

Electronic Notification

March 29, 2007

Norm Bowman
Director, Regulatory Services
TransCanada PipeLines Limited
450 – 1st Street SW
Calgary, AB T2P 5H1

**APPLICATION NO. 1507616
NOVA GAS TRANSMISSION LTD. (NGTL)
TOLLS, TARIFF, FACILITIES AND PROCEDURES COMMITTEE (TTFP)
ISSUE T2006-02 – FUEL GAS OPTIMISATION AND POSSIBLE INCENTIVE
PROGRAM (APPLICATION 1456936)**

NGTL's filing with the Alberta Energy and Utilities Board on March 21, 2007, advising of the outcome of non-routine Issue T2006-02 – Fuel Gas Optimization and Possible Incentive Program, is accepted as a filing for information. The Board notes that NGTL's request for permission to negotiate Issue T2006-02 was submitted as Application No. 1456936 on April 17, 2006 and approved by the Board on April 27, 2006.

NGTL advised that a technical working group was formed to analyze data to be used to determine a predictive model for Alberta System compressor fuel, and that after considerable analysis and refinement it was determined that the error in the predictive model may be greater than the fuel savings TransCanada could achieve through incremental O&M investment. As a result, on March 13, 2007, the TTFP supported Resolution T2006-02 agreeing not to pursue a Fuel Gas Optimization and Incentive Program for 2007.

It is understood that NGTL has provided notice of this filing to its shippers and to members of the Tolls, Tariff, Facilities and Procedures Committee (TTFP) by posing the letter and attached Resolution on the TransCanada Alberta System Website. NGTL is directed to advise shippers and the TTFP of this letter in similar fashion.

Yours truly,

<approved for distribution by>

Wade Vienneau
Manager - Calgary Office, Utilities Board

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