ONTARIO ENERGY BOARD

IN THE MATTER OF a proceeding initiated by the Ontario Energy Board to determine methodologies for commodity pricing, load balancing and cost allocation for natural gas distributors.

NOTICE OF INTERVENTION TRANSALTA COGENERATION L.P. AND TRANSALTA ENERGY CORP. ("TransAlta")

June 9, 2008

MACLEOD DIXON LLP

Toronto-Dominion Centre Canadian Pacific Tower 100 Wellington Street West, Suite 500 Toronto, ON M5K 1H1

Elisabeth (Lisa) DeMarco

Tel: (416) 203-4431 Fax: (416) 360-8277

Email: elisabeth.demarco@macleoddixon.com

Andrew MacSkimming Tel: (416) 203-4457 Fax: (416) 360-8277

Email: andrew.macskimming@macleoddixon.com

Counsel for TransAlta

Statement of Interest

- 1. TransAlta Cogeneration L.P. and TransAlta Energy Corp. ("TransAlta") are electricity generation companies with generation assets in Canada, the U.S., Mexico and Australia. In Canada, TransAlta is one of the largest non-regulated power generation and wholesale marketing companies in the country. With approximately 10,000 megawatts of capacity in operation, under construction or in development, TransAlta's focus is to efficiently operate its assets in order to provide wholesale customers with a reliable, low-cost, source of power.
- 2. In Ontario, TransAlta Energy Corp. owns a 575 MW gas-fired electricity plant in Sarnia, and is majority owner of TransAlta Power L.P. which owns three gas-fired cogeneration plants: 68 MW in Windsor, 108 MW in Mississauga, and 68 MW in Ottawa.
- 3. TransAlta is particularly interested in all matters included in the EB-2008-0106 application (the "Application") that pertain to the (i) achieving a transparent natural gas market price benchmark through QRAM pricing and the PGVA variance tracking and clearing methodology; (ii) load balancing in the Ontario natural gas distribution systems; and (iii) the allocation of costs between gas delivery and gas supply functions in order to preclude cross-subsidization and facilitate competition in gas supply.

Intervention

- 4. TransAlta hereby gives notice of its intention to intervene in, and appear at, the hearing in the Application, including any proceedings or meetings relating to the hearing in the Application.
- 5. TransAlta reserves the right to be heard, to appear by or with counsel, to cross-examine on all matters raised during any hearing that may relate to its interests, to adduce evidence on specific matters of its choice related to the Application, and to present argument.

DeMarce\110135.v1

6. TransAlta hereby requests that the Board, and all other intervenors provide it and its counsel with copies of all evidence and correspondence related to the Application and any hearing relating to the Application.

7. The Board's Practice Direction on Cost Awards provides that electricity generators are not eligible for costs except in "special circumstances". The state of the application to date is not sufficient to determine whether special circumstances may be present in this proceeding. TransAlta therefore will not be claiming eligibility for a cost award at this time and reserves the right to apply for eligibility should special circumstances arise as this proceeding develops.

Communications

8. All communications relating to this Application, this Notice of Intervention, and the Hearing should be directed to:

TRANSALTA COGENERATION L.P. AND TRANSALTA ENERGY CORP.

Box 1900, Station "M" 110-12th Avenue S.W. Calgary, Alberta T2P 2M1

Attention: Mr. Rob Findlay

Telephone: (403) 267-6947 Facsimile: (403) 267-6906

Email: Rob Findlay@transalta.com

AND

TRANSALTA COGENERATION L.P. AND TRANSALTA ENERGY CORP.

Box 1900, Station "M" 110-12th Avenue S.W. Calgary, Alberta T2P 2M1 Attention: Mr. Peter Serafini

Telephone: (403) 267-6935 Facsimile: (403) 267-6906

Email: Pete Serafini@transalta.com

TRANSALTA COGENERATION L.P. AND TRANSALTA ENERGY CORP.

Box 1900, Station "M" 110-12th Avenue S.W. Calgary, Alberta T2P 2M1

AND

Attention: Ms.Elisabeth (Lisa) DeMarco

Tel: (416) 203-4431 Fax: (416) 360-8277

Email: elisabeth.demarco@macleoddixon.com

AND

Attention: Andrew MacSkimming

Tel: (416) 203-4457 Fax: (416) 360-8277

Email: andrew.macskimming@macleoddixon.com

MACLEOD DIXON LLP

Toronto-Dominion Centre Canadian Pacific Tower 100 Wellington Street West, Suite 500 Toronto, ON M5K 1H1

Counsel for TransAlta

DATED at Toronto, Ontario this 9th day of June, 2008.

TRANSALTA COGENERATION L.P. AND TRANSALTA ENERGY CORP.

By their Counsel, Macleod Dixon LLP

Elisabeth (Lisa) DeMarco

TO:

Ontario Energy Board

P.O. Box 2319 2300 Yonge Street, 27th Floor Toronto, Ontario M4P 1E4

Attention: Ms. Kirsten Walli

Board Secretary

Telephone: (416) 481-1967 Facsimile: (416) 440-7656