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By electronic filing and by e-mail

August 27, 2010

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

Dear Ms Walli,

Enbridge Gas Distribution Inc. ("EGD")
2009 ESM and Other Deferral and Variance Accounts Clearance Review
Board File No.: EB-2010-0042
Our File No.: 339583-000067

In reviewing our Submission which was filed this afternoon, we have identified a phrasing error. As such, we attach to this correspondence our corrected Submission. We are including a clean copy and a track changes copy of our corrected Submission

Yours very truly,

Vincent J. DeRose

VJD/slc

c. Norm Ryckman (EGD)
Intervenors EB-2010-0042
Paul Clipsham (CME)

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We are writing on behalf of Canadian Manufacturers & Exporters ("CME"). CME has had the benefit of reviewing the Written Argument of School Energy Coalition ("SEC"), Vulnerable Energy Consumers Coalition ("VECC") and Building Owners and Managers Association of the Greater Toronto Area ("BOMA").

CME wishes to confirm with the Board that it supports the written submissions of these parties, and in particular, urges the Board to make the following findings:

- (a) The cost of Incentive Stock Options ("ISOs") should be expensed in the year that they are exercised, rather than amortized over the vesting period;
- (b) Restricted Stock Units ("RSUs") are not stock options. RSUs are a form of deferred bonus. As such, RSUs should be treated as an expense in the year in which they are paid, and valued at that paid amount; and
- (c) Performance Stock Units ("PSUs"), like RSUs, are not stock options. RSUs are a form of deferred bonus. To this end, CME supports the submissions of SEC, VECC and BOMA on the fact that PSUs are unrelated to EGD's regulated operations, and therefore, these costs should be borne by EGD's shareholders rather than EGD's ratepayers.

If you have any questions or concerns, please do not hesitate to contact me directly.

Yours very truly,

A handwritten signature in black ink, appearing to read 'VJ DeRose', is written over the closing 'Yours very truly,'. The signature is fluid and cursive.

Vincent J. DeRose

VJD\slc

c. Norm Ryckman (EGD)
Intervenors EB-2010-0042
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Deleted: granted on the basis of Black-Scholes valuation of unit price

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