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Reference: 9483/3640

Attention: Ms. Kirsten Walli, Board Secretary

**Re: EB-2008-0411: Union Gas Limited- Application for Leave to Sell
Union's Response to PO No. 1**

Dear Sirs:

Pursuant to paragraph 1 of Procedural Order No. 1, Union requests that the Draft Issues List be amended to include the following new issue:

5.0 No Harm Test

Will the proposed transaction have an adverse effect on balance relative to the *status quo* in relation to the Board's statutory objectives.

Union submits that the No Harm Test is the relevant test for the purposes of applications for leave to sell assets, and that the Issues List should therefore refer to the test.

Union has no comment with respect to any of the other issues on the Draft Issues List.

Union has no objection to intervenor status being granted to the 10 applicants who are listed in Appendix A of Procedural Order No. 1.

Union has no objection to CME, FPRO, and GAPLO-Union being eligible for their reasonably incurred costs to address the issues on the final Issues List. Union, of course, reserves its right to comment at the conclusion of the proceeding on the reasonableness of the costs claimed based on the Board's Practice Direction on Cost Awards.

Yours truly,

Sharon Wong

c: All Intervenors in EB-2008-0411