

National Energy
Board



Office national
de l'énergie

File OF-Tolls-Group1-T211-2011-04 01
27 March 2013

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Dear Sirs:

Hearing Order RH-003-2011 – TransCanada Pipelines Limited (TransCanada), NOVA Gas Transmission Ltd. (NGTL) and Foothills Pipe Lines Ltd. (Foothills) Application dated 1 September 2011 for Approval of the Business and Services Restructuring Proposal and Mainline Final Tolls for 2012 and 2013 – Toll Order

Please find enclosed Order TG-002-2013 issued in respect of the above noted proceeding pursuant to subsections 19(2) and 20(1), and Part IV of the *National Energy Board Act*.

Yours truly,

A handwritten signature in cursive script that reads "Sheri Young".

Sheri Young
Secretary of the Board



ORDER TG-002-2013

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

AND IN THE MATTER OF an application dated 1 September 2011, as amended, by TransCanada PipeLines Limited (TransCanada), NOVA Gas Transmission Ltd. (NOVA), and Foothills Pipe Lines Ltd. (Foothills) under Part IV of the Act for orders approving, among other things, tolls that TransCanada may charge for transportation services provided on its Mainline pipeline system (Mainline) between 1 January 2012 and 31 December 2013 under File OF-Tolls-Group1-T211-04 01 (the Business and Restructuring Application);

AND IN THE MATTER OF Hearing Order RH-003-2011;

AND IN THE MATTER OF certain proposals made by intervenors in the RH-003-2011 proceeding for decisions or orders that determine how tolls are to be fixed for Mainline transportation services for 2012 and beyond.

BEFORE the Board on 1 March 2013;

WHEREAS on 29 April 2011, TransCanada filed an application for approval of final tolls that it may charge for transportation services on the Mainline for 2011 (2011 Final Tolls Application);

AND WHEREAS on 1 September 2011, TransCanada, NOVA and Foothills filed the Business and Restructuring Application;

AND WHEREAS on 27 September 2011, the Board issued Hearing Order RH-003-2011 (Hearing Order) setting out the procedures to be followed for considering the Business and Restructuring Application;

AND WHEREAS on 9 September 2011, the Board issued Order TG-007-2011 and a letter decision disposing of the 2011 Final Tolls Application. That order and letter finalized 2011 tolls for Mainline transportation services and directed TransCanada to file additional evidence related to “flow-through” elements of the Mainline’s 2011 revenue requirement. The Board directed that the additional evidence be examined in the RH-003-2011 proceeding;

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AND WHEREAS on 16 November 2011, TransCanada filed an application to charge, on an interim basis, tolls relating to transportation services on the Mainline effective 1 January 2012 (2012 Interim Toll Application);

AND WHEREAS on 8 December 2011, the Board issued Order TGI-004-2011 disposing of the 2012 Interim Toll Application, which authorized TransCanada to charge, on an interim basis effective 1 January 2012, its then current tolls made effective under Order TG-007-2011, pending any future amending Orders or final Order by the Board concerning TransCanada's 2012 and 2013 tolls;

AND WHEREAS on 9 March 2012, in accordance with the process set out in the Hearing Order, certain intervenors proposed that the Board make certain decisions or issue certain orders that determine how tolls on the Mainline would be fixed for 2012 and beyond (Intervenor Proposals);

AND WHEREAS between 4 June 2012 and 5 December 2012, the Board held an oral public hearing examining the "flow-through" elements of the Mainline's 2011 revenue requirement, the Business and Restructuring Application and the Intervenor Proposals;

AND WHEREAS the Board's decisions on the "flow-through" elements of the Mainline's 2011 revenue requirement, the Business and Restructuring Application and the Intervenor Proposals are set out in its RH-003-2011 Reasons for Decision dated March 2013 and in this Order;

AND WHEREAS the Board has found it just and proper to grant such further and other relief, in addition to or in lieu of that applied-for:

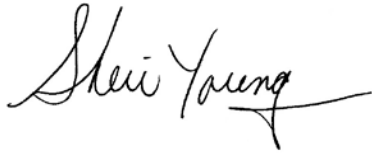
THEREFORE, IT IS ORDERED, pursuant to subsections 19(2), 20(1) and Part IV of the Act, that:

1. TransCanada must, for accounting, tollmaking and tariff purposes, implement the directions and decisions outlined in the RH-003-2011 Reasons for Decision dated March 2013 and in this Order.
2. The applied-for 2011 Revenue Requirement is approved as final and any shortfall that results from the final 2011 tolls must be deferred and disposed of in the 2012 revenue requirement.
3. Interim tolls authorized in Order TGI-004-2011 and charged from 1 January 2012 to 31 December 2012 are hereby made final.
4. Any surplus or shortfall that results from final 2012 tolls must be recorded in the Long Term Adjustment Account as described in RH-003-2011 Decision.

5. TransCanada must by 1 May 2013 prepare and file with the Board a Compliance Filing containing revised tolls for all paths and services on the Mainline for the years 2013 to 2017 based on the multi-year fixed-toll approach as described in the RH-003-2011 Decision.
6. As part of its Compliance Filing, TransCanada must also prepare and file with the Board revised Tariff pages showing all changes black-lined from the current version, together with a clean version.
7. Interim tolls authorized in Order TGI-004-2011 and charged during 2013 will continue pending TransCanada's Compliance Filing and a final Order of the Board on Mainline tolls for 2013 and beyond.

Parties wishing to comment on TransCanada's Compliance Filing must file their comments with the Board and serve them on TransCanada within 14 calendar days from the date of the filing, and TransCanada shall have seven calendar days to file any reply.

NATIONAL ENERGY BOARD

A handwritten signature in black ink that reads "Sheri Young". The signature is written in a cursive style with a long horizontal stroke extending to the right from the end of the name.

Sheri Young
Secretary of the Board