



TransCanada PipeLines Limited
450 - 1st Street, S.W.
Calgary, Alberta T2P 5H1

Tel: (403) 920-2046
Fax: (403) 920-2347
Email: murray_sondergard@transcanada.com

September 16, 2008

Alberta Utilities Commission
Fifth Avenue Place
#400, 425 1st Street S.W.
Calgary, Alberta
T2P 3L8

Attention: Mr. Don Popowich
Director – Facilities

Dear Sir:

**Re: NOVA Gas Transmission Ltd. (“NGTL”)
Carbon Dioxide (“CO₂”) Management Service (“CO₂ Service”)
Semi-annual CO₂ Service Report
Application No. 1253457; File No. 1607-2**

In accordance with Decision 2002-084, issued by the Alberta Energy and Utilities Board (“Board”) on September 24, 2002, NGTL is filing the semi-annual CO₂ Service report. Under Section 5.4 of the CO₂ Service Application, NGTL committed to recording and electronically posting on a monthly basis, the amount of CO₂ on the Alberta System, the aggregate amount of Excess CO₂¹ received by NGTL, and the aggregate amount of CO₂ removed under the CO₂ Service and reporting this information on a semi-annual basis to the Tolls, Tariff and Procedures Committee (“TTP”), predecessor to the Tolls, Tariff, Facilities and Procedures Committee (“TTFP”) and the Board, now the Alberta Utilities Commission (“AUC”).

Attachment 1 to this letter is a table that provides the monthly average level of CO₂ on the Alberta System and the monthly average aggregate amount of Excess CO₂ received by NGTL for the months of February 2008 through August 2008. Since February 2008, the average aggregate amount of Excess CO₂ received by NGTL has been below the stipulated CO₂ Service Cap level

¹ Excess CO₂ is defined as the volume of CO₂ in excess of 2% contained in gas receipts with a CO₂ concentration exceeding 2%.

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of $125 \times 10^3 \text{ m}^3/\text{d}$. NGTL currently contracts for CO₂ removal and in the six months beginning February 1, 2008, the volume of expensed CO₂ removal has averaged $4.83 \times 10^3 \text{ m}^3/\text{d}$.

The semi-annual CO₂ Service report was provided to the TTFP on September 9, 2008. Attachment 2 to this letter is a copy of the information provided to the TTFP.

Please direct all notices and communications regarding this matter to Ben Leung by e-mail at ben_leung@transcanada.com and alberta_system@transcanada.com, or by phone at (403) 920-2275.

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

Original Signed by

Murray Sondergard
Director, Regulatory Services

cc: Interested Party List, Proceeding 1253457
Tolls, Tariff, Facilities and Procedures Committee

**Alberta System CO₂ Levels
(10³m³/day)
February 2008 to July 2008**

| | Feb | Mar | Apr | May | Jun | July |
|--|------------|------------|------------|------------|------------|-------------|
| Monthly average aggregate amount of Excess CO ₂ on the Alberta System | 103 | 97 | 100 | 115 | 116 | 91 |
| Excess CO ₂ Removed from System | 8 | 8 | 6 | 5 | 2 | 0 |
| Monthly Average Level of CO ₂ on Alberta System | 0.84% | 0.84% | 0.85% | 0.86% | 0.84% | 0.84% |



CO₂ Semi Annual Report

Tolls, Tariff, Facilities & Procedures Committee
Sept 2, 2008



For Discussion Purposes of the TTFP - Confidential Communication

Alberta System – Excess CO₂ System-Wide

