

From: JEFF TILTON [REDACTED]
Sent: October 29, 2011 12:55 PM
To: BoardSec
Subject: EB-2011-0242 & EB-2011-0283: Bio-Gas purchase for System Supply

Dear Ms. Walli,

Thank you for the opportunity to comment on Enbridge & Union's proposals to enter into 20 year agreements to purchase Bio-Gas at a premium over natural extracted gas. While the impact on monthly bills is modest, I am very opposed to this proposal.

The purpose of these gas companies is to deliver "market rate" gas to consumers – in fact, they often remind their customers that they do not make a profit on the gas commodity itself and sell it to the consumer at no mark-up. As a customer of one of these companies, I expect them to purchase gas from the lowest price supplier and provide that gas to me. If the purchase of Bio-Gas is not competitive with gas from Alberta, shale gas, or other sources, then they should buy their gas from the cheapest source.

While using Bio-gas is a noble idea, if this comes at a cost premium then it should not be "forced" into the mix of the "market rate" providers. There are various other gas marketing companies that can provide this product to consumers at a premium for those that are willing to pay.

The gas market is quite broad and several companies' market speciality products (like gas with CO2 offsets, hedged commodity prices, etc). The purpose of "system gas" from Enbridge and Union is to provide consumers with a choice to "just buy the market rate gas". Should this proposal be approved, the system supply mix will have a long term component that is not consistent with the "market rate" mandate of these companies. The system gas suppliers should not be advancing a political agenda in their "market rate" programs.

I would not be opposed to this proposal if Enbridge and Union were to offer the Bio-Gas as an alternate option to customers (ie. Ability to buy "system gas" or "system gas with Bio-Gas added cost"); Nor am I opposed to the integration of Bio-Gas into the system supply if it is the same price or lower than other gas sources.

Best Regards,
Jeff Tilton P.Eng

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