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March 14, 2008

Alberta Utilities Commission
4th Floor, 425-1st Street S.W.
Calgary, Alberta
T2P 3L8

Filed Electronically

Attention: Mr. Wade Vienneau
Executive Director - Utilities

Dear Sir:

**Re: NOVA Gas Transmission Ltd. (“NGTL”)
Rule 018 - Negotiated Settlement Rules
Request to Negotiate – Issue T2008-02**

Pursuant to the Alberta Utilities Commission’s (“AUC”) Rule 018 (formerly Directive 18), and NGTL’s routine practice, NGTL hereby applies for approval to commence negotiations on Issue T2008-02, Supply/Demand Balancing Rules. The Tolls, Tariff, Facilities and Procedures Committee (“TTFP”) adopted this issue on March 11, 2008, and the issue is classified as non-routine. Issue T2008-02 was adopted for the purpose of reviewing and potentially supporting the modification of NGTL’s Supply/Demand Balancing Rules.

The need to review the current Supply/Demand Balancing procedures was raised in light of a recent period of cold weather which resulted in a critical draft of linepack and raised concerns over the effectiveness of the existing procedures. It is prudent to review the procedures and determine if the appropriate rules are in place to ensure that all markets are able to receive the gas they require.

NGTL is unable to provide additional information about this issue. The provisions of the “Without Prejudice” section of the TTFP’s Procedures stipulate that any documents and any communications (written or oral) that are created as part of the TTFP process are confidential. This information is confidential in order to facilitate free and open communication and participation in the discussion and settlement of issues by the TTFP.

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Mr. W. Vienneau

Please direct all notices and communications regarding this matter to Greg Szuch by e-mail at greg_szuch@transcanada.com and alberta_system@transcanada.com, or by phone at (403) 920-5321.

Yours truly,

NOVA Gas Transmission Ltd.

A wholly owned subsidiary of TransCanada PipeLines Limited

Original Signed by

Murray Sondergard
Directory, Regulatory Services

cc: Tolls, Tariff, Facilities and Procedures Committee