



File OF-Tolls-Group1-A159-2016-01 02
21 February 2017

Ms. Marie Buchinski
Partner
Bennett Jones LLP
4500 Bankers Hall East, 855 – 2 Street SW
Calgary, AB T2P 4K7
Email: buchinskim@bennettjones.com

Mr. Brian Troicuk
Director, Regulatory Affairs
Alliance Pipeline Ltd.
800, 605 – 5 Avenue SW
Calgary, AB T2P 3H5
Email: brian.troicuk@alliancepipeline.com

Dear Ms. Buchinski and Mr. Troicuk:

**Alliance Pipeline Limited Partnership, by its General Partner,
Alliance Pipeline Ltd. (Alliance)
Application for Review and Variance of the National Energy Board 21 July 2016
Letter Decision regarding the Prior Period Adjustment Fee (Application)
Alliance Request to Extend the Suspension of the RHW-002-2016 Proceeding**

On 21 December 2016, the National Energy Board (Board) granted a request by Alliance to suspend the RHW-002-2016 Timetable of Events to allow Alliance and the Canadian Association of Petroleum Producers (CAPP) to conduct discussions toward a possible resolution of the issues raised in the proceeding. Alliance was directed to file with the Board an update on the discussions by 10 February 2017.

In a letter dated 10 February 2017, Alliance indicated that it had reached an agreement with CAPP that established terms for the processing of prior period adjustments in relation to the Alliance pipeline system. A copy of the agreement was attached to Alliance's letter. Alliance stated that implementation of the agreement requires Board approval of certain amendments to Alliance's tariff. Subject to the Board's approval of these tariff amendments, the agreement requires Alliance to withdraw its Application as well as its related application to the Federal Court of Appeal.

Alliance expected that it would submit an application to the Board seeking approval of the tariff amendments no later than 15 March 2017, following consultation with the Alliance Pipeline Shipper Task Force (Task Force). Accordingly, Alliance requested that the Board extend the suspension of the RHW-002-2016 Timetable of Events for this future interim interval.

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The Board grants Alliance's request to extend the suspension of the RHW-002-2016 Timetable of Events until 15 March 2017. The Board notes that Alliance expects to file an application for the aforementioned tariff amendments before this date. The Board reminds Alliance to serve a copy of the application on its shippers, the Task Force, and all intervenors to RHW-002-2016.

The Board would also like to provide interested persons with an opportunity to submit comments on Alliance's expected application for tariff amendments. To facilitate this, Alliance is directed to specify in its application that any comments from interested persons must be filed with the Board and served on Alliance within five business days following the date of service of Alliance's application. Alliance must file its reply comments, if any, with the Board within three business days following the date of service of comments from interested persons.

If you have any questions about this letter, please contact Paul Johnston, Counsel, at 403-292-6495 or through the Board's toll-free number at 1-800-899-1265.

Yours truly,

Original signed by

Sheri Young,
Secretary of the Board

c.c. Intervenor to RHW-002-2016