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December 4, 2008

VIA COURIER & EMAIL

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario M4P 1E4

Attention: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2008-0304 – Westcoast Energy Inc. and Union Gas Limited

I act for the City of Kitchener ("Kitchener") in this matter and in this connection I am taking the liberty of responding to Union's letter to the Board dated December 1, 2008 with the following observations:

1. Union's letter assumes that the Board's approval in its decision of November 19, 2008 to the transfer of a controlling interest in Union to a limited partnership continues to be effective notwithstanding the repudiation of one of the conditions which the Board attached to its approval. Given that the condition has been repudiated by Union, Kitchener submits that the Board's approval has not come into affect or has lapsed and that the prohibition in Section 43(2) of the *Act* remains.
2. Given the observation in (1) above, Kitchener submits that a transfer of a controlling interest in Union would now require a fresh application and in this

respect, Kitchener agrees with the observation submitted by Mr. Shepherd in his letter to the Board December 2, 2008.

Yours truly,

RYDER WRIGHT BLAIR & HOLMES LLP

`"Alick Ryder"`

Alick Ryder

/rg

cc: Jim Gruenbauer, City of Kitchener, via email
Michael Penny, Torys, via email
All Interested Parties, via email