

May 10, 2010

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Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street 27th floor Toronto ON M4P 1E4

Dear Ms Walli,

Union Gas Limited ("Union")
2009 Earnings Sharing Mechanism ("ESM") and
Deferral Account and Other Balances
Board File No.: EB-2010-0039
Our File No.: 339583-000070

We are writing to seek intervenor status and cost award eligibility in this proceeding on behalf of Canadian Manufacturers & Exporters ("CME").

Request for Intervenor Status

The reasons why CME should be granted intervenor status in this proceeding include the following:

- (i) CME is Canada's leading business network. Its members represent 75% of manufactured output in the Province of Ontario, and 90% of all exports.
- (ii) Manufacturing is important to the Province of Ontario. It is the single largest sector of the economy (17.5% of Gross Domestic Product ("GDP") or \$300B) employing, directly, over 1M people in the Province.
- (iii) Natural gas is significant to manufacturing as one of the sources of energy for the manufacturing sector. As a result, the members of CME are vitally concerned with all matters pertaining to the supply and price of electricity.
- (iv) CME wishes to actively participate in this proceeding to ensure that Union's proposed 2009 ESM amounts, as well as its calculation and proposed disposition of deferral account amounts and other balances, are appropriate.

Request for Cost Award Eligibility

CME seeks a determination that it is eligible for a Cost Award on the following grounds:

- (i) CME is a not-for-profit organization funded by membership fees and revenues from the services it renders to Federal and Provincial Governments and Agencies to foster the development of national and international markets for its members and to break down trade barriers.
- (ii) About 85% of CME's 1,200 Ontario-based member companies are Small to Medium sized business Enterprises ("SMEs") with 500 employees or less. The views of these businesses should be considered in this proceeding.
- (iii) CME's ability to actively participate in this proceeding is dependent upon a determination that it is eligible for a Cost Award. In many prior proceedings, the Board has determined that CME is eligible for a Cost Award.

CME Contacts

If the relief requested in this letter is granted, then CME requests that further communications with respect to this matter be sent to the following:

Paul Clipsham
Director of Policy
Ontario Division
Canadian Manufacturers & Exporters
6725 Airport Road
Suite 200
Mississauga ON L4V 1V2

Tel (289) 566-9538 Fax (905) 672-1764 E-mail paul.clipsham@cme-mec.ca Borden Ladner Gervais LLP Barristers & Solicitors 100 Queen Street Suite 1100 Ottawa ON K1P 1J9

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Please contact the undersigned if the Board requires any further information in connection with these requests.

Yours very truly,

Peter C.P. Thompson, Q.C.

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c. Chris Ripley (Union) Crawford Smith (Torys) Paul Clipsham (CME)

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