

EQUALIZATION STEERING COMMITTEE

To: All Shippers Participating in the Equalization Process
From: Equalization Steering Committee
Date: September 20, 2018
Subject: **Changes to Condensate Equalization Density Penalty Model**

In August 2018 the Equalization Steering Committee requested that Shippers vote on two (2) changes to the Condensate Density Penalty model that is used for determination of the condensate density penalty. Those changes are:

- A change to the shrinkage equation that is used within the model from the older API 2509C equation to API 12.3
- A change to the heavy Allowance Oil price to incorporate the Enbridge Dilbit Pool allowance oil price into the Allowance Oil price calculation.

Both of these proposed changes were approved by Shippers and the results of the vote were accepted by the Equalization Steering Committee at its September 6, 2018 meeting.

The new density penalty model will take effect for the **January 2019** density penalty calculation that will be issued early in **February 2019**. Until the end of 2018, the existing density penalty model will continue to be used.

The new model has been made available on the equalization website – www.industryeq.ca .

If you have any questions about these changes, please contact

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or

any Equalization Committee Member

see Committee Member list at www.industryeq.ca