

August 22, 2014

VIA RESS, EMAIL AND COURIER

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Attention: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2014-0012 Union Gas Limited Hagar Liquefaction Service

We act for Northeast Midstream LP (“Northeast Midstream”), an intervener in the above-captioned proceeding.

We are writing to advise the Board, the applicant Union Gas Limited (“Union”) and the interveners that Northeast Midstream intends to file a motion with the Board asking the Board to dismiss Union’s Application for a new Rate L1 for its proposed interruptible liquefaction natural gas service. The motion will ask the Board to dismiss Union’s application on the basis that it is entirely premature at this time given that Union has been unable to provide certainty on a large number of issues and that the LNG market itself is nascent. For example, Union has submitted an application for a cost-based rate in circumstances where it has not even determined the fully allocated costs associated with its proposed new liquefaction service and has indicated that full cost allocation will not be undertaken until its next rate rebasing proceeding when it completes a full cost allocation study.

It is anticipated that Northeast Midstream’s motion will be supported by expert evidence, a written copy of which will be filed with the motion. Northeast Midstream is taking vigorous steps to ensure that the relevant evidence is available to the Board for the motion but this is not a simple or expedient process. However, Northeast Midstream expects to be in a position to file the motion and supporting evidence by November 30. We would ask that the Board take this request and the proposed timing of the filing of the motion into account when considering any further procedural steps in this important proceeding.

Please do not hesitate to contact the undersigned should you require any additional information.

Yours very truly,

Goodmans LLP



Robert Malcolmson
RZM/pg

Attachments

Copy: Karen Hockin, Union Gas
Charles Keizer, Torys

Michael Miller, Legal Counsel, Ontario Energy Board
Intervenors (by e-mail)