

October 19, 2017

VIA RESS AND COURIER

Ms. Kirsten Walli
ONTARIO ENERGY BOARD
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, Ontario
M4P 1E4

Ian A. Mondrow
Direct 416-369-4670
ian.mondrow@gowlingwlg.com

Assistant: Cathy Galler
Direct: 416-369-4570
cathy.galler@gowlingwlg.com

Dear Ms. Walli:

Re: EB-2017-0087 – Union Gas Limited (Union) 2018 Rates Application.

Industrial Gas Users Association (IGUA) Request for Intervention.

We write as legal counsel to IGUA to request that IGUA be granted intervenor status in the captioned proceeding.

Description of IGUA

IGUA is an association of industrial companies located in the Canadian provinces of Ontario and Québec, who use natural gas in their industrial operations. IGUA was first organized in 1973 and it provides a coordinated and effective public policy and regulatory voice for those industrial firms depending on natural gas as a fuel or feedstock. IGUA has become the recognized voice representing the industrial user of natural gas before regulatory boards and governments at both the provincial and national levels.

The Association's activities are guided by a 15 member Board of Directors, constituted to assure that each industrial sector and geographic region is represented. The Board of Directors has regularly scheduled meetings at least six times each year. A full time President and other staff are based in a permanent office in Ottawa.

Through regulatory intervention, government advocacy, marketing, promotion, partnerships, education and outreach, IGUA successfully represents industrial gas users. Our mission is to be the voice of our members within the natural gas industry through intervention, advocacy, and partnerships.

Nature and Scope of IGUA's Intended Participation

IGUA was an active participant in Union's cost of service and IRM proceedings which established the current (2014-2018) rate plan under which this application is proceeding. IGUA intends to review the current application in general (subject to further consideration of the Board's Notice of hearing direction limiting the scope of cost eligibility), but at this time anticipates a focus on one issue in particular; the rate impacts of the Panhandle Reinforcement Project.

IGUA has members served on Union's St. Clair system who will be particularly impacted in 2018 by Union's proposal for 2018 recovery of costs of the Panhandle Reinforcement Project in accord with the Board's findings in EB-2016-0186. IGUA now has information sufficient to quantify the rate impacts on its members of this recovery proposal. IGUA proposes to file evidence of those impacts and the implications to its members of an alternative approach to allocation of the subject costs as previously proposed by Union. IGUA will argue in this proceeding that the Panhandle Expansion Project rate impacts are too significant to further defer a re-examination of the appropriate and equitable approach to allocation of these costs.

Written or Oral Hearing

IGUA will have a better view of whether a written hearing would be appropriate in this application, or whether an oral hearing would be advisable, following the finalization and filing of its proposed evidence and the anticipated interrogatory process in respect of that evidence and Union's pre-filed evidence. IGUA respectfully suggests that the Board contemplate a schedule which includes provision for a brief oral hearing, if ultimately deemed appropriate.

Intention to Seek an Award of Costs

IGUA also hereby requests that it be determined eligible for recovery of its reasonably incurred costs of its intervention herein.

As a party primarily representing the direct interests of industrial consumers (i.e. ratepayers) in relation to regulated services, IGUA has in the past been determined to be eligible for cost awards pursuant to section 3.03(a) of the Board's *Practice Direction on Cost Awards*.

While we have noted the Board's direction in the Notice of Hearing limiting the scope of cost recovery to updates to Rate M12 Schedule "C" and the Panhandle Reinforcement Project, IGUA reserves its position on seeking costs in respect of additional issues which, based on a full record, are demonstrably material and appropriate for review and determination, with input from affected customers, as part of this proceeding.

Request for Written Evidence and Contact Information

IGUA requests that copies of written evidence and all circulated correspondence related to this matter be directed to it as follows:

Ian Mondrow, Partner
GOWLING WLG (CANADA) LLP
Suite 1600, 1 First Canadian Place
100 King Street West
Toronto, Ontario
M5X 1G5

Phone: 416-369-4670
Fax: 416-862-7661
E-Mail: ian.mondrow@gowlingwlg.com

Dr. Shahrzad Rahbar
President
INDUSTRIAL GAS USERS ASSOCIATION
260 Centrum Boulevard, Suite 202
Orleans, Ontario
K1E 3P4

Office: 613-236-8021
Mobile: 613-983-2927
E-Mail: srahbar@igua.ca

We have an electronic copy of the prefiled materials and do not require a hard copy.

Yours truly,



Ian A. Mondrow

c: A. Stiers (Union)
C. Smith (Torys)
S. Rahbar (IGUA)
K. Viraney (Board Staff)

TOR_LAW\ 9306762\1