

National Energy  
Board



Office national  
de l'énergie

File OF-Tolls-Group1-T201-2006-01 01  
3 November 2006

Mr. Bernard Otis  
Acting General Manager  
Trans Québec & Maritimes Pipelines Inc.  
6300 Auteuil Ave, Suite 525  
Brossard, Québec J4Z 3P2  
Facsimile 450-462-5388

Dear Mr. Otis:

**Trans Québec & Maritimes Pipelines Inc. (TQM)  
2006 Tolls Application**

On 18 October 2006, TQM filed an application with the National Energy Board requesting approval of final tolls for the period of 1 January 2006 to 31 December 2006. The Board notes that, in accordance with section 7.3 of TQM's Multi-Year Tolls Agreement, TQM solicited comments from its Interested Parties on the proposed 2006 net revenue requirement of \$80,402,000, and no objection was received.

The Board has examined TQM's application and has decided to approve it as filed. Please find enclosed a copy of Order TG-09-2006 which gives effect to this decision.

TQM is directed to serve forthwith a copy of this letter and Order TG-09-2006 on all of the Interested Parties listed in its application.

Yours truly,

A handwritten signature in black ink, appearing to read 'Mantha', with a long horizontal flourish extending to the right.

Michel L. Mantha  
Secretary

Attachment

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**ORDER TG-09-2006**

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

**AND IN THE MATTER OF** an application filed with the National Energy Board under File OF-Tolls-Group1-T201-2006-01 01 by Trans Québec & Maritimes Pipeline Inc. (TQM) for certain orders respecting tolls specified in a tariff pursuant to Part IV, Sections 59, 60, 64 and 65 of the Act.

**BEFORE** the Board on 3 November 2006.

**WHEREAS** by application dated 18 October 2006, TQM sought approval from the Board, for the period 1 January 2006 to 31 December 2006, of fixed transportation tolls for the transmission of natural gas through its pipeline facilities;

**AND WHEREAS** by Order TGI-4-2005, the Board ordered TQM to charge, in respect of the transportation service provided by its facilities, interim tolls for the 2006 Test Year commencing 1 January 2006;

**AND WHEREAS** the rate of return on common equity was decreased from 9.46% in 2005 to 8.88% in 2006 pursuant to an annual adjustment mechanism originally approved by the Board in Order TG/TO-1-95, as amended;

**AND WHEREAS** the Board examined TQM's application and has decided to approve it as filed;

**THEREFORE, IT IS ORDERED**, pursuant to sections 59, 60, 64 and 65 of the Act, that:

1. For accounting, toll-making and tariff purposes, TQM shall implement procedures conforming to its Application dated 18 October 2006 and with this Order.
2. Order TGI-04-2005, which authorized the tolls to be charged on an interim basis pending a final decision on the said application, is revoked and the tolls that were authorized to be charged thereunder are disallowed as of the date of this Order.

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3. TQM shall charge in respect of its transportation service provided to TransCanada PipeLines Limited, a monthly toll of \$6,700,167 for the period 1 January 2006 to 31 December 2006. This amount will allow recovery of the approved net revenue requirement of \$80,402,000 for the 2006 Test Year. TQM shall charge Gaz Métro Limited Partnership (Gaz Métro), in respect of Transportation Storage (TS) service, a toll based upon the TS Tariff attached to the Transportation and Storage Service contract dated 17 March 1987, as amended 30 October 1995. The approved storage fee is \$3,875 per month.
4. TQM shall charge Gaz Métro, in respect of Storage Gas Transportation (SGT) service, a toll based upon the SGT toll design methodology approved in the RHW-1-96 Reasons for Decision with the revision that volumes forecast for the test year will be used. The approved SGT toll for the 2006 Test Year is \$1.42/10<sup>3</sup>m<sup>3</sup> for deliveries to Trois-Rivières, \$6.78/10<sup>3</sup>m<sup>3</sup> for deliveries to points located downstream of Trois-Rivières, and \$2.39/10<sup>3</sup>m<sup>3</sup> for deliveries upstream of Saint-Nicolas.
5. TQM shall charge EBI Bio-Environment Inc., in respect of Biogas Transportation (BGT), a toll based upon the BGT toll design methodology approved by letter decision dated 15 August 2002. The BGT commodity toll for the 2006 Test Year for deliveries of Sainte-Geneviève-de-Berthier gas to Gaz Métro's markets is \$0.81/10<sup>3</sup>m<sup>3</sup>.
6. TQM shall refund to tollpayers the amount by which tolls set by this Order are different than the tolls charged by TQM under Board Order TGI-4-2005, together with carrying charges to be calculated using the approved rate of return on rate base for the 2006 Test Year (i.e., 6.84%).
8. The Board approves the rate base, rate of return on rate base, and the amortization and depreciation rates, as contained in TQM's Application, for the 2006 Test Year.
9. The Board approves the continuance of existing deferral accounts for the 2006 Test Year, with the exception of the Financing Costs Deferral Account (Series G Bonds maturity), which is discontinued.
10. Those provisions of TQM's tariff and tolls or any portion thereof that are contrary to this Order are hereby disallowed.

NATIONAL ENERGY BOARD



Michel L. Mantha  
Secretary