

MADE at the City of Calgary, in the
Province of Alberta, on

31st day of January 2005.



ALBERTA ENERGY AND UTILITIES BOARD

1 BACKGROUND

The Alberta Energy and Utilities Board (the Board) received Application No.1380011, dated January 12, 2005, from NOVA Gas Transmission Ltd. (NGTL), under Part 4 of the *Gas Utilities Act*, R.S.A. 2000, c. G-5, as amended, for approval of amendments to NGTL's Gas Transmission Tariff (Tariff) related to Firm Transportation Receipt Non-Renewable (FT-RN) service modifications (the Application).

NGTL advised that the Tolls, Tariffs, Facilities & Procedures Committee (TTFP) adopted Issue T2004-06 on November 23, 2004 for the purpose of reviewing the terms of FT-RN service. NGTL filed a request to commence negotiations on Issue T2004-06 on December 1, 2004 submitting that these discussions could result in changes to the terms of FT-RN service. The Board approved NGTL's request on December 9, 2004.

2 DETAILS OF THE APPLICATION

NGTL submitted that subsequent to the adoption of Issue T2004-06, the TTFP met to discuss possible modifications to FT-RN service and recommended that minimum term requirements for FT-RN service be amended, such that the total term for FT-RN service will not be less than one month, and the total term subscribed for will be for the entire available period to a maximum of one year.

NGTL further submitted that the modifications to FT-RN service will provide shippers with an option of contracting for firm service at receipt points where capacity may only exist for short periods of time, versus transporting gas on an interruptible basis which is subject to restriction.

In the Application, NGTL noted that on January 11, 2005, the TTFP supported amendments to the Tariff related to FT-RN service modifications through an unopposed vote on Resolution T2004-06. Pursuant to Section 10.2 of the Revised Guidelines, NGTL included a copy of Resolution T2004-06 with the Application along with a summary of the Tariff amendments.

On January 19, 2005, the Board issued a Notice of the Application to interested parties and posted this on the EUB website. Interested parties were required to file any submissions or objections to the Application by January 26, 2005. The Board did not receive any submissions to the Application.

3 BOARD FINDINGS

The Board notes that under the current NGTL Tariff for FT-RN service, parties are not able to contract firm receipt service for less than one year, although firm capacity may be available at a receipt station. The amount of firm service is limited by the amount of service that is available for an entire year.

The Board considers that allowing FT-RN service for less than one year, but not less than one month, will provide shippers with greater assurance of service as opposed to interruptible service which is subject to restriction. In addition, approving the FT-RN service modification will permit more efficient use of the firm capacity available at a receipt station.

The Board is satisfied that shippers and interested parties, through the TTFP, TransCanada's Alberta System website, and the Board's January 19, 2005 Notice of Application were aware of the proposed amendments to the Tariff, and any impacts these changes may have. Based on a review of the Application, the Board considers that the requested Tariff amendments are reasonable.

Therefore, the Board approves the Application for NGTL's amendments to its Gas Transportation Tariff (Tariff) related to FT-RN service modifications.

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