



File OF-Tolls-Group1-T211-2011-01 01

24 February 2011

Bernard Pelletier  
Regulatory Project Manager  
Regulatory Services  
TransCanada PipeLines  
Limited  
450 First Street SW  
Calgary, AB T2P 5H1  
Facsimile 403-920-2347

Jennifer Scott  
Senior Legal Counsel  
Law and Regulatory Research  
TransCanada PipeLines  
Limited  
450 First Street SW  
Calgary, AB T2P 5H1  
Facsimile 403-920-2347

Mr. C. Kemm Yates, Q.C.  
Blake, Cassels &  
Graydon LLP  
855 Second Street S.W.  
Calgary, AB T2P 4J8  
Facsimile 403-663-2297

Dear Mr. Pelletier, Ms. Scott, and Mr. Yates:

**TransCanada PipeLines Limited (TransCanada)  
Application for Revised Mainline Interim 2011 Tolls, effective 1 March 2011**

The National Energy Board has received TransCanada's 25 January 2011 application (Application), requesting that the Board approve increased TransCanada Mainline interim tolls effective 1 March 2011. The Mainline's existing interim tolls were set equal to final 2010 tolls effective 1 January 2011 by Order TGI-04-2010.

In addition, pursuant to the Board's letters dated 27 January 2011 and 2 February 2011, the Board has received comments dated between 2 February 2011 and 7 February 2011 from interested parties, and TransCanada's comments dated 9 February 2011 and 10 February 2011.

The Board has decided to approve the Application, as filed. The attached Order AO-1-TGI-04-2010 revises the current interim Mainline tolls, effective 1 March 2011.

As has been stated in the past, the Board establishes interim tolls without an extensive examination of substantive issues and a decision to approve interim tolls is, in no way, a ruling by the Board as to the merits of any case presented by an Applicant or by interested parties to set final tolls. In light of the limited filings in an application to set or amend interim tolls, absent compelling evidence to the contrary, interim tolls are normally established in a manner that aligns with the Board's most recent decision which relates to a company's final tolls.

...2

With respect to the Application, as it did when issuing Order TGI-04-2010, the Board recognizes the current unusual circumstances. While it is significant that the proposed revised interim tolls are calculated in accordance with previously approved toll methodologies and the 2007-2011 Mainline Settlement, modified in similar fashion as was approved for establishing final 2010 tolls, the Board notes that there is more than the usual level of uncertainty related to final 2011 Mainline tolls.

The Board has concluded that approval of the Application is in the public interest.

The Board is concerned with the continuing uncertainty related to this matter. Accordingly, the Board expects TransCanada to file its application for final Mainline tolls, whether supported by a settlement or otherwise, by noon Calgary time, 2 May 2011.

TransCanada is directed to serve a copy of this letter on all parties to the RH-2-2004 proceeding, the Mainline Tolls Task Force, Mainline shippers, Alberta System shippers, and the Alberta System Tolls, Tariff, Facilities and Procedures Committee.

Yours truly,

A handwritten signature in cursive script that reads "AnneMarie Erickson".

Anne-Marie Erickson  
Secretary of the Board

Attachment



**ORDER AO-1-TGI-04-2010**

**IN THE MATTER OF THE** *National Energy Board Act* (Act) and the regulations made thereunder;

**AND IN THE MATTER OF** an application filed with the National Energy Board by TransCanada PipeLines Limited (TransCanada) dated 25 January 2011 for approval of revised Mainline Interim 2011 Tolls effective 1 March 2011, pursuant to sub-section 19(2) and Part IV of the Act under File OF-Tolls-Group1-T211-2011-01 01

**BEFORE** the Board on 24 February 2011.

**WHEREAS** TransCanada filed an application dated 25 January 2011, seeking approval for revised Mainline interim 2011 tolls, effective 1 March 2011;

**AND WHEREAS** the Board issued a letter dated 27 January 2011 soliciting comments from interested parties, with an update on 2 February 2011;

**AND WHEREAS** the Board received letters of comment with respect to the application from a number of interested parties between 2 February 2011 and 7 February 2011, and TransCanada's reply comments dated 9 February 2011 and related letter dated 10 February 2011;

**AND WHEREAS** the Board has considered the above filings and has decided to approve the application, as filed;

**IT IS ORDERED**, pursuant to subsection 19(2) and Part IV of the Act, that:

1. The Mainline's current interim tolls, which were made effective under Toll Order TGI-04-2010, be terminated as of the end of the day on 28 February 2011.

.../2

2. TransCanada's proposed revised Mainline interim tolls, contained in its 25 January 2011 application, be implemented effective 1 March 2011 on an interim basis pending any future amending Orders and/or final Order by the Board concerning the Mainline's 2011 tolls.

NATIONAL ENERGY BOARD

A handwritten signature in black ink that reads "AnneMarie Erickson". The signature is written in a cursive, flowing style.

Anne-Marie Erickson  
Secretary of the Board