



**EB-2006-0033**

**IN THE MATTER OF** the *Ontario Energy Board Act*, 1998, S.O. 1998, c.15 (Sched. B);

**AND IN THE MATTER OF** an Application by Union Gas Limited, pursuant to section 36(1) of the *Ontario Energy Board Act*, 1998, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission, and storage of gas as of April 1, 2006;

**AND IN THE MATTER OF** the Quarterly Rate Adjustment Mechanism approved by the Ontario Energy Board in RP-2003-0063.

## **NOTICE OF WRITTEN HEARING AND PROCEDURAL ORDER NO. 1**

Union Gas Limited ("Union") filed an application (the "Application") dated February 24, 2006, with the Ontario Energy Board (the "Board") for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission, and storage of gas. The Application was made pursuant to Union's approved Quarterly Rate Adjustment Mechanism ("QRAM"). Union's Application has been given Board File No. EB-2006-0033.

Union seeks the following orders, effective April 1, 2006:

- (a) an order establishing the reference prices paid specified in the table below:

	Current (Approved in EB- 2005-0531)	Proposed (Effective April 1, 2006)
Alberta Border Reference Price <sup>1</sup>	10.859 \$/GJ 40.8950 cents/m <sup>3</sup>	9.173 \$/GJ 34.5363 cents/m <sup>3</sup>
Ontario Landed Reference Price <sup>2</sup>	12.452 \$/GJ 46.8942 cents/m <sup>3</sup>	10.664 \$/GJ 40.1500 cents/m <sup>3</sup>
South Portfolio Cost Differential ("SPCD") <sup>3</sup>	0.050 \$/GJ 0.1883 cents/m <sup>3</sup>	(0.008) \$/GJ (0.0301) cents/m <sup>3</sup>

**Notes:**

1. *The Alberta Border Reference Price represents the North Purchase Gas Variance Account (Deferral Account No. 179-105) reference price and the TCPL Tolls and Fuel – Northern and Eastern Operations Area deferral account (Deferral Account No. 179-100) reference price with respect to fuel gas.*
  2. *The Ontario Landed Reference Price represents the South Purchase Gas Variance Account (“SPGVA”) (Deferral Account No. 179-106) and Spot Gas Variance Account (Deferral Account No. 179-107) reference price.*
  3. *The SPCD is used as the benchmark to reduce the debits/credits that would otherwise accumulate in the SPGVA if there was no adjustment to the South Transportation Rate.*
- (b) an order to reflect the inventory revaluation credit resulting from changes in gas costs as of April 1, 2006;
- (c) an order reflecting the prospective recovery of the projected balance for the twelve month period ending March 31, 2007 recorded in the gas supply deferral accounts; and
- (d) such further orders as the Board may deem necessary.

Union has provided written evidence in support of the proposed changes contained in the Application. The Application and prefiled evidence were sent by Union to all Intervenor of record in the RP-2003-0063 proceeding on November 28, 2005.

**Written Hearing**

The Board intends to proceed in this matter by way of a written hearing unless any party provides a good reason why it should proceed by way of an oral hearing.

**THE BOARD THEREFORE ORDERS THAT:**

1. Any party that objects to proceeding by way of a written hearing may make written submissions to the Board for its consideration no later than 4:30 pm, Thursday, March 2, 2006. If any such objections are received by the Board, the Board may amend the deadlines below.

2. Parties to this proceeding wishing to make submissions on the Application may do so by filing such submissions with the Board Secretary (8 hard copies plus an electronic copy by e-mail) and serving a copy on Union no later than 4:30 pm, Monday, March 6, 2006.
3. Union shall reply to any submissions received by filing such replies with the Board Secretary (8 hard copies plus an electronic copy by e-mail) and serving a copy on all parties who make submissions no later than 4:30 pm, Wednesday, March 8, 2006.
4. All parties must also provide the Case Manager, Khalil Viraney [khalil.viraney@oeb.gov.on.ca](mailto:khalil.viraney@oeb.gov.on.ca) with an electronic copy of all submissions and correspondence related to this case.

**IMPORTANT:** If you do not file any submissions in response to this notice, the Board may proceed without your participation and you will not be entitled to any further notice of these proceedings.

ISSUED at Toronto February 28, 2006

ONTARIO ENERGY BOARD

A handwritten signature in black ink, appearing to read 'P. O'Dell', with a long horizontal line extending from the end of the signature.

Peter H. O'Dell  
Assistant Board Secretary