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INFORMATION BULLETIN 2004-03

SUBJECT: CLARIFICATION OF APMC 631 REPORTING OF EX-ALBERTA TRANSPORTATION CHARGES AFTER ADJUSTING FOR TRANSCANADA FT-RAM CREDITS

This information bulletin clarifies how TransCanada FT-RAM Credits should be used to adjust ex-Alberta transportation costs when reporting arm's length sales on the APMC-631.

When determining the appropriate amount of ex-Alberta transportation costs to be reported on the APMC-631, TransCanada FT-RAM Credits should be offset against the costs of the Firm Service Transportation (FT) contract that generated the credits. Only the total credits that have been offset against IT billings should be used to reduce the firm service transportation costs. If IT billings are less than total credits, reduce the gross calculated credit amount for each firm service contract by the percentage of unused credits to total credits.

The FT-RAM Credit program is in effect from November 1, 2004 to October 31, 2005. APMC 631 reports submitted for this period should use the above methodology.

Thank you for your co-operation. If you have any questions, please contact your Gas Valuation Analyst at the Alberta Department of Energy.

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