

**TRANSCANADA - ALBERTA SYSTEM
Tolls, Tariff & Procedures Committee**

RESOLUTION

Business Process Change - Interest Rate Changes

Resolution T2000-01(d)

The Tolls, Tariff & Procedures Committee (“TTP”) agrees to change the interest rate calculation methodology for overdue bills for the Alberta System and approves the attached NOVA Gas Transmission Ltd. (“NGTL”) Tariff amendment required to implement the change.

Currently, late invoice payments are charged the Royal Bank prime rate plus two percent. The applicable Prime rate is set quarterly. The new process will result in late payments being charged the Royal Bank prime rate plus one percent. The prime rate will be changed when changed by the Royal Bank.

The interest rate changes will apply to both overdue bills and the interest paid by TransCanada when a customer is over-billed.

Background

As part of the Business Process Change Task Force work, TransCanada asked the task force to evaluate a change to the interest rate charged for overdue bills on NGTL. TransCanada requested the evaluation in order to have a common business process for late payment penalties for TransCanada’s Alberta System, BC System and Canadian Mainline System.

There will be no impact to the revenue requirement or transportation rates as a result of this change. Currently, interest charges are not credited to the revenue requirement. The treatment of the revenue will be the same with the proposed change. The Alberta System collects approximately \$40,000 per year in late payment charges.

Next Steps

TransCanada will file the change with the Alberta Energy and Utilities Board (“EUB”) for approval. If and when EUB approval of the Tariff change is received, TransCanada will notify customers and post the amended NGTL Tariff.