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TC PipeLines, LP, Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you. (Operator Instructions) The first question is from Gabe Moreen from Banc of America. Please go ahead.

Gabe Moreen - Banc of America

Good afternoon everyone. Couple questions. Amy, do you have just, I don't know, if you said it on your review at this quarter end, debt and cash balances?

Amy Leong

No we haven't included in the review but some, as at the end of this quarter, we have not drawn on our 250 revolver. I think we have at the partnership level about \$475 million at the partnership level and including Tuscarora's debt which we consolidate we have about \$544 million.

Gabe Moreen - Banc of America

Okay. And then just in terms of, are there any parking and lending services on any of your pipelines.

Mark Zimmerman

There is a small amount both at Great Lakes and at Northern Border. That is one of the services that are provided but it tends to be a very low component of our overall revenue.

Gabe Moreen - Banc of America

Okay thanks Mark. Can you also talk about just kind of what your capacity contracts are looking like heading in to the shorter season in Northern Border, how my compare to like, let's say last year at this time?

Mark Zimmerman

So I think Amy is going to give me the number here. They are down from where we were at last year. I think, Amy, we disclosed in our Q that we are at 60% and I think it was the number.

Amy Leong

Yeah, so Northern Border were about 60% of design capacity for Great Lake it were about 106% actually for the first quarter of '09. And so at March 31, we disclosed our 95% of average design capacity being contracted on the Great Lake system.

Gabe Moreen - Banc of America

Okay and that 69% figure for Northern Border was the remainder of the year for all of 2009 or just?

Amy Leong

It's beginning in the second quarter of '09 through to the remainder of the year.

Gabe Moreen - Banc of America

And just for some color on that, Gabe. We mentioned a couple times that we did see the Northern Border revenue being down relative to our expectations in the first quarter. And that was very much in February and March as we've seen relative to 2008 a bit more of a warmer climate than we had in 2008. With that said we have seen the differentials in the market areas that Northern Border serves as starts to come back into our favor over the last little while. So while the contract of capacity for the remainder of the year is lower than last year, we are hopeful that things are coming back into line and the market fundamentals are starting to firm up and as we have mentioned, we expect that over the long-term one some of this excess capacity continues move further East, it will get us back to more of a historic sort of profile that we've had in Northern Border.

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