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Enbridge Gas Distribution
500 Consumers Road
North York, Ontario M2J 1P8
Canada

August 31, 2015

VIA RESS, EMAIL and COURIER

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

Dear Ms Walli:

Re: Enbridge Gas Distribution Inc. ("Enbridge")
2016 Rate Adjustment Application ("Application")
Ontario Energy Board ("Board") File Number EB-2015-0114

Enclosed please find two copies of Enbridge's Application for an Order or Orders approving or fixing just and reasonable rates for the sales, distribution, transmission and storage of gas commencing January 1, 2016.

The Application has been filed through the Board's Regulatory Electronic Submission System and will be available on the Enbridge website at:
www.enbridgegas.com/ratecase.

Enbridge will file its evidence in support of this application by September 30, 2015.

Please contact the undersigned if you have any questions.

Yours truly,

[original signed]

Andrew Mandyam
Director, Regulatory Affairs and Financial Performance

cc: Mr. D. Stevens, Aird & Berlis LLP (via email)
All Interested Parties EB-2014-0276 (via email)

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15 (Sched. B), as amended;

AND IN THE MATTER OF an Application by Enbridge Gas
Distribution Inc. for an Order or Orders approving or fixing
rates for the sale, distribution, transmission and storage of
gas.

APPLICATION

1. The Applicant, Enbridge Gas Distribution Inc. (“Enbridge”) is an Ontario corporation with its head office in the City of Toronto. It carries on the business of selling, distributing, transmitting, and storing natural gas within Ontario.
2. Enbridge hereby applies to the Ontario Energy Board (the “Board”), pursuant to section 36 of the *Ontario Energy Board Act, 1998*, as amended (the “Act”) for an Order or Orders approving or fixing just and reasonable rates for the sale, distribution, transmission, and storage of gas commencing January 1, 2016.
3. As of January 1, 2016, Enbridge will be entering the third year of a five year Incentive Regulation (“IR”) plan approved by the Board in EB-2012-0459. The Board Decision with Reasons in that proceeding establishes a Custom IR framework to set Enbridge’s rates over the period from 2014 to 2018. Specifically, the Board’s Decision with Reasons and related Rate Order approved placeholder Allowed Revenue amounts for 2015 to 2018, subject to adjustment each year to update certain elements of Allowed Revenue. The resulting final Allowed Revenue amount for each year is to be used to set final rates, based upon updated volume forecasts for that year.

4. Enbridge applies to the Board for such final, interim or other Orders, accounting orders and deferral and variance accounts as may be necessary in relation to approve:
 - i. Final rates for the year commencing January 1, 2016;
 - ii. The continuation of approved deferral and variance accounts for 2016;
 - iii. The approval of a new variance account associated with any revenue received from Rate 332 customers, and a 2016 Unabsorbed Demand Charges ("UDC") Deferral Account to record any actual UDC costs incurred during the year; and
 - iv. The determination of all other issues that bear upon the Board's approval or fixing of just and reasonable rates for the sale, distribution, transmission, and storage of gas by Enbridge for the year commencing January 1, 2016.
5. Enbridge further applies to the Board pursuant to the provisions of the Act and the Board's Rules of Practice and Procedure for such final, interim or other Orders and directions as may be appropriate in relation to the Application and the proper conduct of this proceeding.
6. As a result of this Application, average rate increases will be approximately 6.2% or less for all customer classes on a T-service basis (that is, excluding commodity costs). For residential customers, the average T-service increase will be approximately 6.2% or about \$37 annually.
7. In the EB-2012-0459 evidence, it was indicated that the Company would file a rate adjustment application (without detailed supporting evidence) by September 1st of the prior year which would allow the necessary administrative processes and notices to be produced. Additionally, it was indicated that the Company would file

the supporting detailed evidence supporting the application by October 1st of each year in order to allow enough time for the necessary regulatory processes which would permit a Board Decision and final Rate Order by December 15th each year. This approach, which is consistent with the rate adjustment process used in Enbridge's first generation IR term, will accommodate rate implementation for January 1st of the subsequent rate and fiscal year. In the EB-2012-0459 Decision with Reasons, the Board accepted Enbridge's proposal for setting rates for 2015 through 2018.

8. The evidence in support of this Application will be filed by September 30, 2015.
9. Enbridge respectfully requests that the Board establish a process for this Application that allows for rates to be implemented as of January 1, 2016, in conjunction with the January 1, 2016 QRAM Application, and for Rider D (refund of Site Restoration Cost Reserve) to be implemented as of January 1, 2016. If necessary, Enbridge further requests that if final rates cannot be implemented as of January 1, 2016, the Board approve interim rates to be effective as of January 1, 2016, with a process for final rates to be approved as soon as possible thereafter.
10. Enbridge requests that a copy of every document filed with the Board in this proceeding be served on the Applicant and the Applicant's counsel, as follows:

The Applicant:

Mr. Andrew Mandyam
Director, Regulatory Affairs and
Financial Performance
Enbridge Gas Distribution Inc.

Address for personal service: 500 Consumers Road
Willowdale, Ontario M2J 1P8

Mailing address: P. O. Box 650
Scarborough, Ontario M1K 5E3

Telephone: 416-495-5499 or 1-888-659-0685
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The Applicant's counsel:

Mr. David Stevens
Aird & Berlis LLP

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Email: dstevens@airdberlis.com

DATED: August 31, 2015 at Toronto, Ontario.

ENBRIDGE GAS DISTRIBUTION INC.

Per: [original signed]

Andrew Mandyam
Director, Regulatory Affairs and
Financial Performance