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BY EMAIL and RESS

September 18, 2013
Our File No. 20130109

Torys
Suite 3000, Maritime Life Tower
P.O. Box 270, Toronto-Dominion Centre
Toronto, Ontario
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Attn: Crawford Smith

Dear Mr. Smith:

Re: EB-2013-0109 – Union Gas 2012 D/V Clearance

We are counsel for the School Energy Coalition. Further to Procedural Order #2, we are in the process of preparing for the hearing in October on this matter. In preparing our cross-examination with respect to the DSM-related accounts, we have identified areas in which some witnesses may be appropriate. We are writing to provide you with that information to assist in the preparation of your case.

Our cross-examination will focus mainly on the results for the custom projects for 2011, and will include reference to the Attachments to SEC IR D4.02. We will not have any questions directly related to attachments 2, 3 and 4, the Navigant, Energuy, and Seeline materials, so we have no reason to cross-examine the authors of those materials.

However, we will have questions with respect to the Final Audit Report authored by EcoNorthwest with the assistance of Cascade Energy, and the CPSV reports and related materials authored by Diamond Engineering and Michaels Energy. We believe it is unlikely that Union Gas personnel will be in a position to answer our questions about those reports, and therefore we request that you make available for cross-



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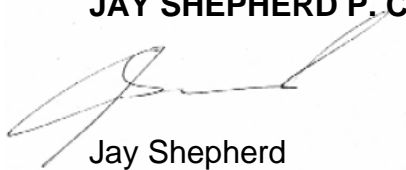
examination the authors of those reports. In the case of the Final Audit Report, our questions will relate to both the overall opinion and the review of the CPSV work, so we are not sure whether both EcoNorthwest and Cascade would be needed to answer those questions. Union Gas will probably know whether both are required. We will also have questions on the communications between the Audit Team and the CPSV contractors, and between the CPSV contractors and Union Gas personnel, including the nature and timing of those communications.

We will also, of course, have questions relating to the Union Gas Annual Report on DSM, and the final numbers claimed for 2011, but in the normal course we would in any case expect that Union Gas witnesses will be available to cross-examine on those issues.

We hope this is of assistance in preparing your witness panels.

Yours very truly,

JAY SHEPHERD P. C.



Jay Shepherd

cc: Wayne McNally, SEC (email)
Interested Parties