

September 17, 2012

VIA RESS AND COURIER

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

Re: EB-2012-0352: Enbridge Gas Distribution Inc. (EGD) October 1, 2012 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 October 1, 2012. As noted in EGD's September 14th letter to the Board herein, upon review Aegent identified a calculation error which was brought to EGD's attention, and which EGD has subsequently corrected. As corrected by its September 14th filing, and based upon Aegent's advice, IGUA is satisfied that EGD has properly followed the QRAM methodology approved by the OEB's EB-2008-0106 Decision, with methodological changes as implemented in EGD's July, 2012 QRAM.

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

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 Aegent, whose professionals are expert in Ontario gas commercial and regulatory matters, including rate matters in particular. Aegent conducts a review of the QRAM application as filed, and provides a report to IGUA. Provided that Aegent'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. Occasionally, as in this instance, Aegent's review raises some question, which is generally pursued directly with the applicant. In this instance, Aegent was able to assist EGD in ensuring accuracy in the calculations underlying its filing, and ultimately ensuring that the Board's disposition of the QRAM reflects a tested and accurate record.

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,



for: Ian A. Mondrow

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Norm Ryckman (EGD)
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