

February 22, 2013

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

Attention: Ms. Kirsten Walli, Board Secretary

EB-2012 -0087 - Union Gas Limited - 2011 Earnings Sharing & Disposition of Deferral Account and Other Balances – Draft Rate Order

Dear Ms. Walli:

Union Gas Limited (“Union”) has received comments from London Property Management Association (“LPMA”) and from Board staff regarding Union’s Draft Rate Order filed February 11, 2013 for the above noted proceeding. LPMA had no issues with the Draft Rate Order and noted that it “appropriately reflects both the Board Decision and the Settlement Agreement in this proceeding.” Board staff also submitted that the Draft Rate Order “accurately reflects the Board’s findings and the approved Settlement Agreement with one minor exception”. Board staff requested additional wording in the Order to reflect the wording in the Settlement Agreement regarding payment options for in-franchise contract customers. Union has no concerns with this proposed wording.

Board staff also asked that Union advise in this response how it plans to communicate the payment plan optionality to its in-franchise contract rate classes. For contract customers in rate classes that are in a payment position with respect to the 2011 deferral disposition settlement, Union will issue a targeted e-mail communication from the customer’s Account Manager. The e-mail communication will specify the amount of the 2011 disposition owing. Customers will be informed of the payment options as specified in the Settlement Agreement with payment options ranging from the customary one-time payment to payment in equal installments up to a maximum of 6. The customary one-time payment will be the default option. Customers will be instructed to respond by return e-mail to their Account Manager if selecting a payment option other than the default option.

Union has no concerns with the comments received. Accordingly, Union requests the Board’s approval of its Draft Rate Order prior to Union’s April 1, 2013 QRAM application which will be filed on March 7, 2013.

If you have any questions or concerns on this matter, please contact me at (519) 436-5473.

Yours truly,

[original signed by]

Karen Hockin
Manager, Regulatory Initiatives

cc Mark Kitchen
 Crawford Smith (Torys)
 EB-2012-0087 Intervenors