

TransCanada PipeLines Limited
50 - 1st Street, S.W.
Calgary, Alberta T2P 5H1

Tel: (403) 920-7184

Fax: (403) 920-2347

Email: celine_belanger@transcanada.com

March 14, 2005

Alberta Energy and Utilities Board
640 – 5th Avenue S.W.
Calgary, Alberta
T2P 3G4

Filed electronically

Attention: Mr. Don Popowich
Application Officer

Dear Sir:

Re: NOVA Gas Transmission Ltd. (NGTL)
Carbon Dioxide (CO₂) Management Service (CO₂ Service)
Semi-annual CO₂ Service Report
Application No. 1253457; File No. 1607-2

In accordance with Decision 2002-084, issued by the Alberta Energy and Utilities Board (Board) on September 24, 2002, NGTL is filing the semi-annual CO₂ Service report. Under Section 5.4 of the CO₂ Service Application, NGTL committed to recording and electronically posting on a monthly basis, the amount of CO₂ on the Alberta System, the aggregate amount of Excess CO₂¹ received by NGTL, and the aggregate amount of CO₂ removed under the CO₂ Service and reporting this information on a semi-annual basis to the Tolls, Tariff and Procedures Committee (TTP), predecessor to the Tolls, Tariff, Facilities and Procedures Committee (TTFP) and the Board.

Attachment 1 to this letter is a table that provides the 2004 monthly average level of CO₂ on the Alberta System and the monthly average aggregate amount of Excess CO₂ received by NGTL. Since January 2004, the average aggregate amount of Excess CO₂ received by NGTL has been below the stipulated CO₂ Service Cap level of 155 10³m³/d. NGTL currently contracts for the removal of an average of 12 10³m³/d of CO₂ to meet the limits of the Mildred Lake Sales CO₂ Receipt Zone.

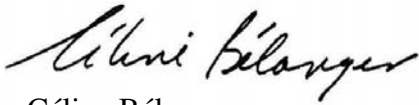
¹ Excess CO₂ is defined as the volume of CO₂ in excess of 2% contained in gas receipts with a CO₂ concentration exceeding 2%.

Page 2
March 14, 2005
Mr. D. Popowich

The semi-annual CO₂ Service report was presented to the TTFP on March 8, 2005. Attachment 2 to this letter is a copy of the TTFP presentation.

Please direct all notices and communications regarding this matter to Carolyn Shaw by e-mail at carolyn_shaw@transcanada.com and alberta_system@transcanada.com, or by phone at 920-7172.

Yours truly,
NOVA Gas Transmission Ltd.
A wholly owned subsidiary of TransCanada PipeLines Limited

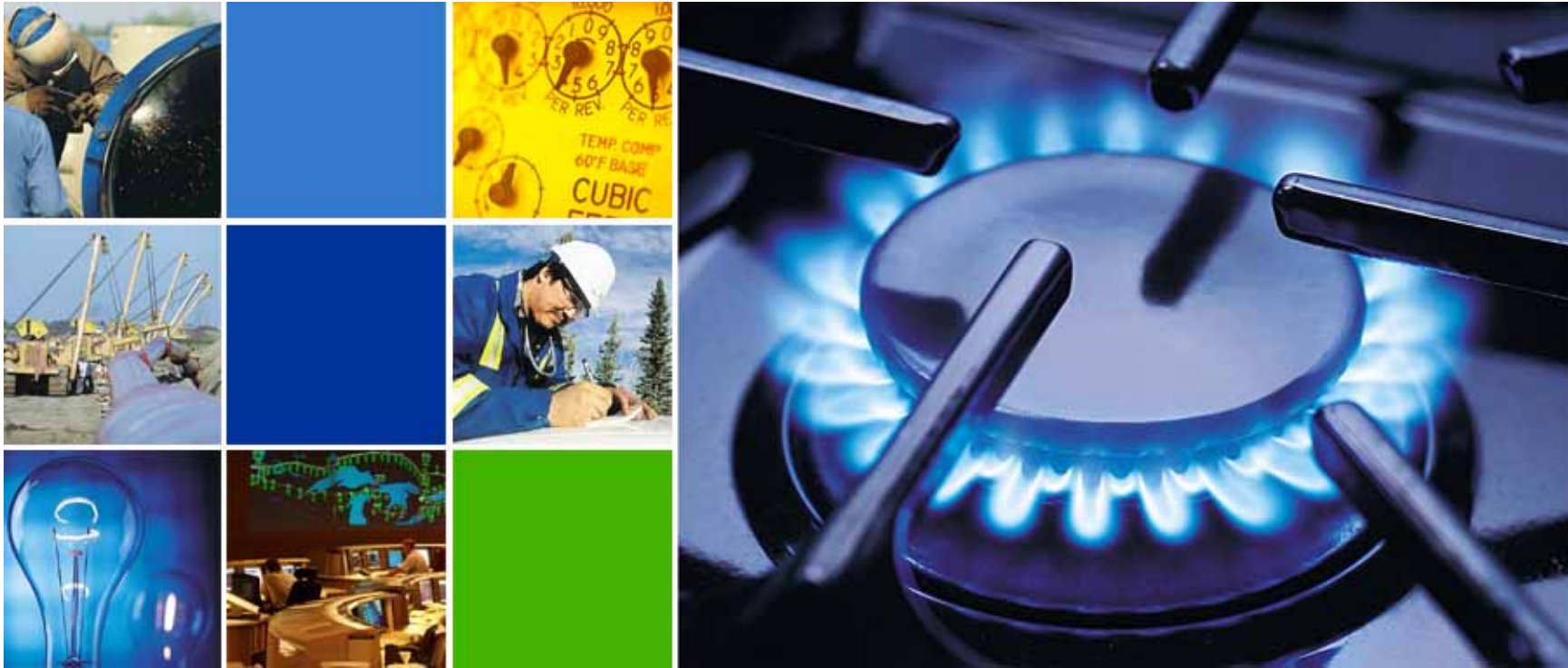


Céline Bélanger
Vice President, Regulatory Services

cc: Interested Party List Proceeding 1253457
Tolls, Tariff, Facilities and Procedures Committee

Alberta System CO₂ Levels
(10³m³/day)
January 2004 to December 2004

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec
Monthly average aggregate amount of Excess CO ₂ on the Alberta System	87	125	128	113	128	111	107	102	102	103	100	99
Excess CO ₂ Removed from System	12	11	12	13	11	12	12	11	11	12	12	12
Monthly Average Level of CO ₂ on Alberta System	0.82%	0.83%	0.83%	0.84%	0.81%	0.82%	0.78%	0.78%	0.79%	0.77%	0.77%	0.77%



CO₂ Management Service Semi-Annual Report

Tolls, Tariff, Facilities & Procedures Committee
March 8, 2005

Alberta System CO₂ System-Wide

