

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B)

AND IN THE MATTER OF an Application by Union Gas Limited for an order or orders to reduce certain penalty charges applied to its direct purchase customers.

NOTICE OF INTERVENTION

**TRANSALTA CORPORATION, TRANSALTA GENERATION PARTNERSHIP
AND TRANSALTA COGENERATION L.P.**

May 22, 2014

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1. Norton Rose Fulbright Canada LLP is counsel to TransAlta Corporation, TransAlta Generation Partnership and TransAlta Cogeneration L.P. (“**TransAlta**”). TransAlta is a customer of Union’s and hereby requests intervenor status in the above-mentioned proceeding.

A. TransAlta and its Interest in the Proceeding

2. TransAlta is an experienced and well-respected power generator, a wholesale electricity marketer and a gas customer. TransAlta owns and/or operates assets and power plants in Canada, the United States and Australia.
3. TransAlta has been an applicant and an intervenor in proceedings before the Board in the past, and has participated in Board proceedings both directly and indirectly through its industry association.
4. TransAlta is a longstanding Union customer and is significantly impacted by Union’s decision-making and potential discretion in the implementation of its approved tariffs. TransAlta owns two gas-fired plants connected to Union’s system and is a party to various gas transportation, delivery and storage contracts with Union (including historical T1/T2 contracts).
5. TransAlta seeks to participate directly in the EB-2014-0154 proceeding to, like other customers in this proceeding, address issues arising from Union’s discretionary and potentially discriminatory decision-making related to the calculation and obligations of gas costs under its approved tariffs and related customer contracts.
6. TransAlta has been materially and negatively impacted by Union’s exercise of discretion in and around its approved tariffs and contracts. Specifically, Union has exercised discretion to impose unsupported interpretations of key provisions of approved tariffs and contracts between TransAlta and Union. Union’s decision-making resulted in significant financial harm to TransAlta over the 2014 winter season, to the potential benefit of Union and others on Union’s system.
7. TransAlta estimates that it has incurred well over \$1 million in additional costs that have been caused by Union’s discriminatory conduct, even after all reasonable mitigation measures were taken by TransAlta.

B. Nature and Scope of TransAlta’s Intended Participation

8. TransAlta intends to be an active participant in this proceeding, and will coordinate efficiently and effectively with other intervenors where common issues may arise and be otherwise addressed. TransAlta intends to participate through counsel to request information, participate in any requisite motions, test evidence through the stipulated processes, submit written interrogatories

and provide oral argument. Subject to the development of the record in this matter, TransAlta may also submit evidence.

9. TransAlta will consider and refine its interests in this proceeding on an ongoing basis, upon further review of Union's Application and in accordance with the directions of the Board. TransAlta reserve its rights to participate on any further related issues that may arise as the Application proceeds.

C. Request for Written Evidence

10. TransAlta requests that a copy of the written evidence upon which the Application is based be provided its counsel

D. Costs

11. Pursuant to s. 3.05 of the Board's *Practice Direction on Cost Awards*, TransAlta is not *prima facie* eligible to seek an award of costs from Union, but reserves the right to seek an exemption to such Practice Direction should circumstances so warrant.

E. Preferred Language

12. TransAlta's preferred official language for correspondence is English.

F. TransAlta's Representatives

13. If TransAlta is granted intervenor status by the Board, TransAlta requests that further communications with respect to this proceeding be sent to the following:

TRANSALTA CORPORATION

110 – 12 Avenue SW
P.O. Box 1900, Station M
Calgary AB T2P 2M1

Laura-Marie Berg, Regulatory Counsel

Tel: 403-267-7527
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AND

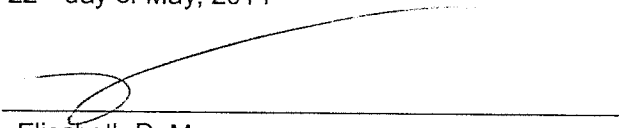
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ALL OF WHICH IS RESPECTFULLY
SUBMITTED THIS
22nd day of May, 2014

A handwritten signature in black ink, appearing to read 'Elisabeth DeMarco', is written over a horizontal line. The signature is fluid and cursive, starting with a large loop and ending with a long, sweeping tail that extends to the right.

Elisabeth DeMarco
Norton Rose Fulbright Canada LLP
Counsel for TransAlta