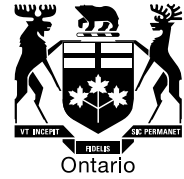


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BY EMAIL

December 15, 2014

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: Union Gas Limited
January 1, 2015 QRAM Application
Board File No. EB-2014-0356**

I am writing on behalf of Board staff in regard to the above noted QRAM matter.

Board staff has the following questions:

1. Ref: Cover Sheet / p. 1 & Tab 2 / pp. 1-2 & NEB Letter Decision (RH-001-2014) / p. 4: Union noted that the National Energy Board ("NEB") approved the TransCanada PipeLines Limited ("TCPL") Settlement Agreement and directed that tolls, as applied for in RH-001-2014, be implemented on an interim basis effective January 1, 2015.

The NEB's Letter Decision in RH-001-2014 dated November 28, 2014 stated that the applied-for tolls are to be implemented on an interim basis on January 1, 2015. The NEB noted that differences recorded due to charging the interim toll from January 1, 2015 until the date of the compliance filing are to be captured in the Long-Term Adjustment Account ("LTAA").

- a) Please advise whether Union is requesting that the Board approve on an interim or final basis the cost consequences of the noted TCPL tolls which have been approved by the NEB on an interim basis.
- b) Please explain how Union would propose to deal with any changes to the

tolls that are currently approved on an interim basis by the NEB.

Original signed by

Lawrie Gluck
Case Manager

cc: Chris Ripley, Union Gas Limited
Crawford Smith, Torys
Vincent DeRose, BLG
Ian Mondrow, Gowlings