

September 11, 2008

BY E-MAIL

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

Dear Ms. Walli:

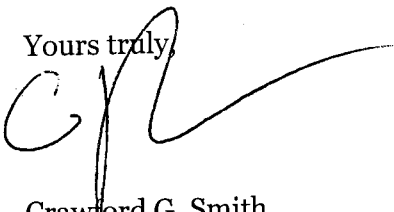
Re: Union Gas Limited - Application for Leave to Discontinue Service to Natural Resource Gas Limited - EB-2008-0273

We are counsel to Union Gas Limited ("Union") in the above-noted matter.

As referred to in Union's application, Natural Resource Gas Limited ("NRG") and Union are parties to a Bundled T Gas Contract first made as of October, 2004 (the "BT Contract"). The BT Contract is scheduled to expire on its terms on September 30, 2008. Union has attempted to reach a new contract with NRG. By letter dated August 27, 2008 Union provided NRG and the Board with a new 6 month form of contract in which NRG's deliveries would match its consumption. Union's attempt in this respect has been unsuccessful with counsel for NRG recently advising that it would not enter into a new contract until Union's application had been dealt with by the Board.

We are writing to request that the Board commence the regulatory process relating to Union's application as soon as possible.

Yours truly,



Crawford G. Smith

Tel 416.865.8209
csmith@torys.com

CGS/tm

c: Union Gas
Richard King, Ogilvy Renault