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

September 10, 2007

BY E-MAIL AND REGULAR 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: Natural Gas Storage Allocation Policies
Enbridge Gas Distribution Inc. ("Enbridge") and Union Gas Limited ("Union")
Board File No. EB-2007-0724
EB-2007-0725**

We are counsel to TransAlta Cogeneration L.P. and TransAlta Energy Corp. ("**Transalta**") in respect of the above.

The Ontario Energy Board (the "**Board**") is undertaking a proceeding to consider the appropriateness of the proposed storage allocation policies filed by Enbridge and Union.

Description of Transalta

In Ontario, TransAlta Energy Corp. owns a 575 MW gas-fired electricity plant in Sarnia, and is the 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. TransAlta therefore has a direct interest in any proceeding which would impact the price of electricity in Ontario, including any increases in the cost of delivery of natural gas.

Participation

TransAlta would like to participate in this proceeding as an intervenor, and therefore requests that the Board grant TransAlta intervenor status.

Eligibility for Costs

TransAlta is claiming eligibility to receive an award of costs in this proceeding on the basis that special circumstances exist that would support such a finding. TransAlta's participation in this

proceeding will facilitate the review of Enbridge and Union's proposed storage allocation policies and their impact on the natural gas storage market in Ontario. TransAlta will be directly affected by the outcome of this proceeding.

Communications

Please direct all communications relating to EB-2007-0724 and EB-2007-0725 to:

**TRANSALTA COGENERATION L.P. and
TRANSALTA ENERGY CORP.**

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

Attention: Sandy O'Connor
Tel: (403) 267-7638
Fax: (403) 267-2575
E-mail: sandy_o'connor@transalta.com

Attention: Rob Findlay
Tel: (403) 267-6947
Fax: (403) 267-6906
E-mail: rob_findlay@transalta.com

Attention: Pete Serafini
Tel: (403) 267-7110
Fax: (403) 267-6905
E-mail: pete_serafini@transalta.com

MACLEOD DIXON LLP

Toronto Dominion Centre
Canadian Pacific Tower
100 Wellington Street W., Suite 500
P.O. Box 128
Toronto, Ontario M5K 1H1

Attention: Elisabeth (Lisa) DeMarco
Tel: (416) 203-4431
Fax: (416) 360-8277
E-mail: elisabeth.demarco@macleoddixon.com

Attention: Heather Landymore
Tel: (416) 202-6702
Fax: (416) 360-8277
E-mail: heather.landymore@macleoddixon.com

Attention: Nicki Pellegrini
Tel: (416) 203-4466
Fax: (416) 360-8277
E-mail: nicki.pellegrini@macleoddixon.com

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

Yours truly,

MACLEOD DIXON LLP



Elisabeth DeMarco

- c. TransAlta (via email)
- Enbridge (via email)
- Union (via email)

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