

500 Consumers Road
North York ON M2J 1P8
P.O. Box 650
Scarborough, ON
M1K 5E3

Norm Ryckman
Director, Regulatory Affairs
Tel 416-495-5499 or 1-888-659-0685
Fax 416-495-6072
Email egdregulatoryproceedings@enbridge.com



July 12, 2013

VIA RESS Email and COURIER

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

Dear Ms Walli:

**Re: Enbridge Gas Distribution Inc. ("Enbridge")
EB-2010-0231 – System Reliability**

The Ontario Energy Board Decision and Order in the EB-2010-0231 proceeding accepted the Settlement Agreement which set out the terms of a long term resolution of the System Reliability issue. Included in that Settlement Agreement was an assignment of short haul transportation capacity to agents for mass market customers and a replacement of that capacity with Short Term Firm Transportation ("STFT").

The Settlement Agreement also identified that in the event of a material change in circumstances that affected either security of supply to Enbridge's franchise area and/or the long term resolution that Enbridge would notify parties to the Settlement Agreement.

Enbridge would like to notify the Board and interested parties that there is a change to the long term resolution of the Settlement Agreement. Enbridge plans to acquire one year of TCPL FT capacity effective November 1, 2013 instead of acquiring five months of STFT.

On July 9, 2013 TCPL posted its Canadian Mainline Winter 2013/2014 Open Season for STFT and ST-SN. Enbridge has reviewed the TCPL Open Season for STFT for the winter period November 2013 to March 2014 and the associated prices for that service. The minimum floor bid price for winter STFT is 290% of the TCPL FT toll. The open season will close on Monday, July 15, 2013 @ 8:00 MDT.

The current Empress to CDA FT toll on TCPL is \$1.5659/gj which would mean that the STFT toll will be \$4.5411/gj. The impact of the higher toll would mean that Enbridge would have to pay approximately \$4.5 million more on an annual basis if it were to acquire 5 months of STFT as opposed to 12 months of FT. Enbridge believes that it is in the best interests of our customers to acquire the FT transportation at a reduced cost which will still allow Enbridge to satisfy its ability to have firm transportation throughout the winter months to meet the demands of its customers.

Due to the time sensitive nature of the Open Season Enbridge plans to proceed and bid for TCPL FT capacity effective November 1, 2013.

Please do not hesitate to contact me with any questions.

Yours Truly

[original signed]

Norm Ryckman
Director, Regulatory Affairs

cc: EB-2010-0231 and EB-2012-0459 Interested Parties