

Jerry H. Farrell Direct Line: (416) 863-4384 jerry.farrell@fmc-law.com

VIA E-MAIL

December 21, 2007

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, Suite 2700 Toronto, Ontario M4P 1F4

Dear Ms. Walli:

Re: Union Gas Limited and Enbridge Gas Distribution Inc.;

2008-2012 Rates Applications;

Board File Nos. EB-2007-0606 and EB-2007-0615

I am writing on behalf of Enbridge Gas Distribution Inc. to request a revision of the procedural schedule for this combined proceeding. Appendix A to Procedural Order No. 11 provides for the following procedural steps, on the following dates, and Enbridge is requesting the following revision of those dates for the EB-2007-0615 proceeding:

| procedural step | <u>date</u> | revised date |
|-----------------------------|---------------|---------------|
| File Settlement Proposal | Jan. 3, 2008 | Jan. 10, 2008 |
| Settlement Proposal Hearing | Jan. 8, 2008 | Jan. 15, 2008 |
| Oral Hearing Commences | Jan. 10, 2008 | Jan. 17, 2008 |

Enbridge is making this request for the following reasons:

• Enbridge and the intervenors whose representatives have participated actively throughout the EB-2007-0615 settlement conference (the "active intervenors") have not been able to reach agreement in principle to date. Negotiations continued beyond the Board's December 17th deadline, however, and Enbridge sent the active intervenors another settlement offer yesterday. Both Enbridge and many of the active intervenors wish to

continue their settlement negotiations; however, they recognize that negotiations will be interrupted by the holiday season and that they will be unable to meet the January 3rd deadline for a settlement proposal even if they are able to reach an agreement in principle by that date.

- Union and the intervenors whose representatives have participated in the EB-2007-0606 settlement conference have reached an agreement in principle and are now in the midst of preparing a settlement agreement for filing with the Board by the existing January 3rd deadline. Enbridge understands that there are only three matters that must proceed to a hearing. Assuming that the Board accepts the settlement agreement, therefore, the oral hearing for EB-2007-0606 is likely to be a short one.
- Enbridge has advised Union of the proposed revision of the procedural schedule for the EB-2007-0615 proceeding. Union has advised Enbridge, in turn, that (a) it wishes to retain the existing dates for the filing and the hearing of its settlement agreement (Jan. 3rd and 8th) in the EB-2007-0606 proceeding; and (b) it concurs with the revised date for the commencement of the oral hearing (Jan. 17th) in the combined proceeding.

Yours very truly,

(signed) J. H. Farrell

JHF/ko

cc: Parties to EB-2007-0606/0615