



EB-2010-0155

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 approval of its tariffs for its M12, C1 and
M16 transportation services;

AND IN THE MATTER OF the Storage and
Transportation Access Rule.

BEFORE: Paul Sommerville
Presiding Member

Paula Conboy
Member

DECISION AND ORDER ON COST AWARDS

Background

On April 1, 2010, in accordance with sections 2.3.3 and 2.4.3 of the Storage and Transportation Access Rule ("STAR"), Union Gas Limited ("Union") filed with the Board an application seeking Board approval of the tariffs for its M12, C1 and M16 transportation services to be effective as of June 16, 2010. Union proposed revisions to the tariffs for its M12, C1 and M16 transportation services in order for these tariffs to be compliant with the STAR. The Board assigned the application file number EB-2010-0155.

On April 9, 2010, the Board issued a Notice of Application and Procedural Order No. 1 stating that registered participants in the development of the STAR (EB-2008-0052) and all shippers taking M12, C1 or M16 transportation services from Union are automatically deemed registered intervenors in this proceeding.

On April 27, 2010, the Board issued Procedural Order No. 2 extending the implementation date for sections 2.3.3 and 2.4.3 of the STAR to July 1, 2010 to coincide with the issuance of the Quarterly Rate Adjustment Mechanism Rate Order.

On June 3, 2010 the Board issued its Decision approving the M16 tariff and directing Union to make certain changes to its C1 and M12 tariffs. In its Decision, the Board set out the process for intervenors to file cost claims and to respond to any objections raised by Union.

On June 8, 2010, Union filed a letter with the Board requesting an extension of time to comply with the Board's Decision. Union's request related to those parts of the STAR that impact the tariffs for the C1, M12 and M16 transportation services. Union also requested that the STAR implementation date for these tariffs be extended until October 1, 2010. The Board decided to extend the time for STAR implementation related to the C1, M12 and M16 tariffs until October 1, 2010. All the other STAR requirements come into force on June 16, 2010.

On June 14, 2010 the Board issued its Procedural Order No. 3 directing Union to file the changes to the proposed C1 and M12 tariffs by July 9, 2010.

The Board issued its Decision on Tariffs on August 30, 2010 and set out the process for intervenors to file supplemental cost claims and to respond to any objections raised by Union.

The Board received cost claims for the main proceeding from Industrial Gas Users Association ("IGUA"); the Canadian Manufacturers & Exporters ("CME"); and the Association of Power Producers of Ontario ("APPrO").

On July 19, 2010, Union filed a letter stating that it had no objection to IGUA's, CME's and APPrO's cost claims.

On September 17 and September 20, 2010, the Board received supplemental cost claims from IGUA and CME.

No objections were received from Union for the supplemental cost claims.

Board Findings

The Board has reviewed IGUA's, CME's and APPrO's cost claims and has found that all parties are eligible for 100% of their reasonably incurred costs of participating in this proceeding. The Board finds that IGUA's, CME's and APPrO's claims are reasonable and Union shall reimburse all parties for their costs. The Board notes that APPrO qualifies as a customer (i.e. ratepayer of the Local Gas Distributor) for the purpose of this proceeding.

THE BOARD THEREFORE ORDERS THAT:

1. Pursuant to section 30 of the *Ontario Energy Board Act, 1998*, Union shall immediately pay:
 - Industrial Gas Users Association \$2,741.93;
 - Canadian Manufacturers & Exporters \$3,764.38; and
 - Association of Power Producers of Ontario \$4,063.57.

2. Pursuant to section 30 of the *Ontario Energy Board Act, 1998*, Union shall pay the Board's costs of and incidental to, this proceeding immediately upon receipt of the Board's invoice.

DATED at Toronto, October 19, 2010

ONTARIO ENERGY BOARD

Original Signed By

John Pickernell
Assistant Board Secretary