



EB-2010-0039

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 an Order or Orders amending or varying the
rate or rates charged to customers as of October 1, 2010.

NOTICE OF APPLICATION

Union Gas Distribution Inc. ("Union") filed an application dated April 22, 2010 with the Ontario Energy Board (the "Board") under section 36 of the *Ontario Energy Board Act*, 1998, S.O. c.15, Schedule B, for an order of the Board amending or varying the rate or rates charged to customers as of October 1, 2010 in connection with the sharing of 2009 earnings under the incentive rate mechanism approved by the Board as well as final disposition of 2009 year-end deferral account and other balances (the "Application"). The Application also requests approval for a cost allocation methodology used to allocate costs between Union's regulated and unregulated businesses. The Board has assigned file number EB-2010-0039 to the Application.

Union is seeking an order or orders approving \$5.624 million as the customer portion of earnings sharing in 2009 and the proposed disposition of that amount to Union's customers.

Union is also seeking disposition of a \$9.208 million credit payable to rate payers which is the net of the 2009 balance in the deferral accounts and other balances.

As part of this Application, Union is also seeking recovery of costs from its Late Payment Penalty Litigation deferral account. Union is proposing that the total cost of \$9.4 million be recovered over three years and has included \$5.8 million for recovery in the current proceeding.

Union estimates that the average bill impact for residential customers in the Southern Operations area, for the period October 1, 2010 to March 31, 2011, is a \$2.84 charge comprised of a delivery related charge of \$2.46 and a commodity related charge of \$0.38.

For residential customers in the Northern and Eastern Operations area, Union estimates that the average bill impact for the same period is a credit of \$16.88 comprised of a delivery related credit of \$13.38 and a gas transportation-related credit of \$3.50.

How to see Union's Application

Copies of the application are available for inspection at the Board's office in Toronto and on its website, www.oeb.gov.on.ca, and at Union's office and may be on its website.

How to Participate

You may participate in this proceeding in one of three ways:

1. Send a Letter with your Comments to the Board

Your letter with comments will be provided to the Board members deciding the application, and will be part of the public record for the application. Your letter must be received by the Board no later than **30days** from the publication or service date of this notice. The Board accepts letters of comment by either post or e-mail at the addresses below.

2. Become an Observer

Observers do not actively participate in the proceeding but monitor the progress of the proceeding by receiving documents issued by the Board. You may request observer status in order to receive documents issued by the Board in this proceeding. If you become an observer, you need to contact the applicant and others in order to receive documents that they file in this proceeding and they may charge you for this. Most documents filed in this application will also be available on the Board's website. Your request for observer status must be made in writing and be received by the Board no later than **10 days** from the publication or service date of this notice. The Board accepts observer request letters by either post or e-mail at the addresses below; however, two paper copies are also required. You must also provide a copy of your letter to the applicant.

3. Become an Intervenor

You may ask to become an intervenor if you wish to actively participate in the proceeding. Intervenor status is eligible to receive evidence and other material submitted by participants in the hearing. Likewise, intervenors will be expected to send copies of any material they file to all parties to the hearing. Your request for intervenor status must be made by letter of intervention and be received by the Board no later than **10 days** from the publication or service date of this notice. Your letter of intervention must include a description of how you are, or may be, affected by the outcome of this proceeding; and if you represent a group, a description of the group and its membership. The Board may order costs in this proceeding. You must indicate in your letter of intervention whether you expect to seek costs from the applicant and the grounds for your eligibility for costs. You must provide a copy of your letter of intervention to the applicant.

The Board intends to proceed with this application by way of written hearing. The Board will not hold a written hearing if a party satisfies the Board that there is good reason for holding an oral hearing. If you object to the Board holding a written hearing, your letter of intervention must include reasons why an oral hearing is necessary.

All filings to the Board must quote file number EB-2010-0039, 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 portal is not available you may email your document to the BoardSec@oeb.gov.on.ca. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file seven paper copies. If you have submitted through the Board's web portal an e-mail is not required.

How to Contact Us

In responding to this Notice, please include Board file number EB-2010-0039 in the subject line of your e-mail or at the top of your letter. It is also important that you provide your name, postal address and telephone number and, if available, an e-mail address and fax number. 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.

Need More Information?

Further information on how to participate may be obtained by visiting the Board's website at www.oeb.gov.on.ca or by calling our Consumer Relations Centre at 1-877-632-2727.

IMPORTANT

IF YOU DO NOT FILE AN OBJECTION TO A WRITTEN HEARING OR DO NOT REQUEST TO PARTICIPATE IN THIS PROCEEDING IN ACCORDANCE WITH THIS NOTICE, THE BOARD MAY PROCEED IN YOUR ABSENCE AND YOU WILL NOT BE ENTITLED TO ANY FURTHER NOTICE IN THIS PROCEEDING.

Addresses**The Board:**

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Attn Ms. Kirsten Walli
Board Secretary

E-mail: boardsec@oeb.gov.on.ca
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

The Applicant:

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DATED at Toronto, May 14, 2010

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary