

April 22, 2014

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Kirsten Walli  
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Assistant

Dear Ms. Walli:

**Board March 31, 2014 Cost Award Decision and Council of Canadians motion to review costs in EB-2012-0451; EB-2012-0433 and EB-2013-0074 (the "Cost Award Decision" and "Council of Canadians Motion", respectively)**

We write as counsel to the Association of Power Producers of Ontario (APPRO) in the above mentioned matters in order to protect the veracity of the record, which has been mischaracterized by Council of Canadians, and to request that the Board reconsider its cost award to APPRO in light of the information following.

APPRO's Participation in the Hearing

APPRO participated in this complex hearing, which conflated three distinct but interconnected capital expansion proposals, very responsibly through a combination of an expert technical natural gas consultant (John Wolnik of Elenchus) and counsel (Norton Rose Fulbright). APPRO was the only intervenor representation for Rate 125, a key class of large volume customers in Enbridge's franchise that would experience approximately a 24% rate increase as a result of the GTA reinforcement project. APPRO members are also some of the largest large volume distribution customers in Union franchise area (T2, Rate 20 and Rate 100) as well as large transportation M12 shippers whose rates were also experiencing significant rate increases. Gas-fired generators collectively represent over 20% of the total natural gas consumption in the province. Gas transportation and distribution costs are a very significant business input, and these costs can have an impact on electricity prices. APPRO's Interrogatories formed the basis of its cross examination and final argument and helped to inform other intervenors.

While APPRO was supportive of these projects so that other customer groups could ultimately benefit from these projects, APPRO expressed its concern about the rate impact on gas-fired generators of both proposed expansions, and in particular indicated that it would challenge Enbridge's cost allocation in a subsequent rate case. Much of APPRO's participation was to obtain information to understand how Enbridge's system operates to be able to subsequently deal with cost allocation. In this proceeding other intervenors also proposed that Enbridge essentially confiscate the firm distribution capacity of a very large gas-fired generator in downtown Toronto. No other intervenor represented the interests of this customer. Further, APPRO was the only intervenor that took the lead on, and was instrumental in, the submissions to the Board in order to obtain the full and public disclosure of the TCPL, Enbridge, Union, Gas Metro Settlement Agreement, which is so fundamental to the public interest and assumptions supporting the Board's approval and conditions for the above-mentioned

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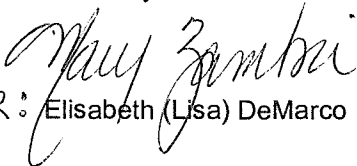
pipeline expansion projects. The Board's Cost Award Decision does not appear to reflect any of these facts. Further, APPrO counsel was among the most efficient, with among the lowest hours of all participating counsel in providing this valuable contribution. Moreover, we note that neither utility objected to, or made any comment on, APPrO's costs claimed.

Council of Canadians Motion Mischaracterizations

Council of Canadians, in order to support its own motion for review of its costs awarded, mischaracterizes APPrO's counsel efficiency and conflates the work of APPrO's expert technical consultant and counsel through an asterisked footnote and inaccurate rankings in chart format on page 6 of the Council of Canadians Motion Record. APPrO hereby requests that Council of Canadians correct any and all such mischaracterizations and that the record be protected by the actual rankings being reflected in any decision of the Board. Specifically, APPrO counsel spent 225.10 hours on the proceedings and APPrO's expert technical consultant spent 344.25 hours on the proceedings - making APPrO the most efficient of all intervenors listed in the Council of Canadians Motion based on total time and, to the best of our knowledge based upon the allocation of time among all the proceedings, the second most efficient of all counsel participating in the proceedings.

As a result of the foregoing, APPrO asks that the Board correct and protect the veracity of the record and award APPrO its full costs claimed (\$190,610) as opposed to the reduced costs awarded (\$160,000).

Sincerely,

  
PER: Elisabeth (Lisa) DeMarco