

PUBLIC INTEREST ADVOCACY CENTRE LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC

ONE Nicholas Street Tel: (613) 562-4002 ext.26 Suite 1204 Fax: (613) 562-0007 Ottawa, ON Canada e-mail: mjanigan@piac.ca K1N 7B7

March 26, 2014

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

VIA E-Mail

Dear Ms. Walli:

Re: EB 2014-0039 - Enbridge Gas - QRAM Application

Vulnerable Energy Consumers Coalition (VECC) Comments

We would note that Page 2 of EGD letter sent on March 19 indicates actual conditions this winter reflect a 1 in 25 year (4% rate of occurrence). Ordinarily natural gas planning is based on condition occurrence taking place once in five years.

The occurrence of an event that takes place with less frequency than those events comprehended by ordinary prudent planning does not necessarily require specific mitigation unless the consequences are severe. In this case, as the Impact on a typical residential sales service customer will be an increase of 15.1% or \$152 in annual bills, special circumstances warrant an inquiry.

As for the normal hesitation for the regulator to intervene in a market-driven process, if this is really a 1 in 25 event and given the immense impact on total bills, smoothing over an extended period would not be generally requested more often than 1 in 25 years on average. It is hard to envision a more compelling case for some mitigation. Smoothing should be on the table where the triggering events take place once in 25 years.

We would ask that the Board please review staff IRR response #2 alternative (i), interim rates proposal. Also, Staff #8, Table on page 2 is informative—three times in last 8 years QRAM charges. We would further suggest that the Board consider imposing Interim rates, and allow further discovery by way of additional round of IRs, to determine whether the supply management has been prudent

Thank you.

Yours truly,

Michael Janigan Counsel for VECC

cc: EGDI - Director - Andrew Mandyam - Andrew.mandyam@enbridge.com

EGDI - Counsel - Fred Cass - fcass@airdberlis.com

EGDI - Counsel - Tania Persad - Tania.persad@enbridge.com