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October 28, 2008

Kirsten Walli  
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Ontario Energy Board  
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27<sup>th</sup> floor  
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Dear Ms Walli,

**Union Gas Limited 2009 Rates**

**Board File No.: EB-2008-0220**

**Our File No.: 339583-000020**

We are writing this letter to seek intervenor status and cost award eligibility in this proceeding on behalf of Canadian Manufacturers & Exporters (“CME”).

Request for Intervenor Status

The reasons why CME should be granted intervenor status in this proceeding include the following:

- (i) CME is Canada’s leading business network. Its members represent 75% of manufactured output in the Province of Ontario, and 90% of all exports.
- (ii) Manufacturing is important to the Province of Ontario. It is the single largest sector of the economy (17.5% of Gross Domestic Product (“GDP”) or \$300B) employing, directly, over 1M people in the Province.
- (iii) Natural gas is significant to manufacturing as one of the sources of energy for the manufacturing sector. As a result, the members of CME are vitally concerned with all matters pertaining to the supply and price of natural gas commodity, including its transmission and distribution.
- (iv) Many of CME’s 1,200 Ontario-based member companies are distribution customers of Union Gas Limited (“Union”). The rate changes Union asks the Board to approve will have an impact on these companies.

Request for Cost Award Eligibility

CME seeks a determination that it is eligible for a Cost Award on the following grounds:

- (i) CME is a not-for-profit organization funded by membership fees and revenues from the services it renders to Federal and Provincial Governments and Agencies to foster the development of national and international markets for its members and to break down trade barriers.

Vancouver  
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Montréal  
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Calgary

- (ii) About 85% of CME's 1,200 Ontario-based member companies are Small to Medium sized business enterprises ("SMEs") with 500 employees or less. The views of these businesses should be considered in this proceeding.
- (iii) CME's ability to actively participate in this proceeding is dependent upon a determination that it is eligible for a Cost Award. In many prior proceedings, the Board has determined that CME is eligible for a Cost Award.

Written or Oral Hearing

The rate adjustment under Union's approved Incentive Regulation ("IR") Plan requires the Board to verify that Union has properly applied the Plan parameters in determining its requested rates for 2009. CME considers an oral hearing process, preceded by a short Settlement Conference of about one day, to be the most efficient way of proceeding with this Application.

CME Contacts

If the relief requested in this letter is granted, then CME requests that further communications with respect to this matter be sent to the following:

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Please contact the undersigned if the Board requires any further information in connection with these requests.

Yours very truly,



Peter C.P. Thompson, Q.C.

PCT\slc  
c. Chris Ripley (Union Gas Limited)  
Paul Clipsham (CME)