

June 9, 2008

Kirsten Walli, Board Secretary  
**ONTARIO ENERGY BOARD**  
2300 Yonge Street, 27th Floor  
Toronto, ON M4P 1E5

Dear Ms. Walli:

**Re: EB-2008-0106: Commodity Pricing, Load Balancing and Cost Allocation  
Methodologies for Natural Gas Distributors in Relation to Regulated Gas Supply.  
Application for Intervention - Superior Energy Management, Inc. (SEM).**

We write as legal counsel to SEM, in Application for intervenor status in the captioned proceeding, pursuant to Rule 23 of the Board's *Rules of Practice and Procedure*.

**Description of SEM and Interest in this Proceeding.**

SEM provides natural gas commodity supply to residential, commercial and industrial customers and also provides and is responsible for daily balancing, billing for commodity and transportation, daily nominations on pipelines and daily storage injections and withdrawals.

As a competitive supplier of gas commodity, SEM has an interest in the methodology used to price system supply, against which price SEM competes, and differentiates its gas supply products. In the course of providing gas supply to its customers, SEM assumes delivery and balancing obligations to Ontario's distributors, and as such, SEM is a customer for load balancing services. On behalf of its gas supply customers, SEM has an interest in the allocation of utility costs as between delivery services (which SEM's customers pay for) and gas supply (which SEM's customers obtain from SEM, and therefore shouldn't pay the utility for).

**SEM's Intended Participation.**

SEM intends to be active in all phases of this proceeding, and looks forward to receiving more information regarding the structure of, and process for, the Board's review.

**Costs.**

While SEM is a utility customer for load balancing services, SEM is a marketer of natural gas, and is therefore declared ineligible for a cost award under section 3.05 of the Board's *Practice Direction on Cost Awards*. At this time, SEM does not intend to seek costs in this proceeding.

**Copies of Evidence and Communications.**

SEM requests that copies of all evidence and other materials filed by parties herein be delivered to it as follows:

SUPERIOR ENERGY MANAGEMENT, INC.  
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Your truly,  
**MACLEOD DIXON LLP**



Andrew MacSkimming

- c. Susannah Robinson, SEM
- Judy Wasney, SEM
- Patrick Hoey, ENBRIDGE
- Mark Kitchen, UNION
- Chuck Hindley, NRG