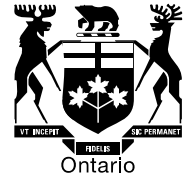


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BY E-MAIL AND WEB POSTING

February 25, 2010

**To: All Rate-regulated Natural Gas Utilities
All Other Interested Parties**

**Re: Guidelines: Regulatory and Accounting Treatments for Natural Gas Utility-
Owned Qualifying Facilities or Assets
Board File No.: G-2010-0030**

The Board has issued Guidelines that contain the Board's guidance to natural gas utilities in relation to the regulatory and accounting treatment applicable to the ownership and operation of certain generation and energy storage facilities and energy conservation assets. The Guidelines are attached and are available on the Board's website at www.oeb.gov.on.ca.

Issuance of the Guidelines follows on a Directive issued to the Board by the Minister of Energy and Infrastructure (approved by Order in Council No. 1540/2009 dated September 8, 2009) that effectively authorized Enbridge Gas Distribution Inc. and Union Gas Limited to own and operate certain renewable energy generation facilities, combined power and thermal (heat) energy generation facilities, energy storage facilities and assets in relation to energy conservation (collectively, "qualifying facilities or assets"). The Guidelines also reflect the Board's December 22, 2009 Decision on a Preliminary Motion in a proceeding to set rates for Enbridge Gas Distribution Inc., in which the Board declined to allow costs associated with qualifying facilities or assets to be included in rate base.

The Guidelines describe the ownership scenarios that are potentially available in relation to assets and activities associated with qualifying facilities or assets and identify the regulatory and accounting requirements applicable to each scenario.

Please direct any questions regarding the Guidelines to the Market Operations Hotline at 416-440-7604 or market.operations@oeb.gov.on.ca. The Board's toll free number is 1-888-632-6273.

Yours truly,

Original signed by

John Pickernell
Assistant Board Secretary

Attachment: Guidelines: Regulatory and Accounting Treatments for Natural Gas Utility-Owned Qualifying Facilities or Assets (G-2010-0030)