

THE PROVINCE OF ALBERTA**PUBLIC UTILITIES BOARD ACT****ALBERTA ENERGY AND UTILITIES BOARD**

IN THE MATTER of tariff
amendments for NOVA Gas
Transmission Ltd. related to the
extension of the end date for point-
to-point service

ORDER U2002-266

Application No. 1273191
File No. 5631-10

1 BACKGROUND

By letter dated June 27, 2002, NOVA Gas Transmission LTD (NGTL) filed an application (the Application) with the Alberta Energy and Utilities Board (the Board) for approval of amendments to its Tariff to extend the end date of the Point to Point (P2P) service from December 31, 2002 to the earlier of December 31, 2003, or the date the P2P service (Service) is replaced by a new short haul service approved by the Board.

The Board served notice of the Application on interested parties on July 18, 2002. Interested parties were requested to file any objections to the Application by July 26, 2002. It was noted that the Board might continue to process the Application without further notice if no objections were received on or before July 26, 2002.

No objections were received to the notice; therefore, the Board will proceed to process this Application.

2 DETAILS OF THE APPLICATION

NGTL, as part of the 2001 and 2002 Alberta System Rate Settlement, amended its Tariff to implement a new P2P service for a two-year period ending December 31, 2002. The Service was developed by industry and approved by the Board for a two-year period ending December 31, 2002. NGTL's Application requested the extension of the Service. NGTL submitted that only parties with existing P2P contracts on December 31, 2002 would be eligible for the extension. Contracts for the Service would not be available after December 31, 2002.

NGTL submitted that the Service was intended to be a short-term measure while parties evaluated the Service and determined whether or not it should be continued, modified or ended. NGTL noted that while industry discussions were scheduled, it was possible that industry agreement or Board approval may not be attained by December 31, 2002. The extension sought by NGTL was intended to ensure parties contracting the Service as of December 31, 2002 had

continued access to the Service until the earlier of December 31, 2003 or Board approval of a subsequent Alberta System short haul service.

The Service and the consequential Tariff amendments were put before the Tolls, Tariff & Procedures Committee (TTP) for consideration. NGTL filed TTP Resolution T2002-02 wherein the TTP agreed to the Service extension and the Tariff amendments.

3 BOARD FINDINGS

The Board notes that the extension of the Service and the consequential Tariff changes were reviewed by the TTP and were filed unopposed with the Board as Resolution T2002-02. Further, the Board notes that no objections to the Application were filed with the Board. The Board observes that the Service was originally introduced as part of the Alberta System Rate Settlement, and considers that customers should be aware of the implications of an extension to the Service. The Board is satisfied, based on its review of the Application and the TTP Resolution, that the proposed extension of the Service and the consequential Tariff changes are reasonable.

THEREFORE, it is hereby ordered that:

- (1) Authorization is given to NGTL to extend the end date of the Service to the earlier of December 31, 2003 or the date the Service is replaced by a new short haul service approved by the Board; and
- (2) Authorization is given to NGTL to amend its Tariff to reflect the extension of the end date of the Service as set out in the Application.

DATED in Calgary, Alberta on August 2, 2002.

<Original signed by Mr. R.D. Heggie>

ALBERTA ENERGY AND UTILITIES BOARD