



EB-2010-0300

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

AND IN THE MATTER OF an Application by Union Gas Limited for an order or orders pre-approving the cost consequences associated with three long-term natural gas transportation contracts.

NOTICE OF APPLICATION AND PROCEDURAL ORDER NO. 1

Union Gas Limited ("Union" or the "Applicant") filed an application (the "Application") on October 5, 2010 with the Ontario Energy Board (the "Board") seeking approval of the cost consequences associated with three long-term natural gas transportation contracts. The three contracts are for transportation services on the TCPL system between Niagara and Kirkwall, between Parkway and Union's Eastern Delivery Area ("EDA") and between Parkway and Union's Northern Delivery Area ("NDA").

Union's bid for these contracts was made conditional on receiving pre-approval from the Board to recover the resulting costs through its rates. The Applicant has indicated that if approval is not received, it will not proceed with the contracts.

The Niagara to Kirkwall contract is a minimum ten-year contract for 21,101 GJ/d firm transportation service. At current National Energy Board ("NEB") rates, the annual demand commitment is \$697,000 CDN/year. The transportation service will commence November 1, 2012.

The Parkway to EDA contract is a minimum ten-year contract for 20,000 GJ/d firm short-haul capacity. The transportation service is estimated to cost \$2,827,400 CDN/year. Service will commence November 1, 2013.

The Parkway to NDA contract is a minimum ten-year contract for 10,000 GJ/d firm short-haul capacity. The transportation service is expected to cost \$1,072,500 CDN/year. Service will commence November 1, 2013.

Union has filed written evidence in support of the Application. The Application has been assigned Board File No. EB-2010-0300.

A list of pre-approved Intervenor is attached as Appendix "A" to this Order and consists of an updated list of all participants in the current Union rate hearing EB-2010-0148 and all participants in the EB-2008-0280 proceeding which established the Filing Guidelines for Pre-Approval of Long-term Natural Gas Supply and/or Upstream Transportation Contracts. Listed parties who do not wish to participate in the current proceeding may so advise the Board.

Union has requested a written hearing process to review this Application. At this time the Board has not decided whether there will be a written or an oral hearing process. Accordingly, please be aware that the Board will issue another Procedural Order regarding this proceeding at a later date. The Board may order costs in this proceeding.

THE BOARD THEREFORE ORDERS THAT:

1. Union shall immediately serve a copy this Notice of Application and Procedural Order No. 1, along with a copy of the Application and pre-filed evidence to all intervenors listed in Appendix "A". Union shall provide affidavit evidence of all deliveries to the Board.
2. Parties who intend to seek costs in this proceeding must advise the Board and the Applicant and include the grounds for their eligibility for costs by **November 8, 2010**.
3. Intervenor and Board staff who wish information and material from Union in addition to evidence already filed with the Board, and that is relevant to the hearing, shall request it by written interrogatories filed with the Board and delivered to the Company on or before **November 17, 2010**.
4. Union shall file with the Board complete responses to the interrogatories and deliver them to the Intervenor no later than **November 30, 2010**.

All filings to the Board must quote file number **EB-2010-0300**, 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 address below. 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 7 paper copies.

All parties must also provide the Case Manager, Hima Desai, Hima.Desai@oeb.gov.on.ca , with an electronic copy of all comments and correspondence related to this case.

IMPORTANT: If you do not file any comments in response to this notice, the Board may proceed without your participation and you will not be entitled to any further notice of these proceedings.

ISSUED at Toronto, November 1, 2010

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

APPENDIX A TO

Notice of Application and Procedural Order No. 1

Applicant and List of Intervenors

Board File No. EB-2010-0300

DATED: November 1, 2010

**Union Gas Limited
EB-2010-0300**

APPLICANT & LIST OF INTERVENORS

November 1, 2010

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APPLICANT & LIST OF INTERVENORS

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**Union Gas Limited
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APPLICANT & LIST OF INTERVENORS

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November 1, 2010

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**Union Gas Limited
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APPLICANT & LIST OF INTERVENORS

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November 1, 2010

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**Union Gas Limited
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APPLICANT & LIST OF INTERVENORS

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**Union Gas Limited
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November 1, 2010

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**Union Gas Limited
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APPLICANT & LIST OF INTERVENORS

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APPLICANT & LIST OF INTERVENORS

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November 1, 2010

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**Union Gas Limited
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**Union Gas Limited
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