



**uniongas**

A Spectra Energy Company

Exhibit IDS2  
Union Gas Limited  
July 24, 2008

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Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON, M4P 1E4

Dear Ms. Walli:

**Re: Union Gas Submission - Draft Issues List (Board File No. - EB-2008-0106)**

In Procedural Order No.1 dated July 9, 2008 for the above-noted proceeding, the Board invited parties to make submissions with respect to the draft issues list attached as Appendix B to the Order. This is Union's submission.

Union does not object to the draft issues proposed by the Board. It is Union's position the draft issues are consistent with those identified by the Board in its Natural Gas Forum report dated March 30, 2005.

*Standardization and Implementation* - In general, Union supports the Board's stated intention to move towards policies that are consistent between natural gas utilities in relation to regulated gas supply. Union not only understands but appreciates the efficiencies that can be gained through standardization. At the same time, however, Union cautions that in some cases, a change to a utility's established processes and/or systems can drive unnecessary costs. Union submits that any effort to reach standardization needs to consider the inherent operational differences between utilities and, ultimately meet the needs of consumers.

Union also cautions that, to the extent the outcome of this proceeding - whether as a result of a decision to standardize between utilities or otherwise - is that one or more of the utilities must change their systems or processes, a number of implementation issues might flow from that outcome. In particular, there may be significant costs consequences. Whether those costs should be incurred and who should share in the burden of those costs must all be considered.

As a final matter, in its July 22<sup>nd</sup> letter in response to the Low-Income Energy Network's ("LIEN") request for intervenor status, Union objected to LIEN's proposed addition of an issue relating to the advisability of a bill assistance strategy for low-income consumers that includes the establishment of a low-income assistance rate. Union respectfully reserves the right to respond to any other proposed issues at the Issues Day scheduled for July 31, 2008.

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Should you have any questions on this submission please contact me at (519) 436-5476.

Sincerely,

*[Original signed by]*

Chris Ripley  
Manager, Regulatory Applications

cc: Crawford Smith, Torys  
All EB-2008-0106 Intervenors