



# LEGISLATIVE BUDGET & AUDIT COMMITTEE

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## REPRESENTATIVE RALPH SAMUELS, CHAIRMAN

February 19, 2008

Anthony M. Palmer  
Vice-President Alaska Development  
TransCanada PipeLines Limited  
450 – 1<sup>st</sup> Street S.W.  
Calgary, AB, T2P 5H1  
Canada

Dear Mr. Palmer:

This letter is our second request for additional information and clarification on issues surrounding your AGIA application.

This letter addresses open season and expansion as it relates to reserve requirements and off-take locations.

1. When companies bid expansions (especially smaller companies), do they usually have 100% of the reserves identified to back up their bid, e.g. for a 20 year FT commitment?
2. When larger companies bid at open seasons, even the initial open season, do they need 100% of the reserves identified to back up their bid, e.g. for a 20 year FT commitment?
3. What is the expected time commitment you will require at the initial open season, e.g., 20 year FT commitment, 25 year FT commitment? Would you consider changing that requirement if circumstances warranted?
4. Could there be other options or will all bidders be required to bid 20 or 25 years?
5. Will a non-binding open season help you make that determination?
6. What is the expected time commitment you will require for the expansion open season?
7. Does the size of the expansion make a difference?

Representative\_Ralph\_Samuels@legis.state.ak.us

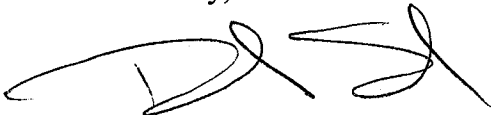
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8. Will you have non-binding open seasons prior to an expansion or is your periodic solicitation (every two years) sufficient?
9. In Alaska, someone may bid one of several off-take locations. Will that option be available in Canada? For example, if someone wanted to take gas off at Whitehorse and send it to Southeast Alaska, will that be an option in the initial open season or in any of the expansions?
10. It is difficult to see 20 to 40 years out and what may be available to the State at that time. What if someone wanted to take their gas prior to entering the Alberta Hub and ship it south or north? Will that option be provided in the open season or in any of the expansions?

Again, we look forward to your timely response to these questions.

Sincerely,



Ralph Samuels, Chair  
Legislative Budget and Audit Committee