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March 14, 2006

Alberta Energy and Utilities Board
640 – 5th Avenue S.W.
Calgary, Alberta
T2P 3G4

Filed Electronically

**Attention: Mr. Don Popowich
Application Officer**

Dear Sir:

**Re: NOVA Gas Transmission Ltd. (NGTL)
Carbon Dioxide (CO₂) Management Service (CO₂ Service)
Semi-annual CO₂ Service Report
Application No. 1253457; File No. 1607-2**

In accordance with Decision 2002-084, issued by the Alberta Energy and Utilities Board (Board) on September 24, 2002, NGTL is filing the semi-annual CO₂ Service report. Under Section 5.4 of the CO₂ Service Application, NGTL committed to recording and electronically posting on a monthly basis, the amount of CO₂ on the Alberta System, the aggregate amount of Excess CO₂¹ received by NGTL, and the aggregate amount of CO₂ removed under the CO₂ Service and reporting this information on a semi-annual basis to the Tolls, Tariff and Procedures Committee (TTP), predecessor to the Tolls, Tariff, Facilities and Procedures Committee (TTFP) and the Board.

Attachment 1 to this letter is a table that provides the monthly average level of CO₂ on the Alberta System and the monthly average aggregate amount of Excess CO₂ received by NGTL for the months of September 2005 through January 2006. Since September 2005, the average aggregate amount of Excess CO₂ received by NGTL has been below the stipulated CO₂ Service Cap level of 155 10³m³/d. NGTL currently contracts for the removal of an average of 10 10³m³/d of CO₂ to meet the limits of the Mildred Lake Sales CO₂ Receipt Zone.

¹ Excess CO₂ is defined as the volume of CO₂ in excess of 2% contained in gas receipts with a CO₂ concentration exceeding 2%.

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Mr. D. Popowich

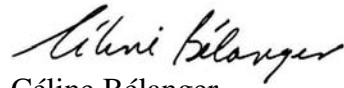
The semi-annual CO₂ Service report was presented to the TTFP on March 14, 2006. Attachment 2 to this letter is a copy of the TTFP presentation.

Please direct all notices and communications regarding this matter to Greg Szuch by e-mail at greg_szuch@transcanada.com and alberta_system@transcanada.com, or by phone at 920-5321.

Yours truly,

NOVA Gas Transmission Ltd.

A wholly owned subsidiary of TransCanada PipeLines Limited



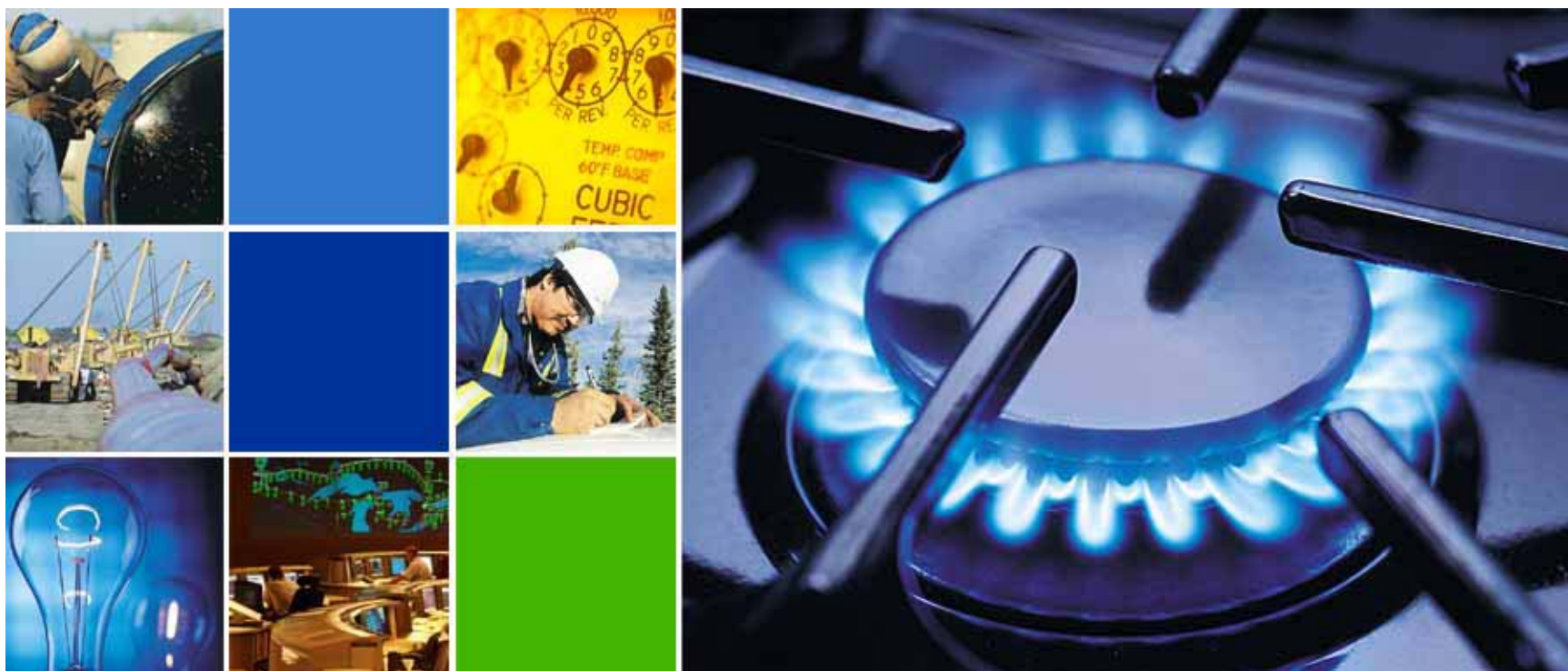
Céline Bélanger

Vice President, Regulatory Services

cc: Interested Party List, Proceeding 1253457
Tolls, Tariff, Facilities and Procedures Committee

**Alberta System CO₂ Levels
(10³m³/day)
September 2005 to January 2006**

	Sept	Oct	Nov	Dec	Jan
Monthly average aggregate amount of Excess CO ₂ on the Alberta System	148	128	147	147	151
Excess CO ₂ Removed from System	7	11	10	12	12
Monthly Average Level of CO ₂ on Alberta System	0.82%	0.81%	0.82%	0.81%	0.81%



CO₂ Semi Annual Report

March 14, 2006

Alberta System - CO₂ System-Wide

