



**FINANCIAL SERVICES DEPARTMENT
KITCHENER UTILITIES**

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BY E-MAIL & COURIER

April 23, 2010

Ontario Energy Board
Attn: Ms. Kirsten Walli, Board Secretary
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, Ontario, M4P 1E4

Dear Ms. Walli:

Re: EB-2010-0155 – Union Gas Limited (“Union”) – Storage and Transportation Access Rule (“STAR”) – Approval of Transportation Service Tariffs – Written Submission of City of Kitchener (“Kitchener”)

Pursuant to the Ontario Energy Board’s (“Board’s”) Notice of Application and Procedural Order No. 1 dated April 9, 2010 (“Notice”), Kitchener respectfully provides the following written submissions.

Kitchener is an embedded municipal gas distribution utility in the Southern area of Union’s service territory. Kitchener is an existing M12 Shipper and utilizes its firm transportation capacity on Union’s Dawn to Trafalgar system to partially meet its delivery obligation at Parkway under Kitchener’s T3 storage and transportation contract with Union.

Kitchener participated in the two conference calls which Union held with Shippers as described on page 4 of Ms. Hockin’s covering letter to Union’s Application in the instant proceeding. As an existing M12 Shipper, and in concert with other Shippers utilizing Union’s transportation services, Kitchener appreciated the opportunity to provide feedback on the changes which Union proposed to the contracts and tariffs to comply with the STAR. Our approach to the consultation discussions was guided by the following principles:

1. Acceptable to Kitchener for Union to seek modifications to the M12 contract to be compliant with STAR which comes into force on June 16, 2010.
2. For efficiency, also acceptable to Kitchener for Union to seek concurrent modifications which “clean up” existing contract language to streamline the wording and clarify intent or respective rights and obligations of the parties.

3. Not acceptable to Kitchener for Union to seek contract modifications to its benefit at this time which have little or nothing to do with complying with the letter or spirit of the STAR.

In light of these guiding principles, Kitchener has reviewed the written submissions of the CME filed by Mr. Thompson today. Kitchener supports those submissions and will not repeat them, other than to note that during the conference calls, Kitchener expressed similar misgivings to Union about the proposed language in Article XVI (Allocation of Capacity) and Article XVIII (Service Curtailment) in the General Terms and Conditions. The discretion afforded to Union at the specific passages cited does not comply, in Kitchener's respectful submission, with the spirit or objects of the STAR.

We hope these brief submissions are of assistance to the Board and thank it for the opportunity to provide them.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Gruenbauer', with a stylized flourish at the end.

James A. Gruenbauer, CMA
Manager, Regulatory Affairs and Supply

Cc: K. Hockin (Union)
S. Wong (Blakes)
W. Malcolm (Kitchener)
L. Baillargeon (Kitchener)
J. Alick Ryder, Q.C. (RWBH)