



EB-2008-0220

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

AND IN THE MATTER OF an Application by Union Gas
Limited for an Order or Orders approving or fixing just and
reasonable rates and other charges for the sale,
distribution, transmission and storage of gas effective
January 1, 2009.

PROCEDURAL ORDER NO. 2

Union Gas Distribution Inc. ("Union") filed an Application on September 26, 2008 with the Ontario Energy Board (the "Board") under section 36 of the *Ontario Energy Board Act, 1998*, S.O. c.15, Sched. B, as amended, for an order of the Board approving or fixing rates for the distribution, transmission and storage of natural gas, effective January 1, 2009. The Board assigned file number EB-2008-0220 to the Application.

The Board issued its Decision with Reasons ("2009 Rates Decision") on January 29, 2009. Union filed a 2009 Draft Rate Order on February 5, 2009 as directed by the Board in the 2009 Rates Decision. As ordered by the Board in EB-2008-0304, that Draft Rate Order included a \$1.3 million effect of savings from the redemption of preferred shares.

On February 6, 2009, the Board issued its Decision and Order in EB-2009-0022, which modified the relevant condition from its EB-2008-0304 Decision. The condition now states that: "[U]nion's rates would be reduced effective January 1, 2009 to reflect the cost reduction of \$1.3 million resulting from this reorganization. In the event the preference shares are not redeemed by January 1, 2009 the rate reduction will be deferred until such time as the preferred shares are redeemed..." The preferred shares have not yet been redeemed. The 2009 Rates Decision had indicated that the Board

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would endeavour to reflect in the 2009 Rate Order any variance arising from the disposition of EB-2009-0022.

Therefore, in a letter filed with the Board, dated February 9, 2009, Union indicated that it would be filing a revised Draft Rate Order on February 12, 2009 and also proposed new dates for the filing of intervenor comments and Union's reply. The Board notes that as compared to dates set in the 2009 Rates Decision, the length of time provided for intervenor comment is the same and Union's reply filing date is one day later.

Union filed an Updated Draft Rate Order on February 12, 2009.

The Board will now make provision for the following procedural matters.

Please be aware that further procedural orders may be issued from time to time.

THE BOARD ORDERS THAT:

1. Intervenors and Board staff who wish to submit comments on Union's Updated Draft Rate Order shall do so on or before Thursday, February 19, 2009.
2. Union shall file its reply, if any, with the Board no later than Friday, February 20, 2009.

All filings to the Board must quote file number EB-2008-0220 and be made through the Board's web portal at www.errr.oeb.gov.on.ca, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.oeb.gov.on.ca. If the web portal is not available you may email your document to BoardSec@oeb.gov.on.ca. Those who do not have internet access are required to submit all filings on a CD or diskette in PDF format, along with two paper copies. Those who do not have computer access are required to file seven paper copies. All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date. With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case

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Manager, Richard Battista at richard.battista@oeb.gov.on.ca and Board Counsel,
Donna Campbell at donna.campbell@oeb.gov.on.ca.

DATED at Toronto, February 13, 2009

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary