



**Market Hub Partners
Management Inc.**

July 31, 2008

Ontario Energy Board
P.O. Box 2319
2300 Yonge St.
Toronto, Ontario
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: Market Hub Partners Management Inc. ("MHP") and AltaGas Ltd. ("AltaGas")
on behalf of Sarnia Airport Storage Pool Limited Partnership
EB-2008-0002 – Authorization to Inject, Store and Remove Gas
Sarnia Airport Storage Pool**

EB-2008-0002 - Authorization to Inject, Store and Remove Gas, Condition of Approval 1.6 states that "MHP and AltaGas shall not operate the Sarnia Airport Storage Pool above a maximum allowed operating pressure representing a pressure gradient of 15.8 kPa/m of depth to the top of the reservoir and shall not operate the Sarnia Airport Storage Pool at a pressure greater than the discovery pressure of 4,014 kPaa until leave of the Board is obtained."

During the EB-2008-0002 proceeding, MHP and AltaGas submitted evidence to demonstrate that (i) the requirements of Sections 5.2.3 and 7.6.2 of standard CAN/CSA Z341.1-06 have been satisfied through threshold pressure test results on two caprock cores and the micro-fracturing test results (Pre-Filed Evidence, pp. 26-29; Schedules 5-16 and 5-20; IR Board Staff - 3); and (ii) the requirements of Section 7.2 of standard CAN/CSA Z341.1-06 have been satisfied through a thorough evaluation of all subsurface activities and their potential impact on the integrity of the storage facility (Pre-Filed Evidence, pp. 30-31; Schedule 5-20; IR Board Staff - 2).

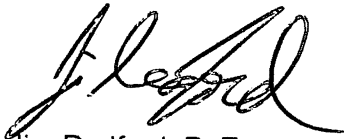
The threshold pressure test and micro-fracture test results provide reliable data that confirms containment at pressure significantly greater than the proposed maximum operating pressure and that the proposed maximum operating pressure meets the requirements of Sections 5.2.3 and 7.6.2 of standard CAN/CSA Z341.1-06. The assessment of subsurface activities concludes that the Sarnia Airport Storage Pool is closed and contained; that there is minimal risk regarding the potential migration of natural gas between the Sarnia Airport Storage Pool and any known existing or abandoned wells within 1 kilometre; that similarly there is no risk regarding the potential migration of natural gas between the Sarnia Airport Storage Pool and subsurface operations within a 5 kilometre radius, given that there are no such operations; that all of the existing wells penetrating the storage zone, which will be used for the storage pool operations, will be assessed and upgraded as necessary to ensure that the requirements of standard CAN/CSA Z341.1-06 are met; and, finally, that the existing and abandoned wells within 1 kilometre of the storage zone, other subsurface operations within 5 kilometres of the storage zone and existing wellbores penetrating the storage zone will not have any impact on the integrity of the storage facility.

Therefore, MHP and AltaGas submit that the Sarnia Airport Storage Pool can be safely delta pressured to the proposed maximum operating pressure of 10,685 kPaa (15.8 kPa/m pressure gradient).

Accordingly, as required in Condition of Approval 1.6 of EB-2008-0002 – Authorization to Inject, Store and Remove Gas, MHP and AltaGas request leave of the Board to delta pressure the Sarnia Airport Storage Pool to a pressure gradient of 15.8 kPa/m of depth to the top of the reservoir (10,685 kPaa).

Should you have any questions please do not hesitate to contact me at (519) 436-4577.

Yours truly,

A handwritten signature in black ink, appearing to read 'J. Redford', written in a cursive style.

Jim Redford, P. Eng.
Vice-President

cc. Mr. L.E. Smith, Q.C. (Bennett Jones LLP)