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BY E-MAIL AND WEB POSTING

April 28, 2009

To: All Participants in EB-2008-0280

Re: Notice of Hearing for Cost Awards for Stakeholder Consultations on the Development of Filing Guidelines for the Pre-Approval of Long-Term Natural Gas Supply and/or Upstream Transportation Contracts (EB-2008-0280)

Background

On August 22, 2008, the Ontario Energy Board (the "Board") issued a letter to interested parties giving notice that it was initiating a consultation process on the development of filing guidelines for the pre-approval of long-term gas supply and/or upstream transportation contracts (the "LTC Filing Guidelines"). The letter also stated that the process would be conducted in two phases, with stakeholder consultation leading to a staff discussion paper in the first phase and, if the Board concluded that there were circumstances where pre-approval of those contracts may be appropriate, a second phase where the LTC Filing Guidelines would be developed.

Also, in the letter, dated August 22, 2008, the Board indicated that cost awards would be available to eligible persons under section 30 of the *Ontario Energy Board Act, 1998* and these costs would be recovered from Enbridge Gas Distribution Inc. ("Enbridge"), Natural Resource Gas Limited ("NRG") and Union Gas Limited ("Union"). Furthermore, cost awards would be available in relation to stakeholder meetings with staff prior to the issuance of the draft LTC Filing Guidelines. For example, if the meeting was three hours then the eligible party could claim three hours only regardless of the number of people from the eligible party attended the meeting. Preparation time would be limited to 100% of attendance time.

On September 8, 2008, NRG wrote to the Board and indicated that while it does enter into long-term natural gas supply contracts for its regulated supply, it does not enter into long-term upstream transportation contracts for same. NRG proposed that any costs recovered from it should be related to long-term gas supply contracting only.

The Board issued a Cost Eligibility Decision on October 2, 2008 that granted cost eligibility to seven stakeholder groups. The seven stakeholder groups found eligible to receive an award of costs in the stakeholder consultation process were the following:

- Building Owners and Managers Association of the Greater Toronto Area;
- Canadian Manufacturers & Exporters;
- Consumers Council of Canada;
- Federation of Rental-housing Providers of Ontario;
- Industrial Gas Users Association;
- London Property Management Association; and
- Vulnerable Energy Consumers' Coalition.

Further, the Board decided that, in accordance with the Practice Direction, dated August 14, 2008, the Association of Power Producers of Ontario's cost eligibility would be determined at the end of the consultation process.

Also, in its letter dated October 2, 2008, the Board found that the costs awarded in this proceeding would be recovered from Enbridge, NRG and Union and would be allocated based on distribution revenue.

In a letter dated February 11, 2009, the Board stated that cost awards would be available to eligible participants to a maximum of 10 hours per eligible party for written comments on the draft LTC filing guidelines.

Notice of Hearing

The Board is initiating this hearing on its own motion in order to determine the cost awards that will be made in accordance with section 30 of the Act in relation to the consultation process for the development of filing guidelines for the pre-approval of long-term natural gas supply and/or upstream transportation contracts. The file number for this hearing is EB-2008-00280.

The Board intends to proceed by way of written hearing unless a party can satisfy the Board that there is a good reason for not holding a written hearing. If a party wants to object to a written hearing, the objection must be received by the Board no later than **7 days** after the date of this Notice.

Assuming that the Board does not receive any objections to a written hearing, the hearing will follow the process set out below:

1. Eligible participants shall submit their cost claims by **May 13, 2009**. A copy of the cost claim must be filed with the Board and one copy is to be served on each of the rate-regulated natural gas utilities (namely, Union, Enbridge and NRG). The cost claims must be completed in accordance with section 10 of the Board's *Practice Direction on Cost Awards*.
2. Union, Enbridge and NRG will have until **May 27, 2009** to object to any aspect of the costs claimed. A copy of the objection must be filed with the Board and one copy must be served on the eligible participant against whose claim the objection is being made.
3. The eligible participant whose cost claim was objected to will have until **June 3, 2009** to make a reply submission as to why the cost claim should be allowed. A copy of the reply submission must be filed with the Board and one copy is to be served on the objecting natural gas utility (namely, Union, Enbridge and/or NRG).
4. The Board will then issue its decision on the cost awards. The Board's costs may also be dealt with in the cost awards decision.

Service of cost claims, objections and reply submissions on other parties may be effected by courier, registered mail, facsimile or e-mail.

All submissions in this hearing (i.e., cost claims, objections, or replies) will form part of the public record. Copies of the submissions will be available for inspection at the Board's office and the submissions may be published on the Board's website.

Parties must file two paper copies and one electronic copy of their submissions with the Board Secretary by **4:30 p.m.** on the required dates. The Board requests that parties make every effort to provide electronic copies of their filings in searchable/unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the Board's web portal at www.err.oeb.gov.on.ca. A user ID is required to submit documents through the Board's web portal. If you do not have a user ID, please visit the "e-Filing Services" page on the Board's website at www.oeb.gov.on.ca, and fill out a user ID password request. Additionally, parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled "RESS Document Preparation – A Quick Guide" also found on the e-filing services webpage. If the Board's web portal is not available, electronic copies of filings may be filed by e-mail at boardsec@oeb.gov.on.ca. Those that do not have internet access should provide a CD or diskette containing their filing in PDF format.

All submissions must quote file number EB-2008-0280 and include your name, address, e-mail address, telephone number, and fax number.

IF YOU DO NOT FILE A LETTER OBJECTING TO A WRITTEN HEARING OR DO NOT PARTICIPATE IN THE HEARING BY FILING WRITTEN SUBMISSIONS IN ACCORDANCE WITH THIS NOTICE, THE BOARD MAY PROCEED WITHOUT YOUR PARTICIPATION AND YOU WILL NOT BE ENTITLED TO FURTHER NOTICE IN THIS PROCEEDING.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary