



File 4775-M124-1-1
28 September 2004

Mr. Ian Leadley
Manager, Regulatory Affairs
Maritimes & Northeast Pipeline Management Ltd.
Suite 1600
1801 Hollis Street
Halifax, NS B3J 3N4
Facsimile (902) 420-0253

Dear Mr. Leadley:

**Maritimes & Northeast Pipeline Management Ltd. (M&NP)
Fuel Retainage Percentage
Article 20 of the M&NP Gas Transportation Tariff
M&NP Tolls and Tariff Working Group (TTWG) Agreement on a Change in
the Fuel Retainage Percentage effective 1 October 2004**

On 20 September 2004 M&NP notified the Board that the TTWG had unanimously approved a resolution to reduce the fuel retainage percentage from 0.5% to 0.08% effective 1 October 2004. This change is one month ahead of the scheduled change provided for in Article 20 of M&NP's NEB approved gas transportation tariff. The tariff provides for an adjustment to the fuel retainage percentage effective 1 November and 1 April of each gas year upon M&NP providing its shippers notification of a change on or before the twenty-fifth of the proceeding month.

After considering the request and the fact that the TTWG had unanimously approved the change, the Board approves the change to reduce the fuel retainage percentage from 0.5% to 0.08% effective 1 October 2004. The attached Order TG-04-2004 gives effect to this decision.

M&NP is directed to provide a copy of this letter and the attached Order to its TTWG and all RH-3-2001 Interested Parties.

Yours truly,

A handwritten signature in black ink, appearing to read 'Mantha'.

Michel L. Mantha
Secretary

444 Seventh Avenue SW
Calgary, Alberta T2P 0X8

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



ORDER TG-04-2004

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

IN THE MATTER OF an application by Maritimes and
Northeast Pipeline Management Ltd. (M&NP) dated
20 September 2004 for approval to reduce the fuel retainage
percentage from 0.5% to 0.08% effective 1 October 2004 to
occur as if it had been scheduled normally pursuant to Article 20
of M&NP's NEB Gas Transportation Tariff. filed with the
National Energy Board under File 4775-M124-1-1.

BEFORE the National Energy Board on 27 September 2004.

WHEREAS M&NP, by letter dated 20 September 2004, applied to the Board for approval of the
change in the fuel retainage percentage from 0.5% to 0.08% to be effective 1 October 2004 from 1
November 2004 as permitted by Article 20 of M&NP's approved tariff.

AND WHEREAS the TTWG had unanimously approved the change to reduce the fuel retainage
percentage from 0.5% to 0.08% effective 1 October 2004;

AND WHEREAS the Board has considered M&NP's request;

AND WHEREAS the Board is satisfied that M&NP's tariff, as amended with this change, is just and
reasonable;

IT IS ORDERED THAT:

1. M&NP shall change the date to reduce the fuel retainage percentage from 0.5% to 0.08% to be
effective 1 October 2004 from 1 November 2004 as permitted by Article 20 of M&NP's
approved tariff;
2. Those provisions of M&NP's tolls and tariffs, or any portion thereof, that are contrary to any
provision of the Act, or to any order of the Board including this Order, are hereby disallowed.

NATIONAL ENERGY BOARD

A handwritten signature in black ink, appearing to read 'Mantha'.

Michel L. Mantha
Secretary