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ONTARIO ENERGY BD

December 10, 2013

Ontario Energy Board (OEB) P.O. Box 2319 2300 Yonge Street Toronto, Ontario, Canada M4P 1E4

Dear Ontario Energy Board Representatives,

Union Gas Limited
Owned by Spectra Energy (Texas, USA)
Ontario Taxpayer Deserves a "Better Bartered Deal" by the Liberal Government
File Number: EB-2013-0365
I TOTALLY DISAGREE WITH THE PROPOSED INCREASE & ANNUAL DECLINE
THIS DECLINE DOES NOT EVEN COVER THE UNION GAS
MONTHLY \$20 ADMINISTRATION CHARGE
INCREASES IN THE GAS RATE PENALIZE
A SELECT GROUP OF RESIDENTIAL HOMEOWNERS WHY?
UNION GAS CANNOT SEEM TO GET THEIR
GAS MARKETING PROJECTIONS IN ORDER
DO THEY HAVE QUALIFIED INDIVIDUALS RUNNING THEIR ORGANIZATION? OR
IS IT JUST THE BOTTOM LINE THAT THEY ARE CONCERNED ABOUT IN
RELATION TO EXECUTIVE COMPENSATION?

I am at a loss why Union Gas Limited actually advises us of the charges and pitence in credits the customer will receive by making a request through the Ontario Energy Board (OEB) and advertised via our community newspaper, The Enterprise, dated Thursday, December 5, 2013.

The Ontario Energy Board (OEB) made a decision for Union Gas to reimburse their customers \$30 Million worth of charges based on the included article dated November 27, 2012. I gather this must be the reimbursement for some of the customers.

I review the decisions made by your organization at the Ontario Energy Board (OEB) on occasion and it must be very difficult; whereby, the energy deals made by the political party of the day, in Ontario must be met at the expense of the Ontario taxpayer

Nancy Mac Donald, December 10, 2013 and public purse. Anyways, I have included a newspaper clipping for your review dated, Saturday, March 30, 2013.

As the continual increases in our energy rates continue some Ontario residences may vacate the province or just go on social assistance. As the economic downturn of the province of Ontario takes place, you may want to ask the executives, of the various energy companies, to give back part of their compensation. By the way, this money will be either offshore or sitting in a pension plan that will either be higher valued or devalued based on the stock market trends

I will be passing on my concerns to the Ontario Minister of Energy, Honourable Bob Chiarelli. Hopefully the Ontario Energy Board (OEB) will make the right decision, but given the constraints of energy deals made by the Ontario Liberals I believe executive compensation will take precedence, at Spectra Energy, as noted in an enclosed article dated, August 22, 2007.

Have a good day as I am making every effort to stave off being on the poverty line and getting off the energy grid to self-sufficiency.

Please contact me, in writing, to discuss any details of my request. I look forward to your response. Thank you.

Sincerely,



John D. Cruickshank PUBLISHER Michael Cooke EDITOR Andrew Phillips EDITORIAL PAGE EDITOR

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Saturday, Morch 30, 2013

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## Ontario Energy Board Decision to Result in Approximate \$30 Million Charge in Fourth Quarter

Nov. 27, 2012

**CHATHAM, ON** – Spectra Energy Corp (NYSE: SE) today announced that its subsidiary, Union Gas, has received a decision from the Ontario Energy Board (OEB) that certain revenues realized from the optimization of upstream transportation contracts must be reclassified as gas supply costs, with 90% of those revenues refunded to customers. This highly irregular decision will result in a charge of approximately \$30 million to Spectra Energy's earnings before interest and taxes in the fourth quarter of 2012, related to 2011 and 2012.

"We are very disappointed in the OEB's unexpected retroactive change to the incentive regulation framework which was approved in 2007 and under which customers have benefited from no delivery rate increase for five years," said Steve Baker, president, Union Gas. "Retroactive rate making creates regulatory uncertainty and an environment that is neither predictable nor supportive of economic development, and can have far-reaching effects on the province's ability to attract capital and jobs."

#### **About Union Gas**

Union Gas Limited is a major Canadian natural gas storage, transmission and distribution company based in Ontario with over 100 years of experience and service to customers. The distribution business serves about 1.4million residential, commercial and industrial customers in more than 400 communities across northern, southwestern and eastern Ontario. Union Gas' storage and transmission business offers a variety of storage and transportation services to customers at the Dawn Hub, the largest underground storage facility in Canada and one of the largest in North America. It offers customers an important link in the movement of natural gas from Western Canadian and U.S. supply basins to markets in central Canada and the northeast U.S. Union Gas, one of Canada's Top 100 Employers for 2011, 2012 and 2013, and one of Canada's Greenest Employers for 2012, is a Spectra Energy (NYSE: SE) company with assets of \$5.8 billion and approximately 2,200 employees. For more information, visit uniongas.com.

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### Energy

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Restructuring and Competition

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Media Release: Consumer Groups appeal Ontario Energy Board¹s Billion Dollar Giveaway

Media Release: Ontario Gas Customers Slam Billion Dollar Giveaway to Texas–Based Energy Corporation

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## Media Release: Ontario Gas Customers Slam Billion Dollar Giveaway to Texas-Based Energy Corporation

MONDAY, AUGUST 13, 2007

Another billion dollar boondoggle?

Attention News/Business Editors For Immediate Release

August 22, 2007

OTTAWA/TORONTO — The McGuinty government is being asked to overturn an Ontario Energy Board (OEB) Decision that means that Union Gas's Texas-based owners, Spectra Energy (formerly Duke Energy) will get to pocket an estimated billion dollars over a ten year period that would otherwise gone to their customers. In documents filed today with the Ontario cabinet, the Vulnerable Energy Consumers Coalition (VECC), a coalition of seniors and tenant organizations representing low and fixed income customers, replied to Union Gas submissions that sought to justify the OEB decision to deregulate the natural gas storage market.

The effect of the Board-ordered deregulation is to give all the revenue earned on the storage sold to non-Union customers to Union's American parent. Prior to this, Union customers were credited with most of the revenue from these storage sales because they had paid in their rates to develop the storage. This means, after a brief



transition period, a loss of an estimated one hundred million dollars per year to Union's customers which will be have to be made up in increased rates. All natural gas customers pay for storage in their rates that helps to meet winter heating demands. Part of the annual one hundred million dollars paid to Union's owners will include an additional amount of \$40 million dollars paid by Enbridge customers to Union for storage it traditionally rents from Union.

"The Ontario government must tell Union's customers why it's necessary to give a billion dollars of Ontario consumer money to Spectra when that money has been obtained by the use of storage facilities that the customers already built for Union with their rates", Michael Janigan, Executive Director and General Counsel of the Public Interest Advocacy Centre which represents VECC. "This money belongs to customers. Sending it to Texas won't help build any new storage, and won't save any energy in this province", Janigan added.

Other major natural gas consumer groups have also appealed the controversial OEB decision. The Industrial Gas Users Association (IGUA) and the Consumers Council of Canada (CCC) have also filed petitions to the Ontario Cabinet challenging the decision that would deregulate all Union storage that is not now needed to serve its own customers and give the storage rental revenue to the company.

VECC has requested that the Government return the matter to the OEB for review with a view to changing its Decision so that Ontario customers will be protected.

Download File:

reply to the responses filed to lgic petition final.pdf
[size: 0.04 mb]



Reply to the Responses Filed to the Petition of the Vulnerable Energy

Consumers Coalition to the Lieutenant Governor in Council to require the Ontario Energy Board to hold a hearing with respect to the Order of the Ontario Energy Board of May 22, 2007, made in a proceeding initiated by the Ontario Energy Board to determine whether it should order new rates for the provision of natural gas, transmission, distribution and storage services to gas-fired generators (and other qualified customers) and whether the Board should refrain from regulating the rates for storage of gas identified as EB 2006-0322, EB-2006-0338, and EB-2006-0340.

See also: Letter and Petition of VECC, June 19, 2007

### For more information:

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