27 April 2012

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-2011-0283/0242 Biomethane Case – GEC Cross Exhibit

Attached please find a proposed GEC cross-examination exhibit in this matter.

Sincerely,

David Poch

Cc: all parties

EB-2011-0283/0242

GEC Cross Exhibit – Incremental Gas Cost vs. GHG Reduction Value

EGDI:	I: Proposed annual cap RNG purchases		3.3 million GJ	(0242-Ex C/T1/S1/p.1)
	Incremental annual cost of gas		\$34.38 million	(0242-Ex C/T1/S1/p.2)
Union:	Proposed annual cap RNG purch	nual cap RNG purchases		(0283-Ex C, p.1)
	Incremental annual cost of gas	(south) (north)	\$18.362 million \$5.795 million	(0283-Ex C, p.2) (0283-Ex C, p.3)
	Union total annual (in n	ear term)	\$24.157 million	
EGDI &	Union incremental cost of gas (1	100% take up)	\$58.537 millior	n per annum ¹
Estimat	ed annual GHG reduction potent	tial (long term)	18,984 kt CO ² eq	(Ex B/T1/A1/pp.25, 49)
Estimat	ed annual GHG reduction potent	tial (short term)	13,006 kt CO ² eq	(Ex B/T1/A1/pp.25, 49)
Annual	reduction in CO2e at 5.5 PJ cap		1,400 kt CO ² eq	(Ex. I-8-9)
GHG Reduction Value - Pessimistic case (no RNG market development beyond caps)				
	Value of Reduction @\$15/t C	1,400 k	t CO ² eq/yr X \$15/t = \$2 :	1 million per annum
	Value of Reduction @\$50/t C	1,400 k	t CO ² eq/yr X \$50/t = \$7(0 million per annum
GHG Reduction Value - Optimistic case (full potential achieved)				
	Value of Reduction @\$15/t C	18,984	kt CO ² eq/yr X \$15/t = \$ 2	285 million per annum
	Value of Reduction @\$50/t C	18,984	kt CO²eq/yr X \$50/t = \$ 9	949 million per annum

¹ Compared to current WACOG with full cap taken up – lower uptake or higher future gas costs could reduce this value, lower gas costs could increase this value