

UNION GAS LIMITED

Answer to Interrogatory from
Direct Energy Marketing Inc. ("Direct Energy")

Question:

Please describe how the Generic QRAM Review and the System Gas Cost Allocation Review contemplated by the Board for 2007/2008 and any potential changes to processes, commodity risk or costs arising from those proceedings will be dealt with within the context of the Incentive Regulation plan proposed by your company.

Response:

Any Board decision made as a result of a proceeding during the term of the incentive regulation plan will be incorporated into the next annual rate order (if not sooner) based on the direction set out in the Board's decision.

Question: August 20, 2007

Answer: September 4, 2007

Docket: EB-2007-0606 / EB-2007-0615