

March 30, 2010

Kirsten Walli, Board Secretary
ONTARIO ENERGY BOARD
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E5

Dear Ms. Walli:

Re: EB-2009-0422: Dawn Gateway Pipeline Limited Partnership Regulatory Approvals.

Industrial Gas Users Association (IGUA) Response to Dawn Gateway on the Draft Rate Order.

IGUA submitted a letter herein dated March 24th, commenting on Dawn Gateway's draft rate order. We are in receipt of Dawn Gateway's responding letter, as contemplated in the procedural directions provided in the Board's Decision and Order of March 9th.

In light of Dawn Gateway's response, we wish in this letter to clarify two aspects of IGUA's position on the draft rate order. While the Board's procedural directions do not make provision for this additional response from IGUA, we feel that it may be of assistance to the Board, and should not raise any new concerns for Dawn Gateway.

1. Posting of Operationally-Available Transportation Capacity pursuant to section 4.1.1 (ii) of the Board's *Storage and Transportation Access Rule (STAR)*.

Dawn Gateway asserts in its counsel's responding submissions (letter dated March 30, 2010, bottom of page 2) that:

IGUA has asked that paragraph 4 of the Draft Rate Order be amended to insert the following statement:

The Board will review this provision on an annual basis and determine whether further daily postings are necessary depending on the extent to which Dawn Gateway offers those services.

Counsel's statement is not accurate. In our March 24th letter of comment, we stated the following conclusion in respect of this issue:

In IGUA's view, there is a material distinction between a provision in the final order that specifies that Dawn Gateway is only required to post operationally-available transportation capacity once each day, on the one hand, and the Board's findings on the issue, on the other. IGUA respectfully submits that the Board's final Rate Order should reflect the Board's findings accurately. In particular, item 4. of the final Order should specify the one year limited exemption from the relevant STAR requirements. Framing the final Order in this fashion will ensure that the applicant retains responsibility for seeking an extension of the limited exemption granted, in the event that it is of the view that such exemption is warranted. An appropriate exemption application process can then be followed, including opportunity for any further relevant information to be brought to the Board's attention. [Emphasis added]

2. Compliance with the Board's Affiliate Relationships Code for Gas Utilities (ARC).

Having reviewed and considered Dawn Gateway's response to our comments on behalf of IGUA on this issue in our March 24th letter, we conclude that Dawn Gateway is correct. The Board's decision on this matter deems an affiliate relationship between the applicant herein and Union Gas "[f]or the purposes of Union's compliance with ARC".

Accordingly, on behalf of IGUA we accept that paragraph 3 of the Draft Rate Order as initially submitted by Dawn Gateway properly states the operative part of the condition of approval in respect of the Board's ARC.

We trust that these clarifications are of assistance to the Board.

Your truly,
MACLEOD DIXON LLP


Ian A. Mondrow

- c. Murray Newton, IGUA
Mary Jane Patrick, DAWN GATEWAY PIPELINE LIMITED PARTNERSHIP
Sharon Wong, BLAKES (Counsel for the Applicant)