



uniongas

A Spectra Energy Company

August 14, 2007

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Franchise Renewal – Corporation of the Municipality of Southwest Middlesex

An agreement has been reached between Union and the Corporation of the Municipality of Southwest Middlesex with regards to associated terms and conditions. Union intends to file a Section 9 Application with the Board upon receipt of the By-law and form of the Franchise Agreement from the Municipality.

The Franchise Agreement for the former Village of Wardsville expired on August 3, 2007. The remaining municipalities within the Municipality of Southwest Middlesex are on perpetual Franchise Agreements with Union Gas Limited.

With this letter, we are requesting an Interim Order under Section 10(4) of the *Municipal Franchises Act*, for an extension to the existing Franchise Agreement for the form Village of Wardsville for three (3) months or until processing of Union's Section 9 Application for the amalgamated Municipality Southwest Middlesex.

A letter from the Corporation of the Municipality of Southwest Middlesex dated August 3, 2007, consenting to a three (3) month extension of the existing franchise rights for the former Village of Wardsville is attached.

Yours truly,

[Original signed by]

Patrick McMahon
Manager, Regulatory Research and Records

PM/la



August 3, 2007

Union Gas Limited
109 Commissioners Road, W
London ON N6A 2P1

Attention: Wes Armstrong, Manager of Operations London/Sarnia

Dear Sir,

RE: 2007 Natural Gas Franchise Renewal

This will acknowledge receipt of your correspondence of July 16, 2007 with respect to the above and our subsequent telephone conversation.

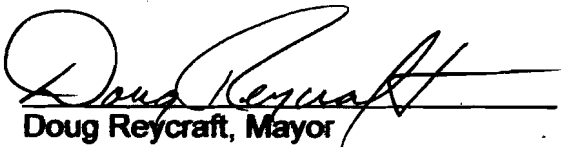
Southwest Middlesex will be proceeding with the instructions provided in order to bring all the individual franchises of the former municipalities together under one Southwest Middlesex agreement.

In the meantime, however, it is our understanding that existing franchise agreements for one of our former municipalities will expire on August 2nd.

The Municipality of Southwest Middlesex is in agreement with the extension of this agreement, namely the former Wardsville Village for an additional 3 month period to November 2, 2007.

We trust the above meets with your requirements. If you require any further information, please contact us. Thank you.

Sincerely,


Doug Reycraft, Mayor


Janneke Newitt, Administrator/Clerk