

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

30th day of April 2008.



Alberta Utilities Commission

NOVA Gas Transmission Ltd.
Request to Negotiate Issue T2008-02

Application No. 1565452

1 BACKGROUND

The Alberta Utilities Commission (AUC) received a letter dated March 14, 2008, from NOVA Gas Transmission Ltd. (NGTL), pursuant to the AUC's *Rule 018* (formerly *Directive 18*), and NGTL's routine practice, requesting approval to commence negotiations on Issue T2008-02, Supply/Demand Balancing Rules adopted by the Tolls, Tariff, Facilities and Procedures Committee (TTFP).

2 DETAILS OF THE APPLICATION

According to NGTL, the TTFP adopted Issue T2008-02 Supply/Demand Balancing Rules on March 11, 2008, for the purpose of reviewing and potentially supporting the modification of NGTL's Supply/Demand Balancing Rules. NGTL submitted that the review was needed due to a recent period of cold weather which resulted in a critical draft of linepack and raised concerns over the effectiveness of the existing procedures. These discussions could result in changes to the Supply/Demand Balancing rules. This issue has been classified as non-routine.

NGTL noted that it could not divulge any further information about the issue. This was due in part to the provisions of the "Without Prejudice" section of TTFP's Procedures that any document and any communications, oral or written created as part of TTFP process are confidential.

3 VIEWS OF THE COMMISSION

In accordance with *Rule 018*, Section 4, NGTL has followed the Initiation of Process which states, "4(1) An applicant may only commence negotiations with the approval of the Commission. 4(2) An applicant must notify the Commission of its intention to initiate a negotiated settlement process and provide the Commission with an outline of the pertinent issues to be resolved." Pursuant to the letter dated March 14, 2008, Request to Negotiate – Issue T2008-02, the Commission finds that NGTL has conformed to the requirements set out in *Rule 018* Section 4(1) and 4(2).

With respect to the TTFP's Procedures provision of confidentiality, the Commission observes that information is treated as confidential to facilitate the free and open communication and participation in the discussion and settlement of issues adopted by the TTFP.

The AUC recognizes that the TTFP is a forum for industry stakeholders and NGTL to address and attempt to resolve issues through a collaborative effort in order to streamline NGTL's formal regulatory process. The AUC is committed to the negotiated settlement process as part of its objective of achieving greater regulatory efficiency and effectiveness. The AUC therefore approves NGTL's request to commence negotiations on Issue T2008-02.

4 ORDER

IT IS HEREBY ORDERED THAT:

- (1) The request to negotiate Issue T2008-02, Supply/Demand Balancing Rules is approved.

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