

National Energy
Board



Office national
de l'énergie

File 4200-T028-13
10 October 2002

Mr. Robert Heider
Vice-president, Regulatory Affairs and Marketing
Trans Québec & Maritimes Pipeline Inc.
6200 Taschereau Boulevard, 2nd floor.
Brossard (Quebec)
J4W 3J8
Facsimile (450) 462-5310

Dear Mr. Heider:

**Trans Québec & Maritimes Pipeline Inc. (TQM)
Tolls Application for 2002**

The National Energy Board (the Board) has examined TQM's 2002 Tolls Application dated 5 September 2002 and has decided to approve TQM's Application as filed. Please see attached Order TG-5-2002 giving effect to this decision.

TQM is directed to serve forthwith a copy of this letter on all Interested Parties listed in its application.

Yours truly,

A handwritten signature in cursive script, appearing to read "Michel L. Mantha".

for
Michel L. Mantha
Secretary

c.c.: M^e Louis-André Leclerc, facsimile (514) 871-8977

Attachment

444 Seventh Avenue SW
Calgary, Alberta T2P 0X8

444, Septième Avenue S.-O.
Calgary (Alberta) T2P 0X8

Canada

Telephone/Téléphone : (403) 292-4800
Facsimile/Télocopieur : (403) 292-5503
<http://www.neb-one.gc.ca>



ORDER TG-5-2002

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 (the Board) under File 4200-T028-13 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 10 October 2002.

WHEREAS by application dated 5 September 2002, TQM sought approval from the Board, for the period 1 January 2002 to 31 December 2002, of fixed transportation tolls for the transmission of natural gas through its pipeline facilities;

AND WHEREAS by Order TGI-2-2001, the Board ordered TQM to charge, in respect of the transportation service provided by its facilities, interim tolls for the 2002 Test Year commencing 1 January 2002;

AND WHEREAS the rate of return on common equity for 2002 was decreased from 9.61% in 2001 to 9.53% in 2002 pursuant to an annual adjustment mechanism originally approved in Order TG/TO-1-95, as amended;

AND WHEREAS the Board examined TQM's application;

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 5 September 2002 and with this Order.
2. Order TGI-2-2001, 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.
3. TQM shall charge in respect of its transportation service provided to TransCanada, a monthly toll for the period 1 January 2002 to 31 December 2002. This amount will effect recovery of the approved Net Revenue Requirement (i.e., \$88,618,000) for the 2002 Test Year.

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4. TQM shall charge Gaz Métropolitain and Company, Limited Partnership (Gaz Métropolitain), 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, filed with the Board under covering letter dated 10 April 1987; and Amending Agreement dated 29 June 1995 which extends the Transportation and Storage Service contract to 31 October 2003. The approved Storage Fee is \$3,875 per month.
5. TQM shall charge Gaz Métropolitain, 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 2002 Test Year is \$1.52/10³m³ for deliveries to Trois-Rivières and \$7.28/10³m³ for deliveries to points located downstream of Trois-Rivières and \$2.47/10³m³ for deliveries upstream of Saint-Nicolas.
6. 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 on 15 August 2002. The BGT commodity toll for the 2002 Test Year for deliveries of Sainte-Geneviève-de-Berthier gas to points serving Gaz Métropolitain's markets is \$0.49/10³m³.
7. TQM shall refund to tollpayers the amount by which tolls set by this Order are less than the tolls charged by TQM under Board Order TGI-2-2001, together with carrying charges to be calculated using the approved rate of return on rate base for the 2002 Test Year (i.e., 7.58%).
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 2002 Test Year.
9. The Board approves the continuance of existing deferral accounts for the 2002 Test Year.
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



for
Michel L. Mantha
Secretary

ORDER TG-5-2002