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File No. 339583/000230

March 4, 2016

By electronic filing

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Walli,

**Union Gas Limited (“Union”)
Request for Greenhouse Gas Emissions Impact Deferral Account
Board File Nos.: EB-2015-0367**

We are writing on behalf of Canadian Manufacturers & Exporters (“CME”).

CME does not oppose the establishment of the proposed Greenhouse Gas Emissions Impact Deferral Account. In this regard, CME recognizes that as a result of the *Climate Change Mitigation and Low Carbon Economic Act*, Union will likely incur additional costs which would be appropriately captured in such a deferral account.

CME’s agreement with the establishment of this account is premised on the assumption that all of the costs recorded in the proposed Greenhouse Gas Emissions Impact Deferral Account will be subject to a comprehensive review at the time that Union seeks disposition.

In its February 8, 2016, comments on the Natural Gas Market Review, CME urged Board Staff to recommend that the Board initiate a proceeding, by way of either generic proceeding or policy consultation, to develop the Board’s policy in relation to the implementation of cap and trade by natural gas distributors. CME reiterates its request to the Board that such a proceeding or consultation be established as soon as possible so that customers can better understand, as soon as possible, the impact which cap and trade will have on their respective energy costs. In our submission, early development of Board policy on this issue will benefit Ontario consumers and the utilities.

Yours very truly,

A handwritten signature in black ink, appearing to read 'VJD', followed by a long horizontal line extending to the right.

Vincent J. DeRose
VJD/kt

c. Paul Clipsham and Ian Shaw (CME)

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