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VIA RESS (Letter Only)
COURIER (Letter and Enclosures)
EMAIL (Letter Only)

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

Dear Ms. Walli:

Re: Enbridge Gas Distribution Inc.
Ontario Energy Board File: EB-2013-0352
2012 Demand Side Management (DSM) Clearance of Variance Accounts
Request for Confidentiality

We are writing as counsel to Enbridge Gas Distribution Inc. ("**Enbridge**" or the "**Company**") in response to the letter dated February 10, 2014, on behalf of the School Energy Coalition ("**SEC**"), and the February 11, 2014 letter on behalf of the Green Energy Coalition ("**GEC**"). Stated briefly, these parties have expressed concern about some of the redactions which the Company made to the three reports prepared by the independent Custom Project Savings Verification ("**CPSV**") contractors retained to review Enbridge's 2012 DSM program results. These redacted reports were filed in response to several interrogatories in this proceeding.

Before responding specifically to the concerns raised, some context is appropriate. Unlike most applications to the Board, there is a significant degree of prior stakeholder engagement in the DSM activities of the natural gas utilities. This includes engaging with the utilities in respect of the development of DSM programs and the updating of measure assumptions used to quantify the results of such programs. This engagement with stakeholders occurs on an ongoing basis, both through the Enbridge DSM Consultative and the Joint Technical Evaluation Committee, both of which are established by the Terms of Reference for Stakeholder Engagement ("**ToR**") dated November 4, 2011, which were approved by the Board in EB-2011-0295.

In terms of the steps leading up to a DSM variance account clearance application, stakeholders are engaged in the early stages with the election by the DSM Consultative of a three-person Audit Committee ("**AC**") which will become specifically engaged in the review of the Company's DSM results for a particular year. In this case, the DSM Consultative selected representatives from each of GEC, the Low Income Energy Network ("**LIEN**"), and the Canadian Manufacturers and Exporters ("**CME**"). The AC was then

engaged in respect of the selection of the Independent Auditor and the terms of reference under which the auditor would undertake its review of the Company's DSM results for 2012. Members of the AC were each required to execute a Declaration and Undertaking to maintain confidentiality. Under the terms of this, members of the AC were provided with unredacted complete copies of the reports of the three CPSV contractors: MMM Group ("**MMM**"); Bryon J. Landry ("**Landry**"); and Building Innovation Inc. ("**Innovation**"). These reports were also made available to the Independent Auditor. The findings of the Independent Auditor have been filed in support of this application. It is therefore clear that there has never been any intent on the part of the Company to withhold information. Indeed, quite the opposite has occurred in that there has been significant engagement with DSM stakeholders during the steps leading up to the filing of the clearance application.

It should also be noted that issues in respect of confidentiality, which include the identification of project participants and their location, and commercially sensitive financial data and system processes information, are recognized as legitimate concerns and are dealt with specifically in the ToR approved by the Board. The form of the Declaration and Undertaking is appended as Appendix A to the ToR, which were the subject of a complete Settlement Agreement. There is, therefore, no question that all parties to the Settlement Agreement (EB-2011-0295) acknowledged the appropriateness of the protection of confidential information.

Under the circumstances, for the purposes of the 2012 clearance application, the Company redacted portions of each of the three reports by the CPSV contractors with a view to allowing the reports to be included on the public record but excluding references which might identify project participants and the location of such projects. In respect of two of the reports, the MMM report dated April 4, 2013, and the Innovation report dated March 2013, as appears to be acknowledged by SEC in its letter, the redactions are extremely minor and are self-evident.

In respect of the Landry report dated April 2, 2013, the redactions went somewhat further in response to concerns that the report references specific elements (i.e. processes, equipment, etc.) which are unique to particular program participants and which, to people knowledgeable in the industry, would identify the program participant. In fairness, the Company acknowledges that the redactions in this report may not be as clearly self-evident as to the nature of the redaction and the reasons for it.

The Company submits that the MMM and Innovation reports, with the several minor redactions, should not be the subject of any objections. In respect of the Landry report, the Company is prepared to provide a copy of the report on a confidential basis to those intervenors that execute the appropriate Board Undertaking, with the redactions limited strictly to those which relate to names, addresses, locations and other factors which would reveal the project participant and the facility in question, or commercially sensitive data of the program participant.

Request for Confidential Treatment

Pursuant to the Board's Practice Direction on Confidential Filings, the Company requests confidential treatment of the CPSV reports, as follows:

1. In respect of the MMM and Innovation reports, that the redactions made to these reports in the form as currently filed with the Board be approved. As the redactions relate to names and locations and are not relevant for the purposes of the clearance application, it is appropriate that these redactions remain.
2. In respect of the Landry report, that the Board make available to parties who execute the appropriate Undertaking a copy of the revised redacted version of the Landry report, which is being forwarded to the Board together with this request for confidentiality.

There are several compelling reasons which support the Company's above requests for confidential treatment. First, the information which might reveal the identity of program participants, the location of participating facilities and their internal processes and operations are commercially sensitive from the perspective of the program participant. Enbridge has committed to protect such information. If its commitment in this regard is not upheld by the Board, it could have a significant prejudicial impact on the Company's ability to attract new program participants in future.

Second, confidential treatment is being requested only in respect of commercially sensitive information and identifying details about third party DSM program participants. It is the expectation of program participants that such data would not be made publicly available. It should be noted that these persons and entities are not parties to this proceeding.

Further, much of the redacted information is not relevant for the purposes of an intervenor's consideration of the reports. This includes names, geographic references, and other information which does not have any bearing on the DSM program's results and its valuation.

In accordance with the Board's Practice Direction, I have forwarded to the Board, by courier, two copies of the confidential unredacted version of each of the CPSV contractors' reports. I have also forwarded two copies of the revised redacted version of the Landry report, being the version which the Company requests be made available to those intervenors that execute the appropriate confidentiality Undertaking.

In respect of the Landry report specifically, it is appropriate to provide some further explanation for the need for these redactions. As there may only be two or three competitors within a certain industry, information which tends to confirm which company is the program participant and what they have undertaken is considered commercially sensitive. This necessarily requires the redacting of certain equipment manufacturers' names and model numbers, information which is of questionable relevance in any event. Several pages of the Appendices have been completely redacted because they contain customer flow plans and process specification charts which are clearly commercially sensitive and which Enbridge's program participants would not wish to disclose. In each case, the Company is of the view that the redactions do not inhibit a party's ability to reasonably review and consider the CPSV Contractor reports.

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Yours truly,

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DMO:ct

cc Michael Bell, Ontario Energy Board (Letter Only)

cc Intervenors (Letter Only)

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