

Our File No. 194170

Elisabeth (Lisa) DeMarco
Direct Phone: (416) 203-4431
E-mail: elisabeth.demarco@macleoddixon.com

Nicki Pellegrini
Legal Assistant
Direct Phone: (416) 203-4466
E-mail: nicki.pellegrini@macleoddixon.com

October 10, 2007

BY E-MAIL

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

Dear Ms. Walli:

**Re: Union Gas Limited ("Union")
Leave to Construct - East Windsor Cogeneration Centre
Ontario Energy Board No. EB-2007-0708**

We are counsel to TransAlta Cogeneration LP and TransAlta Energy Corp. ("TransAlta") with respect to the above-referenced proceeding.

On September 21, 2007, we requested that the Ontario Energy Board (the "Board") grant TransAlta intervenor status with respect to this proceeding.

We now request that the Board amend the status of TransAlta from that of intervenor to observer, on the basis of commitments made by Union to TransAlta in a letter to TransAlta dated October 5, 2007, as set out below:

- The proposed pipeline will not be constructed on any property that TransAlta owns, or is occupied by the Windsor plant.
- The proposed pipeline will not impact the current steam lines that run north from the Windsor plant to the Chrysler facility.

- Union will be able to complete the "tie in" of the proposed facilities to Union's Panhandle system without impacting the flow of gas to TransAlta's Windsor facility.

Union has assured TransAlta that firm service from Union will not be impacted by the tie in of the construction contemplated in Union's EB-2007-0708 leave to construct application. Therefore TransAlta is content to amend its status from that of intervenor to observer.

Please do not hesitate to contact the undersigned if you have any questions.

Yours truly,

MACLEOD DIXON LLP

Elisabeth DeMarco per H.C.

Elisabeth (Lisa) DeMarco

- c. Sandy O'Connor (TransAlta) - *via email*
Rob Findlay (TransAlta) - *via email*
Pete Serafini (TransAlta) - *via email*
William T. Wachmuth (Union Gas) - *via email*

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