

February 6, 2008

Kirsten Walli, Board Secretary
ONTARIO ENERGY BOARD
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

Re: EB-2008-0106 - Methodologies for Commodity Pricing, Load Balancing and Cost Allocation for Natural Gas Distributors.

Industrial Gas Users Association ("IGUA") Interrogatories for the Gas Marketer Group ("GMG")

Enclosed please find interrogatories to the Gas Marketer Group for the above-referenced proceeding.

If you have any questions or concerns please do not hesitate to contact me.

Your truly,



Nicki Pellegrini
Regulatory Coordinator

Encl.

- c. Murray Newton (IGUA)
Patrick Hoey (Enbridge)
Mark Kitchen (Union Gas)
Chuck Hindley (Natural Resources Gas Limited)
Valerie Young, AEGENT
Intervenors

EB-2008-0106
Methodologies for Commodity Pricing, Load Balancing, and Cost Allocation for
Natural Gas Distributors

INTERROGATORIES OF THE INDUSTRIAL GAS USERS ASSOCIATION FOR
THE GAS MARKETER GROUP (GMG)

1. Issue: A - Review of Quarterly Rate Adjustment Mechanism

Ref: Exhibit E8/E14/E19, pages 21-27

Please provide a step-by-step description of the process the Gas Marketer Group envisions will be associated with its proposed Monthly Rate Adjustment Mechanism (MRAM). Please indicate the steps and timelines that will be involved under the following category of activities: calculation of reference price / effective rate, determination of change in revenue requirement, derivation of rate changes including any riders, application review and approval.

2. Issue: A - Review of Quarterly Rate Adjustment Mechanism

Ref: Exhibit E8/E14/E19, page 26

GMG indicates in its response to Question 5.2 of the Board specific questions that it supports changes in the Board pre-approved revenue requirement components associated with a change in the reference price.

Under its proposed MRAM, is GMG proposing that each utility's delivery rates change on a monthly basis? If yes, please provide the rationale, including an explanation of what GMG anticipates the advantages and disadvantages might be to each of the small-volume and large-volume distribution customer groups.

3. Issue: E – Implementation Issues

Ref: Exhibit E8/E14/E19, page 31, paragraph "E.1 – Overview"

- a. GMG indicates that implementation costs for any changes resulting from this proceeding should be recovered from "all affected distribution customers". Please indicate who the affected customers are and why for each of the following areas of potential change: the rate adjustment mechanism, load balancing, and billing terminology.
- b. GMG states it is important to separate proper market structure decisions from the associated costs, so not to unduly influence the decision-making process away from doing what is right. Please explain.
- c. GMG indicates the implementation of all changes should be codified. Please explain.