Calgary Office 640 - 5 Avenue SW Calgary, Alberta Canada T2P 3G4 Tel 403 297-8311 Fax 403 297-7336

SENT VIA E-MAIL ONLY

File No.: 8630-N1-3

May 18, 2001

NOVA Gas Transmission Ltd. A subsidiary of TransCanada PipeLines Limited Attention: Ms. Celine Belanger 450 – 1 Street S.W. Calgary, Alberta T2P 5H1

Dear Ms. Belanger:

NOVA GAS TRANSMISSION LTD. (NGTL)
TOLLS, TARIFF & PROCEDURES COMMITTEE (TTP)
RESOLUTION T2001-01
EMERGENCY RESPONSE COMPENSATION (ERC) PROCEDURE REVIEW

The above noted resolution, attached to your letter dated April 12, 2001, relating to a review of the ERC Procedure is accepted as a filing for information. The resolution confirmed that the TTP has reviewed the ERC Review (Report to the Alberta Energy and Utilities Board) and is in support of the ERC Procedure remaining in effect in its current form without modifications. It is understood that Resolution T2001-01 was supported by the TTP at its April 10, 2001 meeting.

The ERC Procedure was approved by the EUB in Order U99067 dated July 27, 1999. The EUB notes that NGTL was required to file an assessment of the effectiveness of the ERC Procedure pursuant to Section 8.0 of Appendix "G" of the Gas Transportation Tariff.

The assessment was completed after NGTL experienced three separate ERC events occurring on December 2, 1999, December 25, 1999, and December 26, 2000. NGTL submitted that while the ERC events were relatively minor, it was apparent that the ERC Procedure met its intended goals and was accepted by the shipper community.

Yours truly,

<original signed by Mr. Heggie>

Robert Heggie Executive Manager, Utilities Branch