



Quicksilver Resources Canada Inc. and NOVA Gas Transmission Ltd.

Applications for a Pipeline Licence and Meter Station Licence
Joffre Field

January 9, 2007

ALBERTA ENERGY AND UTILITIES BOARD

Decision 2007-001: Quicksilver Resources Canada Inc. and NOVA Gas Transmission Ltd.,
Application for a Pipeline Licence and Meter Station Licence, Joffre Field

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Alberta Energy and Utilities Board
640 – 5 Avenue SW
Calgary, Alberta
T2P 3G4

Telephone: (403) 297-8311
Fax: (403) 297-7040
E-mail: eub.infoservices@eub.ca
Web site: www.eub.ca

ALBERTA ENERGY AND UTILITIES BOARD

Calgary Alberta

**QUICKSILVER RESOURCES CANADA INC.
AND NOVA GAS TRANSMISSION LTD.
APPLICATION FOR A PIPELINE LICENCE
AND METER STATION LICENCE
JOFFRE FIELD**

**Decision 2007-001
Applications No. 1462052 and 1462724**

1 DECISION

Having completed a review of the applications, the Alberta Energy and Utilities Board (EUB/Board) hereby approves Applications No. 1462052 and 1462724.

2 APPLICATIONS AND INTERVENTIONS

Quicksilver Canada Resources Inc. (Quicksilver) submitted Application No. 1462052 to the EUB, pursuant to Part 4 of the *Pipeline Act*, for approval to construct and operate a pipeline for the purpose of transporting natural gas from Legal Subdivision (LSD) 12 of Section 28, Township 38, Range 25, West of the 4th Meridian, to a pipeline tie-in point in LSD 02-19-38-25W4. The proposed pipeline would be about 4.4 kilometres (km) in length, with a maximum outside diameter of 168.3 millimetres (mm). The proposed pipeline would be located about 4 km south of the Hamlet of Joffre.

NOVA Gas Transmission Ltd. (NGTL) submitted Application No. 1462724, pursuant to Part 4 of the *Pipeline Act*, for approval to construct and operate a meter station for the purpose of interconnecting the proposed Quicksilver pipeline into NGTL's existing transmission system in LSD 02-19-38-25W4M. The proposed meter station would be located about 6.8 km south and west of the Hamlet of Joffre.

Taylor Gas Liquids Ltd. (Taylor Gas), which operates the Joffre Ethane Extraction Plant (JEEP), and NOVA Chemicals Corporation (NOVA Chemicals), which operates the Joffre petrochemical manufacturing facility, filed a joint intervention opposing the above applications. They raised concern about the potential effects of introducing lean coalbed methane (CBM) gas upstream of their facilities.

Cansearch Resources Ltd. (Cansearch), which had stated an intention to apply to construct facilities that would interconnect with Quicksilver's proposed pipeline, filed an intervention in support of Quicksilver and NGTL's applications. Cansearch expressed concern that it would be negatively impacted should the applications be denied.

The Board had scheduled a public hearing in Calgary, Alberta, to commence on January 16, 2007, before Board Members J. D. Dilay, P.Eng. (Presiding Member) and B. T. McManus, Q.C., and Acting Board Member F. Rahnama, Ph.D.

3 DISCUSSION

The Board had scheduled a public hearing in Calgary, Alberta, to commence on January 16, 2007. NOVA Chemicals and Taylor Gas withdrew their objections to the subject applications after an agreement was reached through third-party facilitated dispute resolution and discussion with the applicants.

In light of the withdrawals of objections and given that the applications meet all of the EUB's requirements, the Board determined that the scheduled hearing was no longer required and cancelled the hearing.

Dated in Calgary, Alberta, on January 9, 2007.

ALBERTA ENERGY AND UTILITIES BOARD

[Original signed by]

J. D. Dilay, P.Eng.
Presiding Member

[Original signed by]

B. T. McManus, Q.C.
Board Member

[Original signed by]

F. Rahnama, Ph.D.
Acting Board Member