



May 25, 2009

Ontario Energy Board  
Ms. Kirsten Walli, Board Secretary  
P.O. Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON, M4P 1E4

*Via E-Mail & Courier*

Dear Ms. Walli:

**Re: Proposed Storage and Transportation Access Rule (“STAR”)**  
**Board File No.: EB-2008-0052**

---

In respect of the Ontario Energy Board’s (“OEB’s”) Notice of Proposal to Make a Rule dated April 9, 2009, AltaGas Ltd. hereby submits the following commentary for your consideration as per the OEB’s invitation for comments.

**Allocation of Transportation Capacity**

AltaGas is generally supportive of the OEB’s position that access to transportation services should be open in order to ensure a competitive storage market but it is suggested that M-16 capacity not be included in the Open Season requirements as described by the OEB in its Notice of Proposal.

In many cases where embedded storage may be developed, where transportation capacity is very specific with certain receipt and delivery locations, potential projects could be disadvantaged. This could occur through having to divulge the approximate location of the storage or through third parties, without storage, bidding for limited capacity with the intention of reselling it. In such cases, storage providers should have the ability to keep potential storage assets confidential. It is AltaGas’ view that it is better to have a negotiated rate with the distribution companies, Union Gas Limited (“Union”) and Enbridge Gas Distribution Inc. (“Enbridge”) then to divulge its intention to acquire specific capacity.

Alternatively, should the OEB feel that some form of open season be necessary, AltaGas submits that a sort of “non-binding non specific” open season be implemented. In certain areas where a specific leg of capacity is generating some interest for storage, the proposed STAR would leave it to Union and Enbridge to determine the best storage provider project through a particular means, i.e. a Request for Proposal.

In all cases, it is respectfully submitted that any STAR requirements dealing with storage and transportation be for firm service only.

...2



**Standard Terms of Service and Standard Forms of Contracts for Transportation Services**

AltaGas is supportive of the proposed STAR in this respect however, we would like to suggest that the requirement to post on a transmitter's website all negotiated variations from the standard forms of contract and/or standard terms of service of the transportation contracts be amended to exclude any information that is proprietary in nature. Accordingly, during negotiations of storage and transportation contracts, any proprietary information submitted to Union and/or Enbridge should remain confidential. This modification will protect the proprietary transmitter while also ensuring that the interests of the customers are also protected.

**Sub-section 4.2.4**

In order to maintain consistency between the OEB's comments regarding its policy and rationale for the Reporting Requirements outlined in the Notice of Proposal, we submit that sub-section 4.2.4 be amended to reflect that only firm storage contracts fall under the requirements of this section.

**Section 4.4**

In section 4.4 of the proposed STAR dealing with Storage Inventory, it is submitted that the storage inventory be posted as an aggregate quantity as opposed to an individual pool because a requirement for individual pools to post their respective inventories could discriminate against small and/or independent storage providers as it could potentially reveal proprietary confidential information.

**Section 4.5**

In section 4.5.2 of the proposed STAR dealing with reporting of Design capacity, AltaGas fails to see the rationale for the reporting of the Base Gas quantity and submits that this information is not relevant to the public and should not be included in the reporting.

We thank-you in advance for your consideration of the foregoing comments and should you have any questions or concerns to any of the above please do not hesitate to contact the undersigned.

Sincerely,



Michael J. Kilby  
Divisional Vice-President, Gas Services