



EB-2007-0606
EB-2007-0615

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

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders approving or fixing a multi-year incentive rate mechanism to determine rates for the regulated distribution, transmission and storage of natural gas, effective January 1, 2008;

AND IN THE MATTER OF an Application by Enbridge Gas Distribution Inc. for an Order or Orders approving or fixing rates for the distribution, transmission and storage of natural gas, effective January 1, 2008;

AND IN THE MATTER OF a combined proceeding Board pursuant to section 21(1) of the *Ontario Energy Board Act, 1998*.

PROCEDURAL ORDER No. 18

Union Gas Limited ("Union") filed an Application on May 11, 2007 under section 36 of the *Ontario Energy Board Act, 1998*, S.O. c.15, Sched. B, as amended, for an order of the Ontario Energy Board (the "Board") approving or fixing a multi-year incentive rate mechanism to determine rates for the regulated distribution, transmission and storage of natural gas, effective January 1, 2008.

Enbridge Gas Distribution Inc. ("Enbridge" or "EGD") filed an Application on May 11, 2007 under section 36 of the *Ontario Energy Board Act, 1998*, S.O. c.15, Sched. B, as amended, for an order of the Board approving or fixing rates for the distribution, transmission and storage of natural gas, effective January 1, 2008.

The Board has assigned file number EB-2007-0606 to the Union Application and file number EB-2007-0615 to the Enbridge Application and has issued a Notice of Applications and Combined Proceeding dated May 25, 2007.

Union Draft Rate Order

On January 31, 2008 Union filed a draft rate order for rates to be implemented with the first billing cycle on or after April 1, 2008. The rate order is pursuant to the Board's EB-2007-0606 Decision dated January 17, 2008 in which the Board accepted the Settlement Agreement dated January 3, 2008, including the Amendment dated January 14, 2008. The Settlement, including the Amendment, provided that the rate impacts of all settled issues in the Settlement Agreement should be implemented as soon as reasonably possible following Board approval, with a view to implementation (with effect from January 1, 2008) coincident with Union's April, 2008 QRAM application.

Union Settlement (Commodity Risk Management Issue)

The Union Settlement Agreement accepted by the Board in its Decision dated January 17, 2008 indicates that the commodity risk management component of Issue 14.1 would be addressed by way of written argument and that no oral evidence is required. The Board considers it necessary to make provision for the filing of this material.

The Board therefore orders that:

1. Parties who wish to file comments regarding Union's draft rate order dated January 31, 2008 shall file their submissions by February 13, 2008. Any reply submission from Union shall be filed by February 20, 2008.
2. Union shall file its argument-in-chief on the commodity risk management component of Issue 14.1 by February 11, 2008. Parties wishing to make a submission shall file their arguments by February 19, 2008. Any reply argument from Union shall be filed by February 26, 2008.
3. All parties shall file their submissions with the Board Secretary, 11 hard copies and one electronic copy in searchable PDF format at boardsec@gov.on.ca , by 4:45 p.m. on the date indicated, and copy all parties. Parties must also include the Case Manager, Richard Battista richard.battista@oeb.gov.on.ca, Board Counsel, Michael Millar michael.millar@oeb.gov.on.ca and Board Staff, Laurie

Klein laurie.klein@oeb.gov.on.ca in electronic correspondence related to this proceeding.

DATED at Toronto, February 6, 2008.

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary