

November 28, 2007

Ontario Energy Board  
2300 Yonge Street,  
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

**Re: EB-2007-0717 – LANXESS Inc. Storage Application  
Union Gas Limited's Reply**

Dear Ms. Walli:

Union Gas Limited ("Union") filed an application with the Board under Section 39(2) of the Ontario Energy Board Act on August 18, 2007 requesting an order of the Board approving the party, the period of and the space which is the subject of the T1 contract between LANXESS Inc. ("LANXESS") and Union.

The City of Kitchener ("Kitchener") and the Industrial Gas Users Association ("IGUA") intervened in the proceeding, and they have submitted letters to the Board citing concerns that decisions rendered in the Storage Allocation proceeding (EB-2007-0724/EB-2007-2005) may impact the LANXESS contract. Both IGUA and Kitchener appear to be asking the Board to issue an interim order until a decision is issued in the Storage Allocation proceeding.

Rather than issuing an interim order as requested by the Intervenors, Union requests that the Board issue a final order approving the party, the period of the contract, and the storage (both space and deliverability). However, Union does not object to the order providing that the contract is approved subject to adjustment in the future if required by the Board's decision in the Storage Allocation proceeding.

If you have any questions or concerns please contact me at 519-436-5476.

Yours truly,

[original signed by]  
Chris Ripley  
Manager, Regulatory Applications

cc: Robert Caputo (OEB)  
Michael Millar (OEB)  
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Peter Thompson (Borden Ladner Gervais)  
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Jim Gruenbauer (Kitchener)  
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