

VIA E-MAIL & RESS

December 13, 2010

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

Attn: Kirsten Walli, Board Secretary

RE: EB-2010-0359 Union Gas QRAM Rates

The Federation of Rental-housing Providers of Ontario (FRPO) is in receipt of Union Gas Limited January 1, 2011 QRAM Application. Beyond the traditional formulaic derivation of commodity and transportation costs, the application provided the description of an accounting error resulting from a change in the way services are delivered. The application proposes to correct the error in deferral accounts to be cleared through rates at this time and a subsequent clearing in the deferral account proceeding for 2010. This anomaly prompted FRPO to seek clarification from Union on December 10, 2010.

Union's response received today provides some information that is helpful. However, FRPO believes this issue requires further scrutiny to understand better the circumstances involved with the contracting of the third party services. FRPO also respects the need to establish rates for the next quarter in a timely fashion and that the understanding it seeks would be better provided in the Deferral account proceeding in the new year.

Therefore FRPO does not oppose the rates proposed by Union in this application. Further FRPO reserves it right to understand and comment on the circumstances that gave rise to the contracting of these third party services and the ratemaking implications to Union's customers.

FRPO requests an award of its reasonably incurred costs in connection with reviewing the QRAM application and the above mentioned deferral account implications. We will submit a claim for costs on behalf of FRPO if the Board approves this request.

Respectfully Submitted on Behalf of FRPO,



Dwayne R. Quinn
Principal
DR QUINN & ASSOCIATES LTD.

c. C. Ripley (Union)
V. Brescia (FRPO)