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October 27, 2009

BY EMAIL

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

Dear Ms. Walli:

Re: EB-2009-0154
Board Approval of Enbridge Gas Distribution's 2010 DSM Plan

We are writing as counsel to Enbridge Gas Distribution Inc. ("EGD") in respect of a letter dated October 23, 2009 by counsel for IGUA requesting clarification from the Ontario Energy Board ("Board") in respect of its Decision and Order dated September 30, 2009 ("Decision") in the above-noted matter. EGD feels compelled to respond to this letter, for several reasons.

First, the Board's Decision does not require clarification. The Decision clearly states, at page 7, that: "The Board approves the inclusion of the new industrial pilot program as proposed by Enbridge" (emphasis added). As IGUA confirmed twice in its letter,¹ EGD proposed in its Application that funding for the industrial pilot program would be incremental to the \$23.8 million DSM budget for 2010 which is the amount generated by applying the formulaic budget escalator set out in the Generic DSM Decision of the Board in EB-2006-0021. EGD's 2010 Application did not propose that the \$1.25 million industrial pilot program be funded by its 2010 IRM revenue envelope, as IGUA would prefer.

The other language in the Decision quoted by IGUA's counsel speaks not to the recovery of monies spent on the industrial pilot program but rather the inability of EGD to look to the \$23.8 million DSM budget for funding and EGD's ineligibility to generate TRCs and earn a shareholder incentive from the industrial pilot program.

¹ IGUA letter dated October 23, 2009, p. 1, para. 2, and p. 2, para. 1

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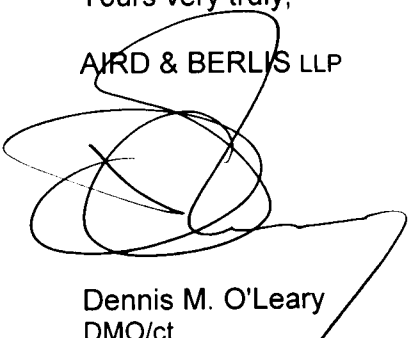
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EGD is also concerned that IGUA's request is little more than a veiled motion to review filed outside the time permitted under Rule 42.03 of the Board's *Rules of Practice and Procedure*.

EGD therefore respectfully submits that the only interpretation that can be given to the Decision is that the \$1.25 million industrial pilot program amount is an incremental addition to the \$23.8 DSM budget which should be added to the DSM Y factor.

Yours very truly,

AIRD & BERLIS LLP



Dennis M. O'Leary
DMO/ct

cc Ian A. Mondrow, Counsel for IGUA
Murray Newton, IGUA
Intervenors of Record

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Barristers and Solicitors