

File No.: 8630-N1-3

February 22, 2002

Western Product Development
TransCanada Pipelines Limited
111 - 5 Avenue S.W.
Calgary, Alberta T2P 3Y6
Attention: Mr. Dave Hands

Dear Mr. Hands:

**NOVA GAS TRANSMISSION LTD. (NGTL)
TOLLS, TARIFF & PROCEDURES COMMITTEE (TTP)
RESOLUTION T98-02(b)
– SUPPLY/DEMAND BALANCING PILOT PROCEDURE MODIFICATIONS**

The above noted resolution, attached to your letter dated February 15, 2002, relating to amendments to the Supply/Demand Balancing Pilot Procedure is accepted as a filing for information.

The resolution outlined certain amendments intended to simplify Supply/Demand Balancing, to ensure fair and equitable treatment of customers, and to improve data integrity. The amendments are scheduled for a four-month trial period beginning March 15, 2002 and April 2, 2002 and ending July 31, 2002. It is noted that the start of the trial period is dependant on TransCanada completing and testing required information system changes. TransCanada will provide two weeks notice to industry prior to formal implementation of these Procedures.

It is noted that the TTP has committed to conduct and complete a detailed review of the procedures implemented with Resolution T98-02(b) prior to June 30, 2002 and provide recommendations on continuing the pilot, ending the pilot, or additional modifications, for discussion at the July 2002 TTP meeting. Should the TTP not agree in a formal resolution to continue these Procedures prior to July 31, 2002, the Board notes that the Alberta System Supply/Demand Balancing rules will revert to the Procedures identified in Resolution T98-02(a) supported by the TTP in February 2001.

It is understood that Resolution T98-02(b) was supported by the TTP at its February 12, 2002 meeting.

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NGTL is directed to distribute the filing, including the resolution, and this letter to its customers. The EUB's letter has been provided in electronic format to facilitate the distribution to customers.

Yours truly,

<original signed by Mr. Heggie>

Robert Heggie
Executive Manager, Utilities Branch