NATIONAL ENERGY BOARD

IN THE MATTER of an application to the National Energy Board ("Board" or "NEB") dated 7 October 2004 for approvals pursuant to Part III and IV of the *National Energy Board* Act made by Imperial Oil Resources Ventures Limited ("Imperial") on behalf of Imperial, Mackenzie Valley Aboriginal Pipeline Limited Partnership ("APG"), ConocoPhillips Canada (North) Limited ("ConocoPhillips"), Shell Canada Limited ("Shell") and Exxon Mobil Canada Properties ("Exxon Mobil"), in respect of the proposed Mackenzie Valley Pipeline;

AND IN THE MATTER of an application to the Board dated 7 October 2004 for authorization of the Mackenzie Gathering System pursuant to paragraph 5.(1) (b) of the *Canada Oil and Gas Operations Act* ("COGO Act"), made by Imperial on behalf of Imperial, ConocoPhillips, Shell and ExxonMobil;

AND IN THE MATTER of an application to the Board dated 7 October 2004 for authorization of the Development Plan for the Taglu Field pursuant to paragraph 5.1 of the COGO Act, made by Imperial Oil Resources Limited;

AND IN THE MATTER of an application to the Board dated 7 October 2004 for authorization of the Development Plan for the Parsons Lake Field pursuant to paragraph 5.1 of the COGO Act, made by ConocoPhillips on behalf of ConocoPhillips and ExxonMobil;

AND IN THE MATTER of an application to the Board dated 7 October 2004 for authorization of the Development Plan for the Niglintgtak Field pursuant to paragraph 5.1 of the COGO Act, made by Shell;

AND IN THE MATTER of NEB Hearing Order GH-1-2004 dated 24 November 2004 concerning the foregoing applications, collectively referred to as the "Mackenzie Gas Project";

TO: Michel L. Mantha Secretary National Energy Board 444 – 7th Avenue S.W. Calgary, AB T2P 0X8

INTERVENTION OF THE GOVERNMENT OF THE YUKON

- 1. The Government of Yukon, as represented by the Minister of Energy, Mines and Resources ("Yukon"), and its authorized representatives intends to appear at the public hearing as an intervener and hereby makes application for intervener status for this purpose.
- 2. Yukon's interest in this proceeding principally concerns the economic consequences which the Mackenzie Gas Project may facilitate in support of the exploration and development of natural gas in the Yukon Territory and other northern regions. Equally important are matters of public policy that arise in respect of impacts the Mackenzie Gas Project will have upon First Nation and other local communities.
- 3. Yukon is also interested in the issues raised by a request in the Mackenzie Valley Pipeline application for an order of the Board pursuant to Part IV of the *NEB Act*, approving the toll and tariff principles that are to apply to service offered by the Mackenzie Valley Pipeline.
- 4. Yukon seeks, specifically, to ensure that the principles determined by the Board take into account matters concerning future expansion(s) or extension(s) in a manner consistent with basin opening pipelines regulated by this Board. This includes matters relating to toll design principles as well as methodology. Further, Yukon is interested in ensuring that such principles determined by the Board take into account matters related to open access and the means by which existing and available capacity may be offered to future shippers in a just, reasonable and non-discriminatory manner.

These issues will be of fundamental importance to Yukon in creating certainty for both present and future exploration and development of natural gas resources in the Yukon Territory.

- 5. Yukon is also interested in issues and principles concerning economic access, future expansion or extension as they relate to the application for the Mackenzie Gathering System and any approval or conditions of any approval issued under paragraph 5(1)(b) of the *COGO Act*.
- 6. The names, addresses, and other co-ordinates of the authorized representatives of the Yukon are as follows:

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- 7. The authorized representatives have the capability to access documents through the NEB's website and intend to accept service of all documents via notification that documents are available on the NEB's website.
- 8. Paragraph 9 of the Board's Hearing Order GH-1-2004 invites parties to suggest amendments or additions to the List of Issues. The issues of interest to Yukon as described above appear to fall within the ambit of Issues 3 and 5 of the List of Issues. Issue 5 is limited, however, to the method of toll and tariff regulation for the proposed Mackenzie Valley Pipeline. Yukon believes that it is appropriate to

amend Issue 5 to include broader consideration of the toll and tariff principles that concern access to and expansions or extensions of the Mackenzie Valley Pipeline. Yukon also believes that an amendment should allow for the consideration of economic access to and expansions or extensions of the Mackenzie Gathering System. In replacement of Issue 5, Yukon proposes, therefore, the following two amendments to accommodate these matters:

- The consideration of toll and tariff regulation in respect of the Mackenzie Valley Pipeline including toll and tariff principles applicable to the provision of service, access, expansions or extensions of the Mackenzie Valley Pipeline.
- The consideration of economic access to the Mackenzie Gathering System including principles applicable to the provision of service, access, expansions or extensions of the Mackenzie Gathering System.
- 9. Paragraph 14 of the Board's Hearing Order GH-1-2004 raises the concept of technical conferences. Yukon endorses this concept, noting that it intends to appear and participate where the subject-matter is of relevance to Yukon's concerns and issues.

Dated at Calgary, Alberta, this 17th day of December 2004.

Government of Yukon By its Counsel

Per:/

Osler, Hoskin & Harcourt LLP

James H. Smellie

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