

March 2, 2009

Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto, Ontario
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

**Re: EB-2008-0220 Union Gas 2009 Rate Application Cost Claims
– Union Gas Comments**

Dear Ms. Walli,

Union Gas Limited (“Union”) has reviewed the intervenor cost claims for the EB-2008-0220, 2009 Rate Application and has concerns with the cost claims of the Canadian Manufacturing Association (“CME”) and Association of Power Producers of Ontario (“APPrO”). Union’s primary concern with the cost claims of both CME and APPrO is that, when compared to other intervenors in Union’s 2009 rate application, the total number of hours expended appears to be disproportionately high.

CME

In their letter dated February 19, 2009, CME requested costs based on 43.1 hours, consisting of 26.8 hours for Mr. Thompson and 16.3 hours for Mr. DeRose. The total hours submitted exceed the average number hours of the other intervenor groups (calculated excluding the CME and APPrO) by 23.9 hours. In fact if taken separately, the hours claimed by Mr. Thompson exceed the hours claimed by all other intervenors, with the exception of APPrO and Schools Energy Coalition. The hours claimed by Mr. DeRose exceed the hours claimed by Vulnerable Energy Consumers Coalition and Energy Probe.

Given the similarity in substance and content in the submissions of CME on Union’s 2009 Rate Application relative to the submissions of others, Union does not see any basis on which the CME is able to justify the total hours claimed. Further, Union does not believe that the CME should be able claim costs for both Mr. Thompson and Mr. DeRose for reviewing the same application.

APPrO

On February 10, 2009, APPrO filed with the Board their cost claim related to Union's 2009 Rate Application. APPrO requested costs based on hours of 37.25 in total. APPrO's total hours included 25.75 hours related to consulting (Mr. John Wolnik, Elenchus Research Assoc.) and 11.5 hours for legal counsel (Mr. Richard King and Mr. Jonathan Myers of Ogilvy Renault LLP). The total hours submitted exceeds the average number hours of the other intervenor groups (calculated excluding the CME and APPrO) by 18.0 hours.

As is the case with CME, Union does not see any basis on which APPrO is able to justify the hours claimed by both their consultant and legal counsel when compared to the other intervenor groups.

Union has attached a table summarizing the cost claims related to its 2009 Rate Application. Union respectfully requests that the Board consider the above when awarding costs in this proceeding.

Yours truly,

Mark Kitchen
Director, Regulatory Affairs

cc: Mr. Michael Penny, Torys
EB-2008-0220 Intervenors
Mr. Peter Thompson, BLG
Mr. Jonathon Myers, Ogilvy Reneault

EB-2008-0220 Cost Claims

<u>Intervenor</u>	<u>Hours</u>
CME	43.1
APPrO	37.25
SEC	30.3
IGUA	22.3
LPMA	18.75
Energy Probe	13.25
VECC	11.25