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By electronic filing

September 17, 2014

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

Dear Ms. Walli,

Enbridge Gas Distribution Inc. ("EGD")
October 1, 2014 QRAM Application
Board File No.: EB-2014-0191
Our File No.: 339583-000007

We are writing to qualify the brief submission we made yesterday expressing the view that this application is in accordance with the Board-approved QRAM Mechanism and that Canadian Manufacturers & Exporters ("CME") does not oppose the relief sought by EGD.

That letter was sent before we received and considered the questions raised by Board Staff and Mr. Quinn in their letters to the Board. After considering these questions, we respectfully submit that the manner in which the Board responds to this QRAM application should not prejudice a thorough consideration of the concerns reflected in those questions.

We respectfully submit that what is needed to help the Board and interested parties determine whether EGD is as capable as Union Gas Limited ("Union") in its gas procurement practices is a comparison of the "all-in" unit gas costs, including deferrals, which EGD and Union each asked the Board to approve in their last QRAM proceedings and the "all-in" unit gas costs, including deferrals, with which each utility asks the Board to approve in their current QRAM applications.

In this connection, we urge the Board to direct EGD to provide the following information to facilitate this comparison:

1. The unit commodity cost of gas, including PGVA clearances, which EGD asked the Board to approve for recovery in rates in its last QRAM proceeding before the Board subsequently imposed the mitigation measures;
2. The unit commodity cost of gas, including all PGVA clearances, which EGD is asking the Board to approve for recovery in rates in this QRAM proceeding;
3. The unit commodity cost of gas, including all PGVA clearances, included in Union's previous QRAM proceeding for recovery in its rates in the southern operations area; and

4. The unit commodity cost of gas, including all PGVA clearances, which Union is asking the Board to approve in its current QRAM proceeding for recovery in its rates in the southern operations area.

Such a presentation will enable the Board and interested parties to determine the magnitude of the changes in the “all-in” unit cost of gas, including deferrals, being recovered in EGD rates and in Union’s rates for its southern operations area between the last QRAM proceeding and the current QRAM proceeding. These numbers should help demonstrate the extent to which EGD’s procurement practices are producing outcomes which are materially less favourable than those achieved by Union. This information will be relevant to determining whether these outcomes fall within the ambit of just and reasonable rates.

Yours very truly,



Peter C.P. Thompson, QC

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

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