

SENT VIA EMAIL ONLY

December 22, 2004

Ms. Céline Bélanger
TransCanada PipeLines Limited
450 – 1st Street SW
Calgary, AB T2P 5H1

Dear Ms. Bélanger:

APPLICATION NO. 1376264
NOVA GAS TRANSMISSION LTD. (NGTL)
GAS TRANSPORTATION TARIFF (TARIFF)
UPDATED TABLE OF RATES, TOLLS AND CHARGES
PRESSURE/TEMPERATURE SERVICE (PT SERVICE)

NGTL's filing of an updated Table of Rates, Tolls and Charges for the above-noted Tariff, Attachment 1 to your letter dated December 17, 2004, is accepted as a filing for information. It is noted that Attachment 1 incorporates a revised PT Schedule of Service from approximately \$14,405/day to approximately \$13,600/day effective January 1, 2005.

The EUB also notes NGTL's submission that the charge for service was determined in accordance with the methodology that the EUB approved in Order U2004-136. NGTL further submitted that the PT Rate is based on a reduced fixed operating and maintenance charge of \$1,500.00/day. In addition, the charge for NGTL's gas requirements will now be based on a reduced PT Gas Rate of 50 10³m³/d and will vary with NGTL's Gas Use Price.

On October 14, 2004, NGTL filed an updated Table of Rates, Tolls and Charges for the Tariff which incorporated a new PT Schedule of Service, effective November 1, 2004 to reduce operating pressures on average by 900kPa for receipt points upstream of the Princess "A" Compressor station. The Board accepted the update to the above noted Tariff as a filing for information on October 27, 2004. NGTL submitted that prior to implementation of the Princess "A" PT Service, NGTL determined that three Princess "A" compressor units would be required to provide the Princess "A" PT Service. Since implementation, NGTL notes that it has operated only two compressor units and expects this mode of operation to continue. As a result, the PT Rate and PT Gas Rate need to be revised to reflect the change in operating conditions.

It is understood that NGTL has provided notice of the requested PT Service to shippers and to members of the Tolls, Tariff, Facilities and Procedures Committee (TTFP) via the TransCanada Alberta System website. NGTL is directed to advise shippers and the TTFP of the acceptance of the requested PT Service in similar fashion.

Yours truly,

<Original signed by>

Wade Vienneau
Manager – Calgary Office, Utilities Branch