



By Email

September 13, 2007

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th floor
Toronto, ON M4P 1E4

Dear Ms Walli

GRAM Rate Application – Effective October 1, 2007

Board File No.: EB-2007-0720

Our File No.: 302701-000400

I am writing on behalf of the Industrial Gas Users Association (“IGUA”). We have reviewed Union’s GRAM Application effective October 1, 2007, as well as Union’s Response to Board Staff’s Interrogatory No. 1 which set out Union’s revised GRAM Schedules that exclude the impacts of the Deferral Account and Earnings Sharing Disposition.

It is IGUA’s understanding that if excluded from the current GRAM Application, the Deferral Account and Earnings Sharing balances would be disposed of at the time of the next GRAM proceeding which would be for rates effective January 1, 2008. IGUA has been advised by Union that interest will accrue to the benefit of ratepayers on the Deferral Account and Earnings Sharing credit balances over that three month period.

So long as interest accrues on the Deferral Account and Earnings Sharing balances, IGUA does not oppose the approval of the revised October GRAM that excludes the impacts of the Deferral Account and Earnings Sharing Disposition.

As an eligible intervenor, IGUA requests that the Board award it its reasonably incurred costs in conducting its due diligence examination of Union’s GRAM Application. As the Board is aware, our practice is to conduct a due diligence examination of the materials as well as their rate impacts on Industrial Gas Users. With this particular GRAM Application, the overlapping issue of the outstanding Deferral Account and Earnings Sharing Disposition, and the filing of the GRAM schedules excluding the impacts thereof, made this GRAM Application more intensive than normal.

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IGUA respectfully submits that the Board may derive some comfort from the fact that the QRAM Application has been subject to review and examination by IGUA. The fact that this QRAM Application has been subject to IGUA's due diligence examination contributes to the Board's ability to decide the matters.

For these reasons, IGUA requests an award of its reasonably incurred costs in connection with conducting its due diligence examination of Union's QRAM Application for relief effective October 1, 2007. We will submit a claim for costs on behalf of IGUA if the Board responds favourably to this request.

Yours very truly

Vincent DeRose
VJD/kt

- c. Chris Ripley (Union Gas Limited)
Michael Penny (Torys)
EB-2005-0520 Intervenors
Murray Newton (Industrial Gas Users Association)

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