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February 21, 2007

Alberta Energy and Utilities Board
640 – 5th Avenue S.W.
Calgary, Alberta
T2P 3G4

Filed Electronically

Attention: Mr. Wade Vienneau
Manager - Calgary Office, Utilities Branch

Dear Sir:

**Re: NOVA Gas Transmission Ltd. (“NGTL”)
Report on Disposition of Assets for 2006**

Pursuant to Board Order U2001-196 issued on August 3, 2001, NGTL submits its report on the disposition of Alberta System assets for 2006.

NGTL is notifying its shippers and members of the Tolls, Tariff, Facilities and Procedures Committee of the availability of this filing on TransCanada’s Alberta System website at:

http://www.transcanada.com/Alberta/regulatory_info/active_rates_services_filings.htm

Please direct all notices and communications regarding this matter to Alex Harris by e-mail at alex_harris@transcanada.com and alberta_system@transcanada.com, or by phone at (403) 920-6201.

Yours truly,

NOVA Gas Transmission Ltd.
A wholly owned subsidiary of TransCanada PipeLines Limited

Original Signed By

Norm Bowman
Director, Regulatory Services

Attachment

cc: Tolls, Tariff, Facilities and Procedures Committee
Alberta System Shippers

Alberta System Sale of Assets
December 31, 2006
(000's)

			Asset	Original	Calculated	
Description of Asset Sold	Date Sold	Class	Cost¹	Net Book	Value²	Proceeds
9.2 km x NPS-4 Venice Lateral & meter station site	November 30, 2006	Pipe	35	12	75	
8.2 km x NPS-4 Whitecourt East Lateral & meter station site	December 6, 2006	Pipe	2	0	300	
6.06 km x NPS-16 Leming Lake Lateral	December 13, 2006	Pipe	726	410	450	

Notes:

- 1) Original cost reflects the cost of assets that are in-service at these locations. Some assets have been previously retired.
- 2) Due to the use of pool accounting, the net book value is an estimate based on the plant's appropriate share of the accumulated depreciation of the entire group in which the particular plant is located.