

August 31, 2016

Ms. Kirsten Walli Ontario Energy Board 2300 Yonge Street, 27th Floor Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EB-2015-0363 – Cap and Trade Framework for Natural Gas Utilities – Early Determination regarding Billing of Cap and Trade Related Costs and Customer Outreach dated July 28, 2016 – Request for Further Information and Reasons

Union Gas Limited ("Union") has reviewed the recent correspondence regarding the Board's determination that charges related to the recovery of cap-and-trade compliance costs will be included in the delivery charge on customers' bills. Union provided detailed submissions and focus group results to the Board in this proceeding, highlighted in the Industrial Gas Users Association's ("IGUA") correspondence, regarding including cap-and-trade compliance costs in a separate line item. As noted by IGUA, almost all of the submissions from customers and customer representatives supported a separate line on the bill for compliance costs. For these reasons, Union supports the request for the Board to clarify the reasoning behind its Decision to include the charges in the delivery charge on customers' bills.

Further, Union supports parties' requests for clarification as to what information related to cap-and-trade compliance costs will appear on customer bills.

If you have any questions concerning this submission please contact me at 519-436-5334.

Yours Truly,

[Original Signed by]

Vanessa Innis Manager, Regulatory Initiatives

Cc: Mark Kitchen Crawford Smith (Torys) All Intervenors (EB-2015-0363)