



November 23, 2009

Technical Director
International Accounting Standards Board
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Dear Sir or Madam:

TransCanada Corporation (TransCanada) is pleased to submit its comments in response to the Invitation to Comment on the Exposure Draft on *Improvements to IFRSs* as issued by the International Accounting Standards Board (IASB).

TransCanada is a leader in the responsible development and reliable operation of North American energy infrastructure, including natural gas pipelines, power generation, gas storage facilities and projects related to oil pipelines and power facilities.

TransCanada supports the goal of a single set of high-quality accounting standards that are accepted and applied globally. We support the objective of improving the usefulness of information provided in financial statements and we generally support the improvements proposed in the Exposure Draft. However, we believe that the proposals presented in the Exposure Draft relating to IAS 34 *Interim Financial Reporting* for financial instrument disclosures are inconsistent with other interim reporting standards and should not be adopted. We have outlined our specific concerns with respect to the Boards request for comments on Question 3 outlined below.

Question 3

The Board proposes changes to IAS 34 *Interim Financial Reporting* to emphasize its disclosure principles. It also adds to the guidance to illustrate better how to apply these principles. The Board published an exposure draft *Fair Value Measurement* in May 2009. In that exposure draft, the Board proposes that all of the fair value measurement disclosures required in IFRS 7 *Financial Instruments: Disclosures* for annual financial statements should also be required for interim financial statements.

Do you agree that this proposed amendment is likely to lead to more useful information being made available to investors and other users of interim financial reports? If not, why? What would you propose instead and why?

We do not agree that this proposed amendment is likely to lead to more useful information being made available to investors and other users of interim financial reports and propose that reporting only material changes from year-end to be appropriate. The proposed amendment is inconsistent with most other interim reporting requirements which generally require only material changes from year-end to be disclosed, thereby implying that (i) all of the fair values have changed materially in the interim period, or (ii) the fair value disclosures are more

important than other disclosures. Finally, we believe the costs of implementing the Board's proposal outweigh the benefits to investors and this becomes more relevant in meeting North American quarterly reporting requirements as opposed to semi-annual reporting requirements in most European jurisdictions.

TransCanada hopes its comments will be useful to the IASB in their deliberations. If you have any questions or would like to discuss any of these matters, please do not hesitate to contact us.

Yours very truly,

A handwritten signature in dark ink, appearing to read 'Menuz', with a long, sweeping horizontal stroke extending to the right.

Glenn Menuz, C.A.
TransCanada Corporation
Vice-President and Controller

Copy: Mr. Peter Martin, Accounting Standards Board (Canada)