

Northern Border Pipeline Company  
Weighted Average Cost of Debt Capital  
As of Twelve Months Ended July 31, 2005 as Adjusted

Line No.	Description (a)	Senior Notes			Revolving Credit Facility (e)	Total (f)	Amortization of Loss on Recquired Deb (g)	Amortization of Swap Termination Proceeds (h)	Amortization of Credit Facility Expenses (i)	Net (j)	F/N ID
		(b)	(c)	(d)							
1	Principal Amount of Issue (Gross Proceeds)	\$ 200,000,000	\$ 250,000,000	\$ 225,000,000	\$ 175,000,000	\$ 675,000,000				\$ 675,000,000	
2	Principal Amount of Issue Outstanding at 07/31/05	\$ 200,000,000	\$ 250,000,000	\$ 150,000,000	\$ 0	\$ 600,000,000				\$ 600,000,000	
3	Date of Issue	8/17/1999	9/10/2001	4/29/2002	5/16/2005						
4	Date of Maturity	9/1/2009	9/15/2021	5/1/2007	5/16/2010						
5	Term of Issue (Years)	10	20	5	5						1
6	Coupon Rate	7.75%	7.50%	6.25%	0.075%						
7	Price of Debt (100 = Par)	99.513	99.760	99.953							
8	Issuance Discount	\$ 974,000	\$ 600,000	\$ 105,750							
9	Net Proceeds before Expenses	\$ 199,026,000	\$ 249,400,000	\$ 224,894,250							
10	Underwriter's Spread as % of Gross Proceeds	0.650%	0.875%	0.600%							\$0
11	Underwriter's Spread in \$	\$ 1,300,000	\$ 2,187,500	\$ 1,350,000							
12	Issuance Expense	\$ 567,533	\$ 378,760	\$ 816,782		\$ 1,763,075				\$ 1,763,075	
13	Total Discount & Expenses	\$ 2,841,533	\$ 3,166,260	\$ 2,272,532	\$ 0	\$ 1,763,075				\$ 1,763,075	
14	Net Proceeds (L1 - L13)	\$ 197,158,467	\$ 246,833,740	\$ 222,727,468		\$ 666,719,675				\$ 666,719,675	
15	Less: Required Debt			\$ (75,000,000)		\$ (75,000,000)				\$ (75,000,000)	
16	Net Proceeds of Debt Outstanding at 07/31/05	\$ 197,158,467	\$ 246,833,740	\$ 147,727,468	\$ 0	\$ 591,719,675				\$ 591,719,675	
17	Annual Interest Expense	\$ 15,500,000	\$ 18,750,000	\$ 9,375,000	\$ 131,250	\$ 43,756,250	\$ 1,127,331	\$ (3,474,652)	\$ 64,200	\$ 41,473,129	2
18	Weighted Average Cost of Debt	7.86%	7.60%	6.35%		7.39%				7.01%	

Footnotes:

- 0.075% coupon rate for Revolving Credit Facility represents annual facility fee.
- Amortization amounts have been adjusted to reflect annualized amounts for 12 months ending April 30, 2006.