

March 15, 2016

VIA RESS AND COURIER

Ms. Kirsten Walli
ONTARIO ENERGY BOARD
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Dear Ms. Walli:

Re: EB-2016-0021: Enbridge Gas Distribution Inc. (EGD) April 1, 2016 QRAM Application.
Industrial Gas Users Association (IGUA) Comments.

We write as legal counsel to IGUA.

IGUA's Position on Proposed Rate Adjustments

IGUA's advisors, Aegent Energy Advisors Inc. (Aegent), have reviewed EGD's Application for quarterly adjustment of rates (QRAM) to be effective April 1, 2016. Based upon Aegent's advice, IGUA is satisfied that EGD has properly followed the QRAM methodology approved by the OEB's EB-2008-0106 Decision.

In reviewing EGD's application, Aegent identified a discrepancy in the January, 2016 values for two of the subcomponents of Rider C (delivered supplies and curtailment revenue) between the current filing and EGD's last QRAM. Aegent brought this discrepancy to EGD's attention, and EGD yesterday filed as set of revised exhibits correcting an error in the derivation of the Rider C unit rates in its current application. IGUA appreciates EGD's prompt correction.

IGUA further notes that EGD's current application incorporates NEB-approved TransCanada Pipelines Limited abandonment surcharges effective January 1, 2016, as EGD indicated during Aegent's review of EGD's January, 2016 QRAM filing would be the case.

IGUA has no objection to approval of EGD's application as corrected with yesterday's filing.

We have noted, however, reference in EGD's materials to "*buy/sell gas customers, who are direct purchasers*", and who are provided by EGD with gas sales service [Exhibit Q1-1, Tab 2, Schedule 1, Appendix A, page 2]. We would appreciate it if EGD, in its responding submissions, could clarify whether; i) it still has any such buy/sell customers; ii) if so, in what rate classes; and, if so, how much longer such arrangements are expected to remain in place.

Costs

Pursuant to the Board's *Practice Direction on Cost Awards*, IGUA is eligible to apply for a cost award as a party primarily representing the direct interests of ratepayers in relation to regulated gas services. IGUA requests that the Board award it costs reasonably incurred in review of EGD's QRAM.

IGUA has, in the past, been consistently awarded modest costs for review of QRAM applications. IGUA respectfully submits that the Board, in making such awards, has recognized some value (commensurate with modest costs) in the independent and informed review of such applications.

IGUA continues to be mindful of the need for efficiency in its regulatory interventions, in particular in respect of relatively non-contentious matters such as is normally the case with QRAM applications. For QRAM reviews, IGUA has retained Aegent, whose professionals are expert in Ontario gas commercial and regulatory matters, including rate matters in particular. Aegent conducts a review of the QRAM application as filed, and provides a report to IGUA. Provided that Aegent's report does not indicate any concerns with either the application of the QRAM protocols or the rate outcome, IGUA is in a position to advise the Board that it has no cause for objection, as is the case in this instance.

IGUA submits that it has acted responsibly with a view to informing the Board's review and decision on this Application, while maintaining due attention to cost efficiency. On this basis, IGUA is requesting recovery of its costs for participation in this process.

Yours truly,



iam: Ian A. Mondrow

- c. Dr. Shahrzad Rahbar (IGUA)
- Andrew Mandyam (EGD)
- Tania Persad (EGD)
- Fred Cass (Aird & Berlis LLP)
- Valerie Young (Aegent)
- All Interested Parties (EB-2015-0114)

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