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November 6, 2008

BY EMAIL & BY COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge St, Suite 2701
Toronto ON M4P 1E4

Dear Ms. Walli:

**Board File No. EB-2008-0292
Union Gas Limited – Motion to Review and Vary
Submission of Energy Probe**

Pursuant to the Notice of Motion and Procedural Order Number 1 in this proceeding, issued 27 October, 2008, please find two hard copies of the Submissions of Energy Probe Research Foundation (Energy Probe), for the Board's consideration. An electronic version of this communication will be filed in PDF format.

Should you require additional information, please do not hesitate to contact me.

Yours truly,

David S. MacIntosh
Case Manager

cc. Chris Ripley, Union Gas Limited (By email)
Mark Kitchen, Union Gas Limited (By email)
Michael Penny, Torsys LLP (By email)
Intervenors

Energy Probe Research Foundation 225 BRUNSWICK AVE., TORONTO, ONTARIO M5S 2M6

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IN THE MATTER OF the *Ontario Energy Board Act 1998*,
S.O.1998, c.15, (Schedule B);

AND IN THE MATTER OF an Application by Union Gas
Limited for an Order or Orders approving or fixing a multi-
year incentive rate mechanism to determine rates for the
regulated distribution, transmission and storage of natural gas,
effective January 1, 2008.

**SUBMISSIONS OF
ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")**

November 6, 2008

UNION GAS LIMITED MOTION FOR REVIEW AND VARIANCE

Comments of Energy Probe Research Foundation

EB-2008-0292

Introduction

These are the submissions of Energy Probe Research Foundation ("Energy Probe") in response to a Notice of Motion filed August 28, 2008 by Union Gas Limited ("Union") for a review and variance of the Ontario Energy Board's (the "Board") Decision and Order ("Decision") in respect of EB-2007-0605/0615, dated July 31, 2008.

Union is seeking the review and variance to clarify the Board's Decision regarding the impact of tax rate changes on its distribution rates and regarding two aspects of its risk management program.

Energy Probe does not propose to make any submissions with respect to the tax issue.

Risk Management – 24 Month Fixed-Price Purchase Plan

Energy Probe has reviewed the prefiled evidence of Union dated October 31, 2008 and the evidence filed in EB-2007-0605/0615 in respect of Union's risk management program.

It is the submission of Energy Probe that the 24 Month Fixed-Price Purchase Plan was a part of the financial underpinning of Union's risk management program. For Union to unwind its financial swaps once the Board ordered it to terminate its risk management program appears to Energy Probe to be entirely appropriate.

It is the submission of Energy Probe that the Board should grant Union the relief it seeks in this aspect of its Motion.

Risk Management Costs

Further, it is the submission of Energy Probe that it supports Union's position in respect of the \$103,831 cost of its risk management program and that the elimination of these costs should be accomplished through a reduction in the annual gas supply administration charge of \$103,831.

Costs

Energy Probe submits that it participated responsibly in this proceeding. Energy Probe requests the Board award 100% of its reasonably incurred costs.

Respectfully submitted at Toronto, Ontario this 6th day of November 2008.

Energy Probe Research Foundation