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By electronic filing

March 8, 2013

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

Dear Ms Walli,

Union Gas Limited ("Union")
April 1, 2013 QRAM Application
Board File No.: EB-2013-0033
Our File No.: 339583-000019

I am writing on behalf of Canadian Manufacturers & Exporters ("CME"). Please consider this correspondence as CME's written comments on Union's QRAM Application, which seeks changes to Union's gas supply and transportation rates to reflect changes to the forecasted cost of purchasing and transporting natural gas.

As the Board is aware, it is CME's practice to conduct a due diligence review of Union's QRAM applications. CME has done so in this case. Subject to the minor comment, addressed below, CME is satisfied that the Application is consistent with the Board-approved QRAM mechanism.

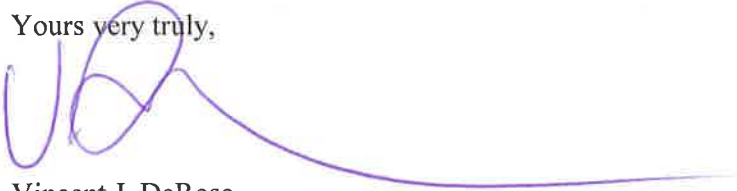
CME notes that the QRAM Application incorporates the Board's February 28, 2013 Decision and Rate Order in EB-2012-0087. That proceeding addressed Union's 2011 Earnings Sharing and Disposition of Deferral Accounts and Other Balances. We have found it difficult to track how this QRAM Application has incorporated the Decision and Rate Order.

To this end, Union has advised that because the disposition for the contract rate classes will be processed as a one-time disposition based on 2011 volumes (with a payment option) with April bills, there is nothing included in this QRAM Application. This appears consistent with the Board's February 28, 2013 Decision and Rate Order.

With respect to the general service rate classes, the deferrals will be processed prospectively for the six-month period April 1 to September 30, 2013. Union has advised that the unit rate price adjustments for these rate classes appear in the footnotes to Appendix A pages 1, 2 and 7. CME submits that it is not entirely clear from these footnotes how the unit rate price adjustments have been derived from the Board's February 28, 2013 Decision and Rate Order. For this reason, CME relies upon the expertise of Board Staff to ensure that the balances to be credited to ratepayers as determined by the Board in EB-2012-0087 are properly reflected in this QRAM Application.

CME requests an award of its reasonably incurred costs in connection with conducting its examination of Union's QRAM Application.

Yours very truly,



Vincent J. DeRose

- c. Marian Redford (Union)
- Crawford Smith (Torys)
- Lawrie Gluck (OEB)
- All Interested Parties EB-2010-0210
- Paul Clipsham (CME)

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