

30 November 2011

Ontario Energy Board
2300 Yonge St., 27th Floor
Toronto, ON
M4P 1E4

Attn: Ms Kirsten Walli
Board Secretary

By electronic filing and e-mail

Dear Ms Walli:

Re: EB-2011-0327-Union Gas 2012-14 DSM – GEC Evidence

Further to our correspondence of October 19th wherein we indicated that GEC intended to file evidence in this matter, we write to advise the Board and parties of the current situation.

The Board's Procedural Order No. 2 provides dates for the Settlement Conference (December 19 – 20th) and for an oral hearing (Feb. 13th) should it be needed, but does not provide dates for the filing of intervenor evidence or interrogatories thereon. GEC has the right to file evidence as recognized in section 10.1 of the *Statutory Powers Procedure Act*. However, GEC is cognizant of the benefit of maintaining the current procedural schedule and does not wish to delay the ADR to allow for such filing and an interrogatory cycle prior to settlement discussions. In the recent Enbridge 2012-14 DSM case the parties were able to reach a proposed settlement on most matters with the benefit of GEC's expert witness providing his insights during the settlement discussions. GEC believes it may be possible to replicate that approach in this matter.

Accordingly, I have discussed with Board Staff and with Union's counsel and staff the following proposal: GEC has filed its interrogatories early in the hope that Union will be able to respond earlier than the December 16th deadline in the Board's Order (though we understand that Union may not be in a position to accelerate that significantly). GEC will have its witness, Mr. Neme, on hand on the 19th and 20th to inform all parties of his views and will make best efforts to advise the parties what his evidence will be if a settlement is not reached. Should a settlement be reached the parties will ensure that there is sufficient evidence filed to allow the Board to determine the appropriateness of the proposed settlement. Should a complete settlement not be reached, GEC reserves the right to file written evidence and will do so by mid-January to ensure that there is adequate time for interrogatories and responses prior to the February 13th hearing date.

Both Board Staff and Union have indicated that they are amenable to this proposal.

We trust this approach will be satisfactory for the Board.

Sincerely,

A handwritten signature in black ink, appearing to read "David Poch". The signature is fluid and cursive, with the first name "David" written in a larger, more prominent script than the last name "Poch".

David Poch

Cc: all parties