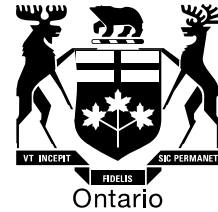


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BY EMAIL AND WEB-POSTING

January 25, 2007

To: All Parties - Natural Gas Electricity Interface Review (NGEIR),
Notices of Motion (NGEIR), and Enbridge and Union 2007 Rate Cases

Re: **Notice of Hearing and Procedural Order No. 1 – NGEIR Motions
Board File Nos. EB-2006-0322, EB-2006-0338 and EB-2006-0340**

The Board has today issued its Notice of Hearing and Procedural Order No. 1 in the above matter and an executed copy is enclosed herewith.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

- c. All Intervenors EB-2005-0551
All Intervenors EB-2005-0306
All Intervenors EB-2005-0520
All Intervenors EB-2006-0034
Enbridge Gas Distribution Inc.
Union Gas Limited



EB-2006-0322
EB-2006-0338
EB-2006-0340

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

AND IN THE MATTER OF a proceeding initiated by the Ontario Energy Board to determine whether it should order new rates for the provision of natural gas, transmission, distribution and storage services to gas-fired generators (and other qualified customers) and whether the Board should refrain from regulating the rates for storage of gas;

AND IN THE MATTER OF Rules 42, 44.01 and 45.01 of the Board's *Rules of Practice and Procedure*.

NOTICE OF HEARING AND PROCEDURAL ORDER NO. 1

The Board has received three (3) Notices of Motion for review each relating to separate aspects of its November 7, 2006 EB-2005-0551 Decision with Reasons in the Natural Gas Electricity Interface Review proceeding ("NGEIR"). Notices of Motion were filed by each of:

- the City of Kitchener ("Kitchener"),
- the Association of Power Producers of Ontario ("APPrO"), and
- jointly by the Industrial Gas Users' Association, the Vulnerable Energy Consumers Coalition and the Consumers Council of Canada ("Consumer Groups")

(individually, a "Moving Party" and collectively, the "Moving Parties").

The Board assigned docket numbers EB-2006-0322, EB-2006-0338, EB-2006-0340 to the matters, respectively.

Copies of the Notices of Motions are available for public inspection at the Board's offices at:

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

Attention: Ms. Kirsten Walli
Board Secretary

Tel: 1-888-632-6273 (toll free)
Fax: (416)440-7656
E-mail: Boardsec@oeb.gov.on.ca

The materials will also be available on the Board's website.

The Board has determined that it will proceed under Rule 45.01 of the Board's *Rules of Practice and Procedure* to hear, in a joint proceeding for all three Notices of Motion, the threshold question of whether each of the matters should be reviewed. Subject to this preliminary determination, the Board may conduct reviews on the merits for each of the motions.

The Board will adopt as intervenors in this proceeding, the intervenors and any other parties of record from the EB-2005-0551 proceeding. In addition, the Board has required that this Notice and Procedural Order be served on all parties to the Board's original Natural Gas Forum and NGEIR consultative processes (EB-2005-0306) as well as the parties registered to participate in Enbridge Gas Distribution Inc.'s ("Enbridge") and Union Gas Limited's ("Union") most recent annual rate case (EB-2006-0034 and EB-2005-0520, respectively). Any party that is not automatically adopted as an intervenor by the Board in this proceeding and wishes to participate as an intervenor or observer must notify the Board Secretary's Office immediately.

THE BOARD THEREFORE ORDERS THAT:

1. The Moving Parties shall each file a factum **on or before Thursday, February 8, 2007** addressing the threshold questions that the Board should apply in determining whether the Board should review the NGEIR Decision and whether the Moving Parties have met the test or tests. The factum shall be filed with the Board and copied to all parties of record in the NGEIR proceeding, and any new parties that the Board may adopt.
2. Any party, including Board staff, may file a factum in response to one or more of the Moving Party's factums on the threshold question. The responding facta shall be filed with the Board and copied to all parties of record in the NGEIR proceeding, and any new parties that the Board may adopt **no later than Thursday, February 15, 2007**.
3. The Board will hear all parties' submissions on the threshold question at an oral hearing to be held on **Monday, March 5, 2007**. The hearing will commence at 9:30 am in the Board's Hearing Room at 2300 Yonge Street, Toronto, Ontario on the 25th floor. The Board will hear the submissions in the following order: (1) submissions with regard to the motion of the Consumer Groups; (2) submissions with regard to the motion of APPrO; and (3) submissions with regard to the motion of Kitchener.
4. The Board may order costs in this proceeding. Any party that was determined by the Board to be eligible for costs in the NGEIR proceeding (EB-2005-0551) shall be eligible for costs in this combined proceeding (EB-2006-0332, EB-2006-0338 and EB-2006-0340). Any party that is not automatically eligible for costs but expects to seek costs in this proceeding shall file a letter with the Board and copy Enbridge and Union (at the addresses provided in Appendix "A") **no later than Thursday, February 8, 2007** which letter shall provide the grounds for that party's eligibility for costs. Enbridge and Union will have until **Thursday, February 15, 2007** to object to any new cost eligibility request. Requests for cost eligibility and the determination of cost awards will be addressed in accordance with the Board's *Practice Direction on Cost Awards*. The Board will issue details with respect to the filing of cost claims at a later date. Union and Enbridge will be ordered to pay the cost awards for this proceeding.

DATED at Toronto, January 27, 2007.

Original signed by

Kirsten Walli
Board Secretary

APPENDIX "A"

TO NOTICE OF HEARING AND PROCEDURAL ORDER NO. 1

BOARD FILE NOS.

EB-2006-0322

EB-2006-0338

EB-2006-0340

DATED JANUARY 27, 2007

ADDRESSES FOR SERVICE OF UNION GAS LIMITED AND
ENBRIDGE GAS DISTRIBUTION INC.

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