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To: TransCanada Alberta System Customers

Max Feldman
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In its Decision 2003-051, the Alberta Energy and Utilities Board (EUB) approved NGTL's 2003 Tariff Application and Revenue Requirement Settlement Application. In compliance with this Decision, TransCanada applied to the EUB on September 8, 2003 for approval of 2003 final prices for the Alberta System (NGTL) effective October 1, 2003.

2003 Alberta System Prices

Service Type	2003 Interim Price (Jan. 1 – Sept. 30, 2003)	2003 Final Price (Effective – Oct. 1, 2003)
*FT-R Average Monthly Demand Price (3 year term)	\$180.19/ 10 ³ m ³ (\$5.08/mcf)	\$187.66/ 10 ³ m ³ (\$5.29/mcf)
FT-D Monthly Demand Price	\$175.62/ 10 ³ m ³ (\$4.95/mcf)	\$183.11/ 10 ³ m ³ (\$5.16/mcf)
*FT Ex-Alberta Price	33.0 cents/mcf	34.3 cents/mcf

*Receipt Point Specific FT Ex-Alberta Price is calculated using the Average FT-R Price for a 3 year term and the FT-D Price. Individual FT-R prices will vary between the price floor and price ceiling and also due to the contract term selected.

The 2003 final prices are based on:

1. The approved revenue requirement of \$1,285.7 million and the implementation of new services, effective October 1, 2003.
2. The approved methodology as set out in the Revenue Requirement Settlement Application which stated: "...final rates, tolls and charges will be calculated to recover the approved 2003 revenue requirement less the revenue collected under 2003 interim rates..."
3. The same contract and throughput volume forecast that underpinned 2003 interim prices; and
4. The price floor and ceiling transition for 2003 FT-R as approved by the EUB in Decision 2000-6.

The increase in the final 2003 FT Ex-Alberta Price from interim of 1.3 cents/mcf is due to a lower revenue collection over the first nine months of 2003 than was forecasted. This is attributable to a decrease in FT-R and IT-R services and an increase in Alternate Access service, which results in less revenue being collected.

If you would like additional information regarding prices for the Alberta System, please contact your customer service representative or refer to the tariff section on the TransCanada website:
http://www.transcanada.com/Alberta/regulatory_info/index.html.

Sincerely,

Max Feldman

Attachment