

GLOSSARY OF TERMS

The following terms and definitions have been prepared to assist with the terminology used in the context of this guide and on the reverse side of the reporting forms.

ACT

Refers to the Natural Gas Marketing Act.

AGGREGATOR

A company which contracts for natural gas supplies from a number of producers, establishing a supply pool from which it supplies gas to downstream customers. A company may be considered an aggregator for special requirements of the APMC and the Alberta Department of Energy.

AMENDMENTS

Refer to **REVISIONS TO PRIOR MONTHS' SUBMISSIONS** in this guide.

APMC

Alberta Petroleum Marketing Commission.

ARM'S LENGTH ARRANGEMENTS

Transactions or other business arrangements occurring between persons that are **not** associated.

ASSOCIATED

A relationship between persons where, directly or in combination with other associates, one person owns or has a beneficial interest equal to or greater than 75% of the other person.

BROKER

A person(s) other than a Local Distribution Company or Designated Distributor that brings together buyers and sellers of gas and may or may not take title to the gas.

BUY/SELL

A contract or arrangement under which a distributor purchases, from an end user or from an end user and the end user's agent and during a specified period, marketable gas in a quantity that is expected to not exceed the quantity of marketable gas the distributor is obligated to deliver during the same period to the end user pursuant to that contract or arrangement or by reason of a duty to supply gas to that end user under the *Gas Utilities Act*.

BUY/SELL LOCATION

The point where the resale to the Designated Distributor takes place. This location is specified in the Buy / Sell agreement.

COMPANY CODE

A unique code that identifies the company reporting to the APMC. The code is normally the operator code assigned to the company by the EUB. However, if an EUB assigned code does not exist, a code will be assigned by the APMC.

COMMERCIAL CONSUMPTION

Natural gas used primarily for space heating, cooking, water heating or other non-process or non-manufacturing use, including those in the wholesale or retail trade, any multiple unit dwelling other than a boarding or rooming house, and any institutional enterprise, whether privately or publicly funded, which provides a service to the public.

CONSUMPTION

The use of marketable Alberta natural gas as a fuel or as an industrial raw material. For purposes of reporting under the Act, consumption excludes gas usage at a gas processing plant upstream of the receipt meter station of NOVA or another gas transmission facility.

CONTRACT DELIVERY POINT

The location, normally a meter station, where title of the marketable Alberta natural gas is transferred between seller and purchaser.

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DELIVERY MONTH

The month during which the reported gas was purchased, produced, consumed, distributed, disposed of, imported or removed from Alberta, whichever case is required to be reported on a particular form. In the case of Designated Distributors only, gas is deemed to be delivered in the month in which the billing date falls.

DESIGNATED DISTRIBUTOR

A Local Distribution Company in Alberta, normally an Alberta gas utility, determined to be a Designated Distributor by the APMC under the Natural Gas Marketing Regulation (358/86, as amended).

DISPOSITION CODE

The APMC code identifying whether the gas is sold non-arm's length or whether the gas is consumed or stored by the owner. Refer to *CODE LISTINGS* in this guide.

DOWNSTREAM

Any point in the direction of flow of gas from a reference point.

END USER

The consumer of marketable Alberta natural gas.

EUB

Alberta Energy and Utilities Board

EX-ALBERTA TRANSPORTATION

Ex-Alberta Canadian costs of transportation required to deliver or have capacity to deliver gas under the sales contract. These costs are reported even if there were no deliveries in the current delivery month.

EXPORT POINT

The APMC code identifying the location on the Canada / U.S. border where the gas leaves Canada. Refer to *CODE LISTINGS* in this guide.

FACILITY

One or more buildings or installations capable of consuming gas and located on one parcel of land, or two or more adjacent parcels of land.

FIELD

A field location is defined as the receipt meter station of NOVA or another gas transmission facility, but a field location does not include receipt meters at interconnection points within NOVA, between transmission pipelines or at a storage facility.

FIRM CONTRACTS

See Long-term Firm and Short-term Firm contracts.

FRANCHISE

A special privilege conferred by a government on an individual or corporation to occupy and use the public ways and streets for benefit to the public at large. Local Distribution Companies typically have exclusive franchises for utility service, as granted by provincial or local governments.

FRANSHISE AREA

See **FRANCHISE**

FUEL GAS

Quantity of gas required by a transporter to provide the transportation services. Fuel gas includes, but is not limited to, gas consumed in a transporter's mainline compressor stations, gathering system booster stations and processing plants.

INDUSTRIAL CONSUMPTION

Natural gas used for process or manufacturing use or primarily as a requirement for space and water heating, but where the operation is one of manufacturing or processing.

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INTERRUPTIBLE CONTRACTS

Contracts that anticipate and permit interruption on short notice, generally in peak-load seasons, to offer lower priority service to customers, by reason of the claim of firm service customers and higher priority users.

LARGE-VOLUME END USER

A Large-volume End User is one who:

- ◆ Is capable of consuming 100,000 GJ of marketable gas per annum;
- ◆ Uses the gas for industrial consumption, commercial consumption, shrinkage at a mainline straddle plant, or as fuel gas for these uses.

LINE LOSS

The amount of gas lost in a distribution system or pipeline.

LOCATION CODE

The APMC code identifying where the sales transaction occurred. Refer to *CODE LISTINGS* in this guide.

LONG-TERM FIRM CONTRACTS

Natural gas contracts with terms greater than two years and requiring firm deliveries of gas.

MAINLINE STRADDLE PLANT

A plant situated downstream of production on the NOVA pipeline system for the purpose of extracting primarily ethane from the NOVA pipeline system and designated by the Minister as a Mainline Straddle Plant.

MARKETABLE ALBERTA NATURAL GAS

Alberta natural gas that is a gaseous mixture consisting mainly of methane and that meets specifications for use as a domestic, commercial or industrial fuel, or an industrial raw material.

MARKETER

A natural gas marketing company which purchases gas for resale.

METER STATION CODE

The code identifying the location within Alberta where the gas is measured.

NON-ARM'S LENGTH ARRANGEMENTS

Transactions occurring between associated persons and any consumption or storage (excluding pipeline inventory and linepack) by the owner of the gas.

NOVA

NOVA Corporation of Alberta.

PERSON

The party legally responsible for furnishing information.

PRODUCE

To recover marketable Alberta natural gas from a well, or to obtain marketable gas by the processing of gas.

PRODUCER

The owner of marketable gas at the time it is produced.

PROVINCE CODE

The APMC code identifying the province in which the gas will be consumed. Refer to *CODE LISTINGS* in this guide.

QUANTITY

The amount of gas expressed in gigajoules (GJ) at standard conditions as specified in the Natural Gas Marketing Regulation (358/86, as amended).

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REGULATION

Natural Gas Marketing Regulation.

REMOVAL POINT

The location at which the reported gas was removed from Alberta. Refer to **CODE LISTINGS** in this guide.

REMOVAL IN DELIVERY MONTH

Volume in thousands of cubic meter (10^3 m^3) and quantity in gigajoules (GJ) of marketable Alberta natural gas removed from Alberta in the current delivery month plus previous months' adjustments which are transacted in the current delivery month.

REPORT

Any APMC 600-series form, except the APMC-600.

RESIDENTIAL CONSUMPTION

Natural gas used for space heating, cooking and water heating in a private dwelling with associated buildings or in a boarding or rooming house.

SETTLEMENT PAYMENT

Compensation arising from restructuring contracts.

SHORT-TERM FIRM CONTRACTS

Natural gas contracts with terms less than or equal to two years and requiring firm deliveries of gas.

TRANSCANADA

TransCanada PipeLines Limited.

TRANSMITTAL DOCUMENT

The APMC-600 form.

UPSTREAM

Any point located nearer to the origin of flow than a reference point.

USAGE CODE

The APMC code identifying the type of consumption. Refer to **CODE LISTINGS** in this guide.

VALUE

Value in Canadian dollars of the gas purchases / sales in the current delivery month plus previous months' adjustments which are transacted in the current delivery month.

VOLUME

The amount of gas expressed in thousands of cubic meters (10^3 m^3) at standard conditions as specified in the Natural Gas Marketing Regulation (358/86, as amended).