



**FINANCIAL SERVICES DEPARTMENT
KITCHENER UTILITIES**

James A. (Jim) Gruenbauer, CMA
Manager, Regulatory Affairs & Supply
City Hall, P.O. Box 1118
200 King St. West, 5th Floor
Kitchener, Ontario
Canada, N2G 4G7
Phone: 519-741-3400 ext 3255
Cell: 519-580-3568
Fax: 519-741-2633
TTY: 1-866-969-9994
e-mail: jim.gruenbauer@kitchener.ca

BY E-MAIL & COURIER

October 26, 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-2010-0148 – Union Gas Limited (“Union”) Rates for 2011 – Procedural Order No. 1
Cost Eligibility of the City of Kitchener (“Kitchener”)

I am writing to you to advise of a procedural error (likely inadvertent on the part of the Board) regarding the cost eligibility of Kitchener in the above-noted proceedings.

Procedural Order No. 1 (“PO”) notes that “the Board received applications for cost eligibility from...the City of Kitchener...” The PO notes further that “The Board has determined that all of the intervenors who requested cost award eligibility are eligible to apply for an award of costs.”

In my letter to you, dated September 28, 2010, requesting intervenor status in these proceedings, I did not seek cost award eligibility for Kitchener. As is our usual practice in rates proceedings before the Board, Kitchener does not expect to seek costs. That practice continues to be the case here.

I hope this clarification is helpful to the Board, Union and the Parties in these proceedings.

Sincerely,

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

Cc: Parties to EB-2010-0148 (via e-mail)
J. Alick Ryder, Q.C. (RWBH)
W. Malcolm (Kitchener)