



EB-2009-0313

IN THE MATTER OF the *Ontario Energy Board Act*, 1998, S.O. 1998, c.15 (Sched. B);

AND IN THE MATTER OF an Application by Union Gas Limited, pursuant to section 36(1) of the *Ontario Energy Board Act*, 1998, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission, and storage of gas as of October 1, 2009;

AND IN THE MATTER OF the Quarterly Rate Adjustment Mechanism approved by the Ontario Energy Board in RP-2003-0063.

NOTICE OF WRITTEN HEARING AND PROCEDURAL ORDER NO. 1

Union Gas Limited ("Union") filed an application (the "Application") dated August 26, 2009, with the Ontario Energy Board (the "Board") for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission, and storage of gas. The Application was made pursuant to Union's approved Quarterly Rate Adjustment Mechanism. The application includes the clearance of 2008 deferral and variance account balances and market transformation incentive (approved in EB-2009-0052). Union's Application has been given Board File No. EB-2009-0313.

Union seeks the following orders, effective October 1, 2009:

- (a) an order establishing the reference prices specified in the table below:

	Current (Approved in EB- 2009-0147)	Proposed (Effective October 1, 2009)
Alberta Border Reference Price ¹	5.164 \$/GJ 19.5148 cents/m ³	5.003 \$/GJ 18.9063 cents/m ³
Ontario Landed Reference Price ²	6.554 \$/GJ 24.7676 cents/m ³	6.385 \$/GJ 24.1289 cents/m ³
South Portfolio Cost Differential ("SPCD") ³	0.202 \$/GJ 0.7634 cents/m ³	0.112 \$/GJ 0.4232 cents/m ³

Notes:

1. *The Alberta Border Reference Price represents the North Purchase Gas Variance Account ("NPGVA") (Deferral Account No. 179-105) reference price, the TCPL Tolls and Fuel – Northern and Eastern Operations Area deferral account (Deferral Account No. 179-100) reference price with respect to fuel gas and the Spot Gas Variance Account reference price for incremental gas purchased in the Northern and Eastern Operations Area.*
 2. *The Ontario Landed Reference Price represents the South Purchase Gas Variance Account ("SPGVA") (Deferral Account No. 179-106) reference price and the Spot Gas Variance Account (Deferral Account No. 179-107) reference price for incremental gas purchased in the Southern Operations Area.*
 3. *The SPCD is used as the benchmark to reduce the debits/credits that would otherwise accumulate in the SPGVA if there was no adjustment to the South Transportation Rate.*
- (b) an order to reflect the inventory revaluation credit resulting from changes in gas costs as of October 1, 2009;
- (c) an order reflecting the prospective recovery of the projected balances for the twelve month period ending September 30, 2010 recorded in the gas supply deferral accounts;
- (d) such further orders as Union may request and the Board may deem appropriate or necessary.

Union has provided written evidence in support of the proposed changes contained in the Application. The Application and prefiled evidence were sent by Union to all Intervenor of record in the EB-2008-0220 proceeding. The Board adopts the intervenors in EB-2008-0220 as intervenors in this proceeding. Intervenor that were eligible for costs in EB-2008-0220 are automatically deemed eligible for costs in this proceeding. A list of intervenors from EB-2008-0220 is attached as Appendix A to this order.

Written Hearing

The Board intends to proceed in this matter by way of a written hearing. The Board will consider reasons provided by any party as to why it should proceed by way of an oral hearing.

Cost Awards

The intervenors eligible for a cost award may submit their cost claims with supporting rationale as to how their participation contributed to the Board's ability to decide on this matter.

THE BOARD THEREFORE ORDERS THAT:

1. Union shall immediately issue a copy of the Application to all intervenors listed in Appendix A, if they have not already been served, and shall provide affidavit proof of all deliveries to the Board.
2. Any party that objects to proceeding by way of a written hearing may file written comments with the Board Secretary no later than 4:45 pm, **September 4, 2009**. If any such objections are received by the Board, the Board may amend the deadlines below.
3. Parties to this proceeding wishing to make comments on the Application may do so by filing such submissions with the Board Secretary and serving a copy on Union no later than 4:45 pm, **September 9, 2009**.
4. Union shall reply to any comments received by filing such replies with the Board Secretary and serving a copy on all parties who make submissions no later than 4:45 pm, **September 10, 2009**.

All filings to the Board must quote file number **EB-2009-0313**, be made through the Board's web portal at www.errr.oeb.gov.on.ca, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.oeb.gov.on.ca. If the web

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portal is not available you may email your document to the address below. Those who do not have internet access are required to submit all filings on a CD or diskette in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

All parties must also provide the Case Manager, Lawrie Gluck, lawrie.gluck@oeb.gov.on.ca, with an electronic copy of all comments and correspondence related to this case.

IMPORTANT: If you do not file any comments in response to this notice, the Board may proceed without your participation and you will not be entitled to any further notice of these proceedings.

ISSUED at Toronto September 2, 2009

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

APPENDIX “A” TO
NOTICE OF WRITTEN HEARING AND
PROCEDURAL ORDER NO. 1
APPLICANT & LIST OF INTERVENORS
BOARD FILE No. EB-2009-0313
DATED September 2, 2009

**UNION GAS LIMITED
2009 RATES APPLICATION**

**EB-2008-0220
APPLICANT & LIST OF INTERVENTIONS**

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Intervenors	Rep. And Address for Service
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