

April 9, 2013

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

Dear Ms. Walli:

**RE: EB-2012-0337 – Union Gas Limited
Large Volume DSM Plan for 2013-2014
Submission on Cost Claims**

On March 19, 2013, the Ontario Energy Board (the “Board”) issued its Decision and Order on Union’s Large Volume DSM Plan for 2013-2014. The Decision required intervenors eligible for an award of costs to file cost submissions in accordance with the Practice Direction on Cost Awards with the Board Secretary and with Union within 7 days of the date of the Decision and Order (March 26, 2013). Union’s submissions on the cost claims were due within 14 days of the date of the Decision and Order. On April 2, 2013 Union requested that the Board extend Union’s submission deadline to April 9, 2013. The Board granted the extension on April 2, 2013.

Union received cost claims from LPMA, GEC, Environmental Defence, SEC, CME, BOMA, CCC, IGUA, LIEN, VECC and APPrO. Union has reviewed the cost claims and, with the exception of APPrO, has no comment.

Union has the following comments on APPrO’s cost claim:

1. APPrO’s cost claim totals approximately \$196,000. At this level, APPrO’s claim is significantly higher than that of GEC who also used consulting services and was highly engaged in the proceeding.
2. There were a number of occasions where the hours claimed for APPrO’s legal counsel and the consultant for APPrO, Mr. Wolnik, overlap. Union acknowledges that a certain amount of overlap is necessary and practical when preparing for a proceeding. The amount of overlap appears to be unreasonable for ratepayers to fund.
3. APPrO has claimed hours prior to the Board’s Notice of Application and Procedural Order #1 (September 27, 2012) and after the close of argument (February 5, 2013).

The costs claimed prior to the Board's Notice of Application and Procedural Order #1 relate to customer consultations on Union's proposed 2013-2014 Large Volume DSM Plan. Union did not pay the costs of any participant in the consultation. APPrO was informed that Union was not paying these costs in the fall of 2012. These costs total \$4,894.31 and should be disallowed. Further, APPrO claimed \$1,305.15 after the close of argument. These costs should also be disallowed.

If you have any questions, please contact me at 519-436-5275.

Yours truly,

[Original signed by Angela Hale on behalf of]

Mark Kitchen
Director, Regulatory Affairs

cc: Alexander Smith (Torys)
EB-2012-0337 Intervenors

