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February 19, 2013

BY EMAIL & COURIER

Ms Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge St, Suite 2701
Toronto ON M4P 1E4

Dear Ms Walli:

**Board File No. EB-2011-0354 --- Enbridge Gas Distribution Inc.
Energy Probe – Draft Rate Order**

Pursuant to the Decision on Equity Ratio and Order issued by the Board on February 7, 2013, please find attached the Submission of Energy Probe Research Foundation (Energy Probe) in respect of the Draft Rate Order in the EB-2011-0354 proceeding for consideration by the Board.

Should you require additional information, please do not hesitate to contact me.

Yours truly,

David S. MacIntosh
Case Manager

cc: Norm Ryckman, Enbridge Gas Distribution Inc. (By email)
Fred Cass, Aird & Berlis LLP (By email)
David Stevens, Aird & Berlis LLP (By email)
Randy Aiken, Aiken & Associates (By email)
Interested Parties (By email)

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IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Enbridge
Gas Distribution Inc. for an Order or Orders approving or
fixing just and reasonable rates and other charges for the
sale, distribution, transmission and storage of gas
commencing January 1, 2013.

**ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")**

COMMENTS ON DRAFT RATE ORDER

February 19, 2013

**ENBRIDGE GAS DISTRIBUTION INC.
2013 RATES**

EB-2011-00354

**SUBMISSIONS OF
ENERGY PROBE RESEARCH FOUNDATION
ON DRAFT RATE ORDER**

On behalf of the Energy Probe Research Foundation ("Energy Probe") I have reviewed the draft rate order filed by Enbridge Gas Distribution Inc. ("EGD") on February 14, 2013.

In particular, I have reviewed the impact on the revenue requirement as a result of the Board's Decision on Equity Ratio and Order dated February 7, 2013, and the change in the return on equity from 9.03% that was embedded in the interim rates and the 8.93% return on equity calculated in the Board's November 15, 2012 letter Re: Cost of Capital Parameter Updates for 2013 Cost of Service Applications for Rates Effective January 1, 2013. Interim rates were based on the existing capital structure that the Board ultimately approved as appropriate to continue. As a result, the only change in the revenue requirement was related to the change in the approved return on equity from 9.03% to 8.93%.

Based on a comparison of the schedules in Appendix A of the Draft Rate order to the schedules contained in Exhibit N1, Tab 1, Schedule 1, Appendix A, Part 2 from the Settlement Agreement dated 2012-10-26, Energy Probe submits that the change is appropriately calculated.

Energy Probe has also reviewed the calculation of Rider E, as shown in the working papers found in Appendix C to the draft rate order. Energy Probe submits that the working papers appropriately reflect the calculation of the \$0.994 million credit to ratepayers based on the volumes and rate differentials for January through March, 2013. Energy Probe also notes that the calculation of the rate riders is based on the appropriate April, 2013 volumes. Energy Probe supports the EGD proposal to rebate the \$0.994 million to customers over the one month prospective basis over the month of April, 2013.

Energy Probe is relying on Board Staff to ensure that the rates shown in Appendix B to the draft rate order appropriately reflect the impact of the Board's Decision in this proceeding.

ALL OF WHICH IS RESPECTFULLY SUBMITTED

February 20, 2013

Randy Aiken

Consultant to Energy Probe