-style-type: none"> Before expansion Incremental capacity added and total capacity following expansion. Justification that the additional capacity is appropriate. <p>Contractual Arrangement(s):</p> <ul style="list-style-type: none"> Pipelines with contracted capacity: evidence of the transportation contract arrangements underpinning the projected throughput. Other: forecast of projected throughput by product, receipt location and delivery point. 	No third party shippers	<p>Assurance of demand for incremental volumes.</p>

	Change in commodity	Supply information is appropriate to the scope of the project, as above.	When more than one commodity: Discussion pertaining to segregation of commodities and potential contamination issues or costs.	Market information is appropriate to scope of the project, as above.
--	---------------------	--	--	--

Draft