

By Fax

May 8, 2008

To: See list below**Subject: Decision on Prehearing Meeting, Decision 2008-035
Pipeline Application No. 1551990
North Central Corridor Pipeline
Nova Gas Transmission Ltd. (Nova/NGTL)**

The Alberta Utilities Commission (Commission) determined in the above-mentioned decision that the Duncan's First Nation, the Lubicon Lake Indian Nation, Mr. Russ Duncan and the Utilities Consumer Advocate had not demonstrated that it has a right to standing with regards to the Application for the reasons stated in the decision. However, the Commission afforded these persons an opportunity to submit additional information by May 5, 2008, regarding the potential direct and adverse impacts arising from the proposed gas utility pipeline. The Commission received replies from the Lubicon Lake Indian Nation, Mr. Russ Duncan and the Utilities Consumer Advocate.

With regards to the Duncan's First Nation, as the Commission did not receive any additional information, the Commission confirms its decision that the Duncan's First Nation has not provided the information necessary to demonstrate that it has a right to standing in this proceeding, for the reasons set out in Decision 2008-035.

The Lubicon Lake Indian Nation reiterated their assertions about unceded Lubicon territory and the lack of jurisdiction of the Commission to determine its rights. It did not provide any information about the specific aboriginal rights they exercise in the vicinity of the proposed gas utility pipeline, where the rights are exercised, or about the manner in which their rights may be directly and adversely affected, as requested by the Commission. Therefore, the Commission confirms its decision that the Lubicon Lake Indian Nation has not provided the information necessary to demonstrate that it has a right to standing in this proceeding, for the reasons set out in Decision 2008-035.

Mr. Duncan stated that Nova has been considered a producer utility which has resulted in a two-tier level of service - those who are entitled service from Nova and those who are not. He added that the Nova end user receives gas at the NIT price equivalent and the non-Nova end users pay the NIT price plus the local utility/coop delivery costs. He argues that as an end user who is not entitled to Nova service, he is directly and adversely affected. He also submitted his proposal for a unified Alberta Gas Grid. The Commission finds that Mr. Duncan has not provided the information necessary to demonstrate that the proposed gas utility pipeline may directly and adversely affect him. Also, the issue raised by Mr. Duncan is outside the scope of this proceeding. Therefore, the Commission confirms its decision that Mr. Duncan has not demonstrated that he has a right to standing in this proceeding, for the reasons set out in Decision 2008-035.

The Utilities Consumer Advocate provided submissions in support of their right to standing in this proceeding. The salient points of the submission were:

- The Utilities Consumer Advocate has a broad mandate to represent the interests of Alberta residential, farm, and small business customers which is not limited to rate-related proceedings.
- The Utilities Consumer Advocate represents over 1,000,000 natural gas consumers and the Utilities Consumer Advocate wants to raise the issue of whether the proposed gas utility pipeline is needed, the timing of the construction of all or part of the pipeline, and its potential impact on rates.
- In support of its position, Utilities Consumer Advocate cited EUB Decision 2002-058 in which the North Core Committee comprised of PICA, AUMA, CCA, the City of Edmonton and others, was granted standing. The Utilities Consumer Advocate argued that application was similar to this one in that the hearing was a facilities and utilities hearing and the facts in that application have many similarities to this application.
- As the Commission will consider potential impacts of the proposed gas utility pipeline on rates, the Utilities Consumer Advocate should have standing to make representations regarding the potential immediate and long-term impacts on the rates of the customers they represent.
- Their customers are dependent on natural gas deliveries from NGTL.
- It and its predecessors such as the Consumer Group have been recognized participants in several of NGTL's tariff settlements.

As a result of the above-mentioned submissions, the Commission finds that the Utilities Consumer Advocate has provided additional information necessary to demonstrate that the Application has the potential to directly and adversely impact rates of those customers receiving deliveries from NGTL that they represent. The Commission concludes that the Utilities Consumer Advocate has demonstrated that it has a right to standing with regards to the Application.

If you have any questions, please contact me at (403) 592-4503.

Yours truly,


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