

Barristers and Solicitors

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January 11, 2007

Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street Suite 2700 Toronto, ON M4P 1E4

Dear Ms Walli:

Re: EB-2006-0034: Enbridge Gas Distribution F2007 rate application

We are counsel to Enbridge Gas Distribution Inc. ("Enbridge"). We write further to our letter of January 8th regarding the ADR process in this proceeding, and further to Mr. O'Dell's letter of yesterday on the same topic.

At this time, settlement discussions are continuing between parties in the hope of reaching settlement on as many issues as possible. Unfortunately, it is not currently possible to anticipate the date on which a Settlement Proposal will be completed and approved by all stakeholders.

Parties are aware that the first day of the hearing is set for January 22, 2007, and the preparation and filing of the Settlement Proposal will proceed with that date in mind.

We hope that the foregoing is acceptable, and thank the Board for its indulgence.

Please contact me should you have any questions.

Yours very truly,

David Stevens

ce. Patrick Hoey

AIRD & BERLIS LLP

All parties in EB-2006-0034