SCOTT POLLOCK T 613.787.3541 spollock@blg.com Borden Ladner Gervais LLP World Exchange Plaza 100 Queen St, Suite 1300 Ottawa, ON, Canada K1P 1J9 T 613.237.5160 F 613.230.8842 blg.com



Our File No. 339583-000246

By electronic filing

January 8, 2018

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

Dear Ms. Walli

Re: Union Gas Limited Application for natural gas distribution, transmission and storage rates commencing January 1, 2018 Board File No.: EB-2017-0087

These are the submissions of Canadian Manufacturers & Exporters ("CME") with respect to the unsettled issue in Union Gas Limited's ("Union") application for rates commencing January 1, 2018, which relates to the cost allocation methodology for Union's Panhandle Reinforcement Project.

CME represents 1,400 Ontario-based member companies. Natural gas is a significant source of energy for the manufacturing sector. CME members are therefore vitally concerned with all matters pertaining to the consumption of natural gas by manufacturers, and support natural gas rates that sustain system investments and encourage manufacturing growth.

CME's members range from small enterprises to large manufacturing and exporting businesses. As a result, they have a wide range of energy needs, and purchase gas pursuant to a number of different rate-classes offered by Union.

While cost allocation issues are of fundamental importance to all of the ratepayers of Ontario, given the diversity of CME's membership, CME takes no position at this time regarding the proper cost allocation of the Panhandle Reinforcement Project.



In an effort to conserve resources, CME has elected to make these submissions in writing; however, counsel to CME can make themselves available to the Board at the hearing on January 9, 2018 if the Board considers it beneficial or expeditious to the hearing.

Yours very truly

Borden Ladner Gervais LLP

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Scott Pollock

c. Adam Stiers Crawford Smith (Torys LLP) EB-2017-0087 Intervenors Paul Clipsham and Ian Shaw (CME)

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