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By electronic filing

April 24, 2014

Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street 27<sup>th</sup> floor Toronto, ON M4P 1E4

Dear Ms. Walli,

Enbridge Gas Distribution Inc. ("EGD")
April 1, 2014 QRAM Application
Board File No.: EB-2014-0039
Our File No.: 339583-000007

This letter is further to the letter of comment we submitted yesterday on behalf of Canadian Manufacturers & Exporters ("CME"). It pertains to the important point of process raised in the letter submitted yesterday by Mr. Quinn on behalf of Federation of Rental-housing Providers of Ontario ("FRPO").

We appreciate that the Board's invitation for further submissions in this QRAM proceeding is confined to matters relating to the appropriateness of providing some mitigation relief. That said, what Mr. Quinn's letter indicates to us is that further scrutiny of the evidence which EGD provided in conjunction with its reply submissions letter of March 25, 2014, is necessary before any final findings can be made with respect to the prudence of EGD's gas procurement and gas transportation asset management decisions relating to the gas cost increases which form the subject matter of this proceeding.

We agree with Mr. Quinn that the QRAM process does not allow questions of potential gas procurement imprudence to be examined in an appropriate manner, particularly when the evidence giving rise to such questions forms part of EGD's reply submissions pertaining to its request for QRAM relief.

Accordingly, we support FRPO's request for the issuance of directions for a process which will allow that issue to be adequately examined. We submit that FRPO's proposal that the matter be dealt with in EGD's 2013 Deferral Accounts proceeding is reasonable, as is the request for the



issuance, in this case, of directions requiring EGD to provide evidence on these matters in those proceedings.

In the order containing such directions, we urge the Board to include a provision to the effect that all matters related to the prudence of EGD's gas procurement actions during the winter of 2012/2013 have yet to be finally determined. A final determination of the balance in the PGVA to be cleared to ratepayers should be made after interested parties have been afforded a reasonable opportunity to adequately scrutinize and test, if necessary, the evidence which pertains to that issue.

Yours very truly,

Peter C.P. Thompson, Q.C.

PCT\slc

c. Andrew Mandyam and Tania Persad(EGD)

Fred Cass (Aird & Berlis LLP)
All Interested Parties EB-2012-0459
Paul Clipsham (CME)

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