

June 8, 2010

Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto, Ontario
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

**Re: Union Gas Limited – Approval of Proposed Transportation Tariffs
Board File No. EB-2010-0155**

Dear Ms. Walli:

On April 1, 2010, Union filed its proposed tariff changes related to its transportation services as mandated by STAR. Intervenors and Board staff filed submissions on April 23, 2010 and on May 7, 2010, Union filed a Reply submission. The Board issued a Decision specific to Union's proposed changes on June 3, 2010 (the "Decision"). With respect to Allocation of Capacity the Board determined that,

"Therefore, the Board requires Union to clearly define its transmitter-specific allocation methods in its M12 and C1 transportation tariffs (i.e., direct negotiations and first come, first served as these are the only allocation methods listed in the tariffs). The definitions should also include the rules that will be applied to the allocation of capacity using these methods."

As a result of the Board's decision Union is requesting an extension of those parts of STAR that impact the tariffs. Specifically, Union requests that the implementation date for sections 2 and 3 be extended until October 1, 2010. This timing will allow Union to develop the rules as required by the Board and submit them for review.

Further, consistent with the Board's intent that the existing contracts would not be subject to section 2.3.4 of the Rule until the end of the initial term of the contract, Union also requests that section 1.6.2 be revised to align with the October 1, 2010 extension date. Union will post the informational requirements noted in Sections 3, 4 and 5 of the STAR on June 16, 2010.

Should you have any questions please contact me at (519) 436-5473.

Yours truly,

[original signed by]

Karen Hockin
Manager, Regulatory Initiatives

cc: EB-2010-0155 Intervenors
Sharon Wong (Blakes)
Mark Kitchen
Laurie Klein (Board Staff)
Zora Crnojacki (Board Staff)