

Notice: Imbalance Return in WINS

January 2, 2013

As everyone is aware, Imbalance Return was reduced to zero in the Lower Mainland and Interior regions effective December 20 to December 27, 2012.

Due to some technical challenges in WINS, it is showing as "authorized" on December 20th and December 25th. This is an error. We are working to have this fixed as soon as possible. Thank you for your patience.

Here is a refresher on how Imbalance Return works:

Imbalance return is a tool for <u>daily balanced groups</u>. It must be nominated 2 days prior to the effective date by the timely cycle deadline.

Imbalance return essentially allows daily balanced groups to use their inventory as a source of supply. FortisBC typically sets a limit of up to 40,000 GJs of available imbalance return in the Interior and another 40,000 GJs in Lower Mainland.

All marketers that have a daily balanced group have the ability to place a nomination to request imbalance return. If requests at the Lower Mainland or Interior locations in aggregate exceed the 40,000Gjs, requests will be pro-rated. See your nominations screen for scheduled amounts.

FortisBC may for any reason and for any length of time, interrupt or curtail Imbalance Return.

As colder weather approaches, imbalance return may be reduced or eliminated at any time. If it is eliminated, then you will not be able to use your inventory as a source of supply. This means <u>you must bring on enough</u> <u>direct physical supply</u> to meet or exceed your group's consumption or you will incur a balancing premium surcharge.

Balancing surcharges in winter are \$1.10 per GJ and will apply to gas exceeding 20% of the authorized quantity or over 100 GJs. These surcharges are applicable to daily balanced groups.

You will be alerted of a reduction or elimination of imbalance return through an email and posting in the news flash section of our web site:

http://www.fortisbc.com/NaturalGas/Business/ChoosingANaturalGasSupplier/TransportationServiceOption/TransportMarketersActivities/Pages/default.aspx

If you have any questions or concerns, please email us at <u>TransportationServices@fortisbc.com</u> or call the Hotline at 604-592-7788.

Regards, Stephanie Salbach

