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December 14, 2011

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms Walli,

**Enbridge Gas Distribution Inc. ("Enbridge") and Union Gas Limited ("Union Gas")
Renewable Natural Gas ("RNG") Application
Board File No.: EB-2011-0283 and EB-2011-0242
Our File No.: 339583-000121 and 339583-000122**

We represent Canadian Manufacturers & Exporters ("CME") in respect of the above noted proceedings. The following written submissions on the Draft Issues List are filed pursuant to Procedural Order No. 1.

CME agrees with the views already expressed by others to the effect that a preliminary or threshold issue in this combined proceeding is the "premiums" recoverability issue. The wording we propose for this preliminary issue is as follows:

Whether any amounts over and above the prevailing competitive prices for natural gas ("premiums") that Enbridge and Union Gas are proposing to pay to RNG suppliers are recoverable from ratepayers.

CME submits that the answer to this preliminary question is, clearly, no. Shareholders, not ratepayers, are responsible for any premiums that any utility agrees to pay to its gas suppliers. If the Board agrees, then it will not need to consider matters described in the Draft Issues List other than this preliminary question.

Accordingly, CME submits that the most expeditious and least expensive way to proceed in this case is for the Board to hear and determine the preliminary question before establishing any process for dealing with any other matters.

All of which is respectfully submitted.

Yours very truly,
Borden Ladner Gervais LLP

Peter C. P. Thompson, Q.C.
Jack Hughes