

August 8, 2005

Bennett Jones LLP
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Attention: Lenard M. Sali, Q.C.

Dear Sir:

**RE: PROCEEDING NO. 1347905
BITUMEN CONSERVATION REQUIREMENTS
ATHABASCA, WABISKAW-MCMURRAY
PHASE 3 FINAL HEARING**

This letter will respond to your letter dated August 2, 2005, wherein you request that the Board provide reasons for the rulings that are reflected in the transcript of the Phase 3 final hearing on June 29, 2005. The rulings relate to requests made by Paramount Energy Operating Corporation (PEOC) originating in your letter dated June 7, 2005.

Your letter of June 7th opens by stating "We ask that this letter be treated as a submission by [PEOC] relating to process at the captioned hearing, scheduled to commence June 14, 2005." That is precisely how the Board viewed and treated the request, i.e. as a request relating to the Board's process in the Phase 3 final hearing. In the Board's view, section 7 of the *Administrative Procedures Act* does not extend so as to require an authority to issue written reasons for a decision on a question of process.

In any event, the Board's letter dated June 13, 2005, entered as exhibit I-24 in the Phase 3 final hearing and incorporating the detailed statement of position filed with the Court of Appeal on September 30, 2004 relating to the same issue, provides the Board's reasons for its decision on the request made by PEOC regarding process in the Phase 3 final hearing.

Yours truly,

Original signed by

Gary D. Perkins
Board Counsel

cc: Rod McLennan, Q.C. (email)
Tom Ross (email)