

December 13, 2011

**Via RESS and Courier**

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, Suite 2700  
Toronto, Ontario M4P 1E4

Dear Ms. Walli,

**Re: Comments on Draft Issues List for Procedural Order No.1,  
Board File Numbers: EB-2011-0242 and EB-2011-0283**

Direct Energy (DE) would like to thank the Ontario Energy Board (the Board) for the opportunity to comment and provide input on the Draft Issues List (the list) attached in Appendix B of Procedural Order No.1 in the above noted matters. DE has had the opportunity not only to review the draft list, but also the submissions of both Enbridge Gas Distribution and Union Gas (the Companies), and offers the following comments.

Given the magnitude and long-term implications of the decision before the Board, as well as the time and effort required by an increased number of intervenors in this proceeding, it would be reasonable for the Board to first address as a preliminary matter whether it is appropriate for the Companies to engage in long term supply contracts for biomethane in order to facilitate the growth of a Renewable Natural Gas (RNG) industry. DE believes it appropriate to defer the review of other issues on the list until review and adjudication of this fundamental question.

In Enbridge's 2010 rate application, the Board issued a Preliminary Motion to determine, among other things, whether it had the jurisdiction to deal with Enbridge's "Green Energy Initiatives" and their cost consequences<sup>1</sup>. Therefore, DE respectfully requests that the Board first adjudicate on the role of the utilities as set out in Issues 1.1 and 1.2 as a preliminary matter, prior to continuing with an oral hearing on the remainder of the items on the list. Should the Board find that it is not appropriate for the Companies to engage in such activities then a significant amount of time and costs can be avoided.

I would like to thank you again for the opportunity to provide comment, and ask that you please contact me directly if you have any questions or concerns.

Yours sincerely

*Original signed by*

Ric Forster  
Director, Government & Regulatory Affairs  
Direct Energy Marketing Limited

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<sup>1</sup> EB-2009-0172, Procedural Orders 1 and 2