



By Email

September 10, 2007

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th floor
Toronto, ON M4P 1E4

Dear Ms Walli

Enbridge Gas Distribution Inc.

GRAM Application

Board File No.: EB-2007-0701

Our File No.: 302701-000398

This letter of comment is being submitted on behalf of our client, the Industrial Gas Users Association ("IGUA"). The letter pertains to the rates which Enbridge Gas Distribution Inc. ("EGD") proposes effective October 1, 2007, as described in its GRAM Application.

The evidence in support of the Application at Exhibit Q4.2, Tab 4, Schedule 1, page 5 shows that, as of October 1, 2007, Rate 115 customers will see a 7.2% increase in the delivery rates they are currently paying and that Rate 170 customers will see a 6.8% increase in such rates.

We understand from the evidence that Column 1 of Exhibit Q4.2, Tab 4, Schedule 1, page 5 shows the percentage increase in delivery charges in rates effective October 1, 2007, compared to the delivery charges in EGD's existing rates. Accordingly, we interpret the difference between the percentages in Columns 2 and 1 on page 5 for Rates 115, 135 and 170 to represent the impact of the last phase of the upstream transportation cost shift. If this analysis is correct, then the impact of the last phase of the upstream transportation cost shift on delivery charges under Rates 115 and 170 is 6.1% and 6.3% respectively.

Further, as a result of our correspondence and e-mail exchange with EGD representatives in August 2007, pertaining to the final Rate Order in EGD's 2007 Rate Case, we understand that EGD's large volume customers will receive on their October 1, 2007 bills a one time credit for their share of deferral account balances which will exceed the amount they will be required to pay under Rider E of EGD's proposed Rate Order for the period October 1, 2007, to December 31, 2007.

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On the assumption that we are correctly interpreting the evidence EGD has filed and the information it has provided to us, then IGUA has no objection to the QRAM relief EGD seeks. We request that EGD inform the Board in writing whether our understanding of the situation is correct.

We will be claiming the additional costs which have been incurred in reviewing and questioning EGD's Draft Rate Order materials and in reviewing the October 1, 2007 QRAM materials.

Please contact me if you require any further information.

Yours very truly

Peter C.P. Thompson, Q.C.

PCT\slc

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