

CANADIAN AND EXPORT TOLLS
 APPROVED INTERIM TOLLS EFFECTIVE JANUARY 1, 2003

CALCULATION OF SHORT TERM FIRM TRANSPORTATION EAST/WEST DIFFERENTIAL

LINE NO	PARTICULARS	NORTHERN ROUTE		DIFFERENCE	
		EASTERN ZONE	MANITOBA ZONE		
	(a)	(b)	(c)	(d)	
1	% Flow (1)	100%			
<u>COSTS</u>					
2	Marginal Fuel (2)	East - via North	18.38%		
3		West		4.60%	
4	Average Fuel Ratio (3)		-5.59%	-1.72%	
5	Incremental Fuel		12.79%	2.88%	
6	Cost of Gas (4)	(\$/GJ)	0.4673	0.1052	0.3621
7	Commodity	(\$/GJ)	0.0607	0.0181	0.0426
8	Total Cost	(\$/GJ)	0.5280	0.1233	0.4047

(1) This represents the % of the volume that goes through the northern route to the Eastern Zone based on the assumption that STFT flows through the north only.

(2) Marginal fuel is the fuel required to transport one additional unit of gas.

(3) The fuel ratio is the average amount of fuel supplied by a shipper for transportation of one unit of gas. The average fuel ratios have been updated to reflect the average from August, 2001 to July, 2002.

(4) The cost of gas (\$3.654/GJ) is the average monthly Alberta Spot Price at Empress for the months of July 2001 to June 2002 as reported in the Canadian Gas Price Reporter, June 2002.