

INTERIM TOLLS EFFECTIVE JUNE 1, 1999

CALCULATION OF SHORT TERM FIRM TRANSPORTATION EAST/WEST DIFFERENTIAL

LINE NO.	PARTICULARS		NORTHERN ROUTE EASTERN ZONE	MANITOBA ZONE	DIFFERENCE
	(a)		(b)	(c)	(d)
1	% Flow (1)		100%		
	<u>COSTS</u>				
2	Marginal Fuel (2)	East - via North	30.00%		
3		West		8.00%	
4	Average Fuel Ratio (3)		-7.67%	-2.33%	
5	Incremental Fuel		22.33%	5.67%	
6	Cost of Gas (4)	(\$/GJ)	0.5065	0.1286	0.3779
7	Commodity	(\$/GJ)	0.0357	0.0110	0.0247
8	Total Cost	(\$/GJ)	0.5422	0.1396	<b>0.4026</b>

(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 June, 1998 to May, 1999.

(4) The cost of gas (\$2.2684/GJ) is the average monthly Alberta Spot Price at Empress for the months of May 1998 to April 1999 as reported in the Canadian Gas Price Reporter, April 1999.