

ORIGINAL
N.E.B. Case No. DE 11-250
Exhibit No. #108
Witness Michael E. Hache
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NATIONAL ENERGY BOARD

IN THE MATTER OF the *National Energy Board Act* and the
Regulations made thereunder;

AND IN THE MATTER OF an Application by TransCanada
PipeLines Limited and TransCanada Keystone Pipeline GP
Ltd. for orders pursuant to Parts I, III, IV and V of the
National Energy Board Act.

TRANSCANADA PIPELINES LIMITED
and
TRANSCANADA KEYSTONE PIPELINE GP LTD.

TRANSFER APPLICATION

APPENDIX G
CANADIAN MAINLINE THROUGHPUT STUDY

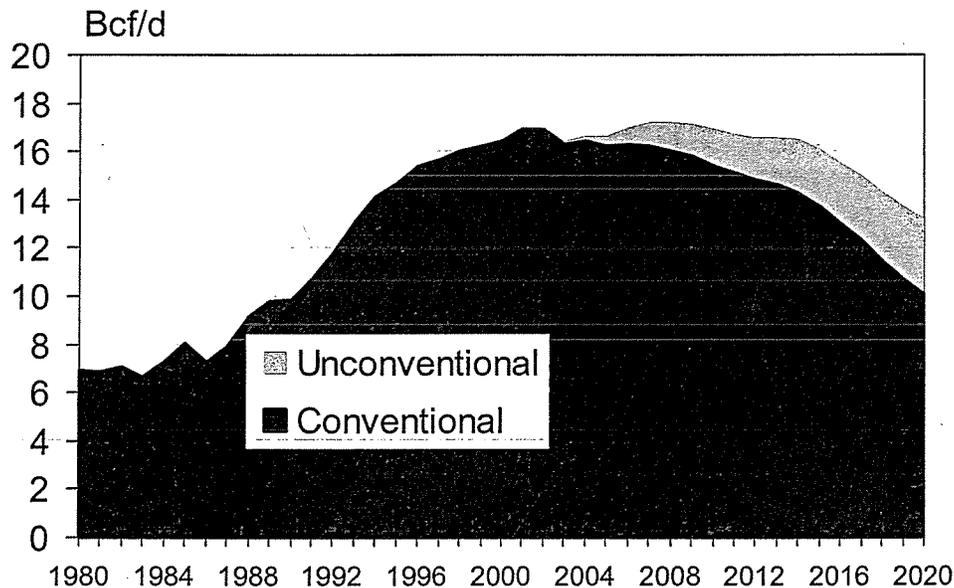
JUNE 2006

1 **Shale Gas**

2 Shale gas represents another potential source of unconventional gas from the WCSB.
3 At the present time, however, there is no commercial production associated with shale
4 gas and all drilling to date has been of a research and development nature. Relatively
5 small contributions from shale gas can be expected over a long time frame.

6 Figure 4.11 illustrates the total impact of unconventional (tight gas plus CBM) supply on
7 the WCSB overall Base Case gas production forecast.

**Figure 4.11:
WCSB Gas Production Forecast**



8 **4.4 Forecast Comparison**

9 Figure 4.12 compares TransCanada's total WCSB (conventional and unconventional)
10 supply forecast to five third party forecasts and scenarios. Figure 4.12 illustrates that
11 for the period following the introduction of Keystone, TransCanada's forecast of WCSB
12 production is generally higher than the third party forecasts. If WCSB production
13 ultimately performs as suggested by these other forecasts, then ex-basin flows will be