

June 15, 2011

VIA RESS AND COURIER

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

Re: EB-2011-0129: Enbridge Gas Distribution Inc. (EGD) July 1, 2011 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 July 1, 2011, and have made inquiries directly of EGD for clarification in respect of certain aspects of the Application. Based upon Aegent's advice, IGUA is satisfied that EGD has properly followed the QRAM methodology approved by the OEB in the EB-2008-0106 Decision.

IGUA has no objection to approval of EGD's application as filed.

Clarification of the Evidence

One of the clarifications that Aegent sought from EGD was in respect of footnote 3 at page 7 of Exhibit Q3-3, Tab 1, Schedule 2. That footnote says that the dollar figure in column 9 of line 5 of the schedule is taken from Exhibit Q1-3, Tab 4, Schedule 8, page 16 of EGD's January, 2011 QRAM filing. However, it appeared to Aegent that the number as cross-referenced in the January QRAM materials was a different number [(7474.8) rather than the (7352.9) that appears in this Application].

In response to Aegent's inquiry EGD determined that the footnote referred to above was incomplete, and the reference to the January, 2011 QRAM materials should have been to pages 14 and 16 of the referenced schedule from the January QRAM materials.

IGUA appreciates EGD's clarification, and understands that EGD will file a corrected exhibit herein in response.

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 Aagent, whose professionals are expert in Ontario gas commercial and regulatory matters, including rate matters in particular. Aagent conducts a review of the QRAM application as filed, and provides a report to IGUA. Provided that Aagent'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,



Ian A. Mondrow

cc. Murray Newton (IGUA)
Norm Ryckman (EGD)
Tania Persad (EGD)
Colin Schuch (OEB Staff)
Valerie Young (Aagent)
Intervenors of Record (EB-2010-0146)