



**FINANCIAL SERVICES DEPARTMENT
KITCHENER UTILITIES**

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BY FAX & COURIER

June 9, 2008

Ontario Energy Board
Attn: Ms. Kirsten Walli, Board Secretary
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, Ontario, M4P 1E4

Dear Ms. Walli:

Re: EB-2008-0106 – Regulated Gas Supply - Intervention by City of Kitchener (“Kitchener”)

Pursuant to the Ontario Energy Board’s (“Board’s”) Notice of Proceeding dated May 29, 2008, Kitchener wishes to actively participate in this proceeding.

Kitchener is an embedded gas distributor in the Southern Area of Union Gas (“Union”) and receives semi-unbundled storage and transportation services under Rate T3 which facilitates the provision of system gas and direct purchase supply options to Kitchener’s customers. Kitchener’s approach to setting its gas rates and allocating costs between supply, load balancing and delivery functions is influenced by the Board’s regulation of Union’s rates and cost allocation methodologies. Therefore, Kitchener has an interest in the outcome of this proceeding as it may impact its approach to setting rates and allocating costs between supply and delivery functions.

Kitchener does not expect to seek costs in this proceeding.

If there are any questions or concerns with this request for intervention, please contact me at your earliest convenience.

Sincerely,

James A. Gruenbauer, CMA
Manager, Regulatory Affairs and Supply

Cc: M. Kitchen (Union Gas)
P. Hoey (Enbridge)
C. Hindley (NRG)
J. Alick Ryder, Q.C. (RWBH)
W. Malcolm (Kitchener)