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February 6, 2015

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

Dear Ms. Walli:

Re: Application of TransAlta Corporation, TransAlta Generation Partnership and TransAlta Cogeneration L.P. ("TransAlta") for certain preliminary determinations of the Ontario Energy Board in regard to the interpretation of T1/T2 contract – EB-2014-0363 (the "Application")

We are counsel to TransAlta in the EB-2014-0363 matter. Pursuant to Sections 19 and 20 of the *Ontario Energy Board Act*, 1998, as amended, and Rules 4.01, 5.03, and 16.01 of the Board's Rules of Practice and Procedure, TransAlta filed a December 3, 2014 letter of complaint with the Board that sets out the facts, grounds, statutory provisions and requested relief that forms the basis of its application now before the Board in EB-2014-0363, seeking certain preliminary determinations of the Board. Specifically, TransAlta is seeking a determination of the Board that:

- (i) the Board has, and will exercise, the jurisdiction to determine the correct interpretation of TransAlta's Daily Contract Quantity obligations under its T1/T2 contract with the utility, Union Gas Limited:
- (ii) the Board has, and will exercise, the jurisdiction to determine any amounts that may be owed to TransAlta under the T1/T2 contract; and

in the alternative, if the Board finds in the negative on either (i) or (ii), above,

(iii) the Board will refer TransAlta's application to binding arbitration in accordance with the Storage and Transportation Access Rule.

Further to the Ontario Energy Board's (the "Board's") Procedural Order No. 1 and Letter of Direction dated January 27, 2015, TransAlta hereby confirms that it has:

- served a copy of the Notice, in the form accompanying the Board's Letter of Direction, and the revised dates as confirmed by Board Staff on January 30, 2015, and a copy of the application electronically on Union Gas Limited;
- arranged for the Notice, in the form accompanying and stipulated in the Board's Letter of Direction, and the revised dates as confirmed by Board Staff on January 30, 2015, to be posted prominently on TransAlta's website;

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- filed with the Board an affidavit of service proving the service and website posting immediately upon completion;
- made a copy of the Application and evidence, and any amendments thereto, available for public review at TransAlta's office and on its website; and
- 5. made a copy of the Notice available for public review at TransAlta's office.

Please do not hesitate to contact us should you have any questions.

Sincerely,

Lisa (Elisabeth) DeMarco

CC: Laura-Marie Berg Peter Serafini

Encl.