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March 16, 2012

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
27th floor
Toronto, ON M4P 1E4

Dear Ms Walli,

Re: Union Gas Limited
2013 Rebasing Application
Board File No.: EB-2011-0210

We are writing on behalf of TransCanada Pipelines Limited ("TransCanada") with respect to the Draft Issues List that was circulated with the Board's Procedural Order #2.

TransCanada is operating under the assumption that Rate Base issue #1 ("Does the evidence support Union's forecast level of capital spending in 2013?") encompasses the appropriateness of the particular capital projects described in the Application.

However, it is apparent from Union's recent announcement of the planned extension (to Maple) of Union's Dawn-Parkway facilities that there is an additional dimension to the appropriateness of the capital projects described in the Application. This is the appropriateness of the projects in the context of the planned extension.

While TransCanada believes that the generality and breadth of Rate Base Issue #1 encompass all aspects of the appropriateness of the capital projects described in the Application, TransCanada would consider the matter to be easily clarified by the addition of the following issue in the Rate Base category of issues:

"Are the capital expenditures described in the Application appropriate in light of Union's planned extension of the Dawn-Parkway transportation facilities to Maple?"

Yours truly,

Original Signed by

Gordon Cameron

c. Chris Ripley
Crawford Smith
Intervenors EB-2011-0210