

SENT VIA E-MAIL ONLY

File No.: 8630-N1-6

July 31, 2002

TransCanada PipeLines Limited
Attention: Mr. Dave Hands
111 – 5th Avenue S.W.
Calgary, Alberta, T2P 3Y6

Dear Mr. Hands:

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

The above noted resolution, attached to your letter dated July 17, 2002, relating to amendments to the Supply/Demand Balancing Pilot Procedure (the Procedure), is accepted as a filing for information.

The resolution confirms that the Procedure, previously supported in Resolution T98-02(b) and scheduled to end July 31, 2002, will continue on a trial basis until October 31, 2002 to allow for additional evaluation before considering permanent implementation.

The EUB notes that the Tolls, Tariff & Procedures Committee (TTP), as part of Resolution T98-02(b), had committed to conduct and complete a detailed review of the procedures implemented 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. The EUB notes that Resolution T98-02(c) extends this review period to October 1, 2002 with recommendations for discussion at the October 2002 TTP meeting.

The EUB notes that should the TTP not agree in a formal resolution to continue these Procedures prior to October 31, 2002, 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. The EUB also notes that should the TTP find the Procedures of Resolution T98-02(b) acceptable to adopt in the longer term, TransCanada will seek to have the NGTL Tariff, Appendix D, amended in order to have the Tariff and Supply/Demand Balancing Procedures align.

It is understood that Resolution T98-02(c) was supported by the TTP by email/fax vote on July 12, 2002.

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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>

Robert Heggie
Executive Manager, Utilities Branch