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Our File # 339583-000192

By electronic filing

May 21, 2015

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Walli

**Re: Enbridge Gas Distribution Inc. (“EGD”)
2015 Rates Application**

Board File #: EB-2014-0276

Pursuant to the Board’s Final Rate Order dated May 14, 2015, we enclose a Cost Claim on behalf of our client, Canadian Manufacturers & Exporters (“CME”).

A copy of this Cost Claim has been forwarded to EGD as instructed in the Final Rate Order.

This Cost Claim and the Cost Claim submitted by Mr. Quinn on behalf of the Federation of Rental-Housing Providers of Ontario (“FRPO”) will likely be materially greater than the Cost Claims submitted by other cost eligible participants in this proceeding for the following reasons:

- (a) The initial settlement negotiations concluded on or about March 12, 2015 and the Settlement Proposal dated March 13, 2015 included an “unsettled issue” with respect to EGD’s management of Unabsorbed Demand Charges (“UDC”) risk associated with unutilized upstream transportation capacity. It was proposed that this “unsettled issue” be addressed in an oral hearing;
- (b) At the conclusion of these initial negotiations a preliminary factual foundation for a framework setting the parameters for a disciplined approach to the management of excess upstream transportation capacity had been developed and presented by Mr. Quinn, representing FRPO;
- (c) Concurrent with the finalization of the wording of the initial Settlement Proposal, including the agreement to take the unsettled issue to hearing, Mr. Mandyam of EGD contacted me on or about March 12, 2015 to determine whether I would be willing to continue to participate in negotiations with EGD and Mr. Quinn in an attempt to resolve the unsettled issue;
- (d) I agreed to do this and further negotiations related to the unsettled issue commenced on or about March 13, 2015. They concluded with the filing of the Supplementary Settlement

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