

EB-2010-0155

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

AND IN THE MATTER OF an Application by Union Gas Limited for approval of its tariffs for its M12, C1 and M16 transportation services;

AND IN THE MATTER OF the Storage and Transportation Access Rule.

PROCEDURAL ORDER NO. 2

On December 9, 2009 the Ontario Energy Board (the "Board") issued a Notice of Issuance of a New Rule, under section 44(1) of the *Ontario Energy Board Act, 1998* (the "Act"). The new rule, known as the Storage and Transportation Access Rule ("STAR") comes into effect on June 16, 2010. All materials related to the STAR are available on the Board's website (EB-2008-0052).

On April 1, 2010, in accordance with sections 2.3.3 and 2.4.3 of the STAR, Union Gas Limited ("Union") filed with the Board an application seeking Board approval of tariffs for its M12, C1 and M16 transportation services to be effective as of June 16, 2010. Union has proposed revisions to the tariffs for its M12, C1 and M16 transportation services in order for these tariffs to be compliant with the STAR. The Board has assigned Board File No EB-2010-0155.

Sections 2.3.3 and 2.4.3 of the STAR read as follows:

2.3.3 A transmitter shall include in its tariff the terms of service for each of its transportation services. The tariff shall be filed with the Board for approval and the approved tariff shall be posted on the transmitter's website.

2.4.3 A transmitter shall include in its tariff the standard terms of service for each of its transportation services. The tariff shall be filed with the Board for approval and the approved tariff shall be posted on the transmitter's website.

The Board issued a Notice of Application and Procedural Order No. 1 on April 9, 2010. Registered participants in the development of the STAR (EB-2008-0052) and all shippers taking M12, C1 or M16 transportation services from Union were automatically deemed registered intervenors in this proceeding.

The Board decided to proceed by way of a written proceeding. The Procedural Order No. 1 set the schedule for the proceeding with the completion of the evidence due on May 7, 2010.

In its application, Union expressed concern that there would be a two week period, between June 16, 2010 when the STAR comes into force and July 1, 2010 when the Quarterly Rate Adjustment Mechanism ("QRAM") Rate Order would be in effect, when Union will not have Board approved M12, C1 and M16 transportation contracts for potential shippers and/or storage providers.

Union has proposed two options for the Board's considerations to address this concern:

- The Board may extend the implementation date for those sections of the STAR related to the M12, C1 and M16 tariff; or
- The Board may allow Union to use the tariffs as proposed in this application to offer services subject to the STAR until a Rate Order is issued effective July 1, 2010.

The Board considered the request by Union and has decided to extend the implementation date for sections 2.3.3 and 2.4.3 to July 1, 2010 to coincide with the issuance of the QRAM adjustment.

At this time the Board considers it necessary to make provision for the following procedural matters. Please be aware that this procedural order may be amended, and further procedural orders may be issued from time to time.

THE BOARD THEREFORE ORDERS THAT:

1. The implementation date of June 16, 2010 for Sections 2.3.3 and 2.4.3 of the STAR shall be extended to July 1, 2010.

DATED at Toronto, April 27, 2010

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli Board Secretary