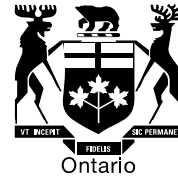


**Ontario Energy
Board**
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Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

**Commission de l'Énergie
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BY E-MAIL ONLY

January 20, 2008

Mark Kitchen
Director, Regulatory Affairs
Union Gas Limited
50 Keil Drive North
P.O. Box 2001
Chatham, ON N7M 5M1

Dear Mr. Kitchen:

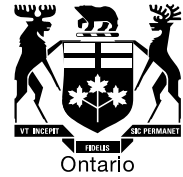
**Re: Union Gas Limited
Application - Request for an Amended Accounting Order to Deferral
Account No.179-113
Board File No. EB-2008-0417**

Please see the attached Notice of Written Hearing and Procedural Order No. 1 in respect of this proceeding.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary



EB-2008-0417

IN THE MATTER OF the *Ontario Energy Board Act*, 1998, S.O. 1998, c.15 (Sched. B);

AND IN THE MATTER OF statements of claim issued by plaintiffs alleging certain late payment penalties collected by Union Gas from them offend s. 347 of the Criminal Code and seeking damages under the *Class Proceedings Act*, 1992;

AND IN THE MATTER OF an Application by Union Gas Limited, pursuant to section 36(1) of the *Ontario Energy Board Act*, 1998, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission, and storage of gas as of January 1, 2009;

NOTICE OF WRITTEN HEARING AND PROCEDURAL ORDER NO. 1

On December 19, 2008, Union Gas Limited ("Union" or the "Applicant") filed an application seeking an amendment to the terms of Deferral Account No. 179-113 (the "Account") to permit Union to record in the Account the amount of any judgment against Union (the "Application"). Union is not requesting that the Board make a determination whether any amount recorded in the Account will be recoverable from Union's customers. The Board has assigned File Number EB-2008-0417 to this application.

The application stems from class proceedings initiated in respect of certain late payment penalties ("LPP") collected by Union. In a Decision dated September 30, 2004 in RP-2003-0063/EB-2004-0386 (the "LPP class action"), the Board approved the establishment of the Account specifically to record Union's legal costs, the costs of actuarial advice, and the costs of analyzing historic billing records. In view of a

pending settlement of the LPP class action, scheduled to be heard on January 27, 2009, in Ontario's Superior Court, the Applicant asks that the Account definition be amended to allow the inclusion of the costs of any judgment against Union as a result of the LPP class action.

Copies of the application and the pre-filed evidence in support of the application will be available for public inspection at the Board's offices and at Union's head office.

The Board adopts the intervenors in EB-2008-0220 as intervenors in this proceeding. Intervenor that were eligible for costs in EB-2008-0220 are deemed eligible for costs in this proceeding. A list of intervenors for EB-2008-0417 is attached as Appendix A to this order. Union is directed to serve this Notice of Written Hearing and Procedural Order No. 1 (the "Notice") on all parties listed in Appendix A.

Written Hearing

The Board intends to proceed in this matter by way of a written hearing and will establish dates for the filing of written submissions. The Board will consider reasons provided by any party as to why it should proceed by way of an oral hearing. The Board would emphasize that this proceeding is in no way related to the issue of whether or not these amounts will be recoverable from ratepayers.

THE BOARD THEREFORE ORDERS THAT:

1. Union shall immediately issue a copy of the Application and Notice to all intervenors listed in Appendix "A", if they have not already been served, and shall provide affidavit proof of all deliveries to the Board.
2. Any party that objects to proceeding by way of a written hearing may make written comments to the Board for its consideration no later than 4:45 pm, **January 23, 2009**. If any such objections are received by the Board, the Board may amend the deadlines below.
3. Parties to this proceeding wishing to make submissions on the Application may do so by filing such submissions with the Board Secretary (4 hard copies plus an electronic copy by e-mail) and serving a copy on Union no later than 4:45 pm, **January 29, 2009**.

4. Union may reply to any submissions received by filing such reply submissions with the Board Secretary (4 hard copies plus an electronic copy by e-mail) and serving a copy on all parties who make submissions no later than 4:45 pm, **February 9, 2009.**
5. All parties must also provide the Case Manager, Vincent Cooney, Vincent.Cooney@oeb.gov.on.ca, with an electronic copy of all comments and correspondence related to this case.

IMPORTANT: If you do not file any comments in response to this Notice, the Board may proceed without your participation and you will not be entitled to any further notice of these proceedings.

ISSUED at Toronto, January 20, 2009

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

APPENDIX A

NOTICE OF WRITTEN HEARING AND PROCEDURAL ORDER NO. 1

APPLICANT AND LIST OF INTERVENORS

BOARD FILE No: EB-2008-0417

DATED January 20, 2009

**UNION GAS LIMITED
2009 RATES APPLICATION**

**EB-2008-0220
APPLICANT & LIST OF INTERVENTIONS**

Applicant	Rep. And Address for Service
Union Gas Limited	Chris Ripley Manager, Regulatory Applications Union Gas Limited P.O. Box 2001 50 Keil Drive North Chatham ON N7M 5M1 Tel: 519-436-5476 Fax: 519-436-4641 Email: cripley@uniongas.com
AND	Michael A. Penny Torys Suite 3000, Maritime Life Tower P.O. Box 207 Toronto Dominion Centre Toronto ON M5K 1N2 Tel: 416-865-7526 Fax: 416-865-7380 Email: mpenny@torys.com
Intervenors	Rep. And Address for Service
Association of Power Producers of Ontario	David Butters President Association of Power Producers of Ontario P.O. Box 1084, Station F Toronto ON M4Y 2T7 Tel: 416-322-6549 ext.231 Fax: 416-481-5785 Email: david.butters@appro.org

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