



By Electronic Filing and By E-mail

October 29, 2008

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

Dear Ms Walli,

Westcoast Energy Inc. ("WEI") and Union Gas Limited ("UGL")

Board File No.: EB-2008-0304

Our File No.: 339583-000023

Please find enclosed a copy of our letter to Mark Kitchen of Union Gas Limited dated October 29, 2008, seeking clarification with respect to interrogatory responses contained in Exhibits C.2 and D.7.

A copy of both letters has been sent to interested parties in this proceeding.

Yours very truly,

A handwritten signature in black ink, appearing to read 'Peter Thompson', is written over a horizontal line.

Peter C.P. Thompson, Q.C.

\slc

c. Mark Kitchen (Union Gas Limited)
Interested Parties EB-2008-0304
Paul Clipsham (CME)

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By E-mail

October 29, 2008

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Dear Mr. Kitchen

Westcoast Energy Inc. and Union Gas Limited

Board File No.: EB-2008-0304

Our File No.: 339583-000023

This letter is further to yours of October 28, 2008, to Ms Walli of the Ontario Energy Board enclosing Union's responses to interrogatories in this proceeding posed by our client, Canadian Manufacturers & Exporters ("CME") and by the School Energy Coalition ("SEC").

We are writing to seek some clarification with respect to the interrogatory responses contained in Exhibits C.2 and D.7.

Exhibit C.2 indicates that Union's ultimate parent, Spectra, will realize an additional 35¢ from every dividend dollar which emanates from Union Gas Company ("UGC") if the new internal restructuring is approved. We understand that the additional 35¢ which Spectra will receive from every dividend dollar is a result of US tax savings which the proposed restructuring is expected to produce.

One of the attachments to Exhibit D.7 is a memo to the Board of Directors of Union Gas Limited ("Union") from Curt Bernardi, Director, Legal Affairs, dated September 5, 2008. The US tax savings benefits to Spectra of the proposed restructuring are quantified on page 2 of that memo at "an estimated C\$50 million".

Would Union please clarify the foregoing information by providing an exhibit which shows the estimated benefits Spectra will receive as a result of the proposed restructuring year-by-year from 2009 to 2012 inclusive so we can understand how the C\$50 million estimate was derived and determine whether that estimated benefit is a total global benefit or an estimate of annual benefits which Spectra is expected to realize if the proposed restructuring is approved.

A prompt response to this further information request would be greatly appreciated.

Yours very truly

Peter C.P. Thompson, Q.C.

PCT\slc

c. Interested Parties EB-2008-0304

Paul Clipsham (CME)

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