

December 19, 2018

BY EMAIL & RESS

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

**Re: EB-2018-0331 – Union Gas Limited – 2016-2018 Cap-and-Trade
Deferral Account Disposition – Extension Request**

Union Gas Limited (“Union”) writes this letter in response to the Ontario Energy Board’s (“OEB” or the “Board”) Notice and Procedural Order No. 1 dated December 7, 2018 (“P.O. No. 1”). P.O. No. 1 establishes the scope of the OEB’s prudence review of Union’s Cap-and-Trade-related deferral account balances and directs Union to file supplemental evidence with the OEB by January 31, 2019, including actual balances, for 2016-2018, in each of the Greenhouse Gas (“GHG”) Emissions Impact Deferral Account (“GGEIDA”), the GHG customer-related deferral account and the GHG facility-related deferral account.

For the reasons set out below, Union requests that the January 31, 2019 deadline to file supplemental evidence be extended to no earlier than February 21, 2019 and that all subsequent procedural deadlines noted in P.O. No. 1 be similarly adjusted.

October 2018 QRAM

In accordance with the OEB’s letter dated August 30, 2018, Union sought approval to eliminate Cap-and-Trade charges and interim approval to dispose of Cap-and-Trade-related deferral account balances (a net credit of \$12.791 million) as part of its October 2018 QRAM application (EB-2018-0253). For general service Rate M1, Rate M2, Rate 01 and Rate 10 customers, Union proposed to dispose of Cap-and-Trade deferral account balances over a three month period, from October 1, 2018 to December 31, 2018. The OEB subsequently approved Union’s October 2018 QRAM application, as filed, on an interim basis.

Request for Delay

As a result of the OEB-approved disposition methodology detailed in Union’s October 2018 QRAM and Union’s monthly billing cycles for general service customers, Union will not have actual billed volumes over which OEB-approved interim Cap-and-Trade deferral account

balances were disposed of for the month of December 2018 until mid-February 2019. Therefore, Union will not be in a position to file complete supplemental evidence reflecting actual disposition amounts until late-February 2019.

In order to comply with the OEB's direction in P.O. No. 1, Union would need to file supplemental evidence on January 31, 2019 that relies on an estimate of the interim disposition amount for the month of December 2018. Union would then need to file updated evidence, approximately a month later, to reflect the actual interim disposition amount for its general service customers for the month of December 2018.

To avoid filing updated evidence Union requests that the OEB extend the deadline to file supplemental evidence as directed in P.O. No. 1 to no earlier than February 21, 2019 in order for Union to reflect actual interim disposition amounts for the month of December 2018. Should the OEB grant Union an extension of the deadline to file supplemental evidence, then it is also appropriate for the OEB to extend the subsequent deadlines established in P.O. No. 1 in a similar manner for: written interrogatories from OEB Staff and intervenors; and, Union's responses to written interrogatories.

If you have any questions or concerns please contact me at (519) 436-4558.

Sincerely,

[Original signed by]

Adam Stiers
Specialist, Regulatory Initiatives

c.c.: EB-2018-0331, Parties (*via email*)
Dennis O'Leary, Aird & Berlis (*via email*)
Laurie Klein, OEB Staff (*via email*)
Lawren Murray, OEB Staff (*via email*)