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February 13, 2004

Alberta Energy and Utilities Board 640 - 5th Avenue S.W. Calgary, Alberta T2P 3G4 By E-mail Original by Courier

Attention: Ms. Lisa Kelly

Application Officer

Dear Ms. Kelly:

Subject: NOVA Gas Transmission Ltd. (NGTL)

2004 General Rate Application – Phase 1 (Application)

EUB Application No. 1315423

February 2004 Update

NGTL seeks to revise its Application and evidence to incorporate a February 2004 Update (Update). NGTL provides the Update pursuant to Rule 14 of the Board's *Rules of Practice*.

The primary purpose of the Update is to replace forecast 2003 numbers in the Application with actual 2003 numbers which became available since the Application was filed on September 30, 2003.

NGTL also revises through the Update other information in the Application and its evidence in the proceeding. Specifically, the Update also includes:

- revised 2004 forecast financial and volumetric data that reflects the impacts of 2003 actual numbers and currently available information;
- consequent revisions to NGTL's responses to interveners' information requests (Exhibits 002-04 and 002-09) that reflect Update revisions to the Application;
- an update on the status of NGTL's efforts to obtain capacity on the Kearl Lake Pipeline;
- a copy of NGTL's December 2003 Annual Plan; and
- corrections of numerical and typographical errors in the Application.

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NGTL provides with this letter a table identifying and summarizing the revisions to its evidence resulting from the Update. NGTL also provides tables for the 2003 Actual Year and 2004 Test Year in which the original data in the Application is compared to the Update data for the major components of the revenue requirement, rate base, and contract demand quantity and throughput.

In accordance with the Board's procedural requirements, NGTL has provided a complete copy of the Application and responses to information requests revised to reflect the Update. NGTL has, for ease of reference, dated all pages reflecting Update revisions, blacklined all narrative revisions and, where practicable, blacklined tabular revisions.

NGTL believes the Update does not materially impact the scope or nature of its Application and responses to existing information requests. However, NGTL is willing to respond to any supplementary information requests directly related to the Update.

NGTL is providing the Update electronically to Interested Parties and the Board using the established e-mail distribution list. NGTL is also concurrently filing the requisite hard copies and CD-ROMs with the Board.

NGTL has preassigned exhibit numbers to this letter and the attachments as follows:

- Exhibit No. 002-10 to this letter;
- Exhibit Nos. 002-11(a) and (b) to the attached summary table listing revisions to evidence and the summary tables for the 2003 Actual Year and 2004 Test Year, respectively;
- Exhibit No. 002-12 to the revised Application; and
- Exhibit Nos. 002-13(a)-(k) to the revised responses to information requests.

If the Board has any questions about the Update or this submission, please contact me at 920-6237, or Beverley Leggett, at 920-2749.

Yours truly,

NOVA Gas Transmission Ltd.

a wholly owned subsidiary of TransCanada PipeLines Limited

ORIGINAL SIGNED BY

Patrick M. Keys Associate General Counsel, Regulatory

cc: Interested Parties List - EUB Application No. 1315423 (by e-mail)