



Joel Denomy
Manager, Regulatory Applications
Regulatory Affairs

Tel 416 495 5499
joel.denomy@enbridge.com

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

VIA COURIER, RESS and EMAIL

December 7, 2015

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

**Re: Union Gas Limited (“Union”)
Ontario Energy Board (“Board”) File No. EB-2015-0179
Expansion of Natural Gas Distribution Application
Enbridge Gas Distribution Inc. (“Enbridge”)
Correspondence - Intention to Submit Evidence**

In accordance with Procedural Order No. 2 dated November 30, 2015, please accept this letter indicating Enbridge’s intention to submit evidence in the above noted proceeding. Below, please find a brief description outlining the nature of the evidence to be filed.

Please contact the undersigned if you have any questions.

Yours truly,

(Original Signed)

Joel Denomy
Manager, Regulatory Applications

cc: Mr. F. Cass, Legal Counsel, Aird & Berlis LLP
Mr. C. Ripley, Union Gas Limited (via email)
Mr. C. Keizer, Legal Counsel, Union Gas Limited (via email)
All Interested Parties - EB-2015-0179 (via email)

Description of the Evidence to be Filed by Enbridge in EB-2015-0179

Background & Context

Throughout 2014 Enbridge worked closely with Union Gas (“Union”) to develop potential changes to the Ontario Energy Board’s (the “OEB” or the “Board”) economic feasibility guidelines along with other tools that could be introduced to enhance the economic feasibility of certain gas distribution system expansion projects. These potential changes and tools would apply to natural gas community expansion projects that are currently not feasible under the Board’s economic feasibility guidelines.

For much of 2015 Enbridge has been working on an application to extend gas distribution service to the communities of Fenelon Falls and Bobcaygeon in the City of Kawartha Lakes. The form of this application will be very similar to that of the EB-2015-0179 application now under consideration by the OEB. Similar to Union’s application, the Enbridge application will address the ratemaking issues of changing the Board’s economic feasibility guidelines under Section 36 of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15 Sched B (the “Act”) and also include a Leave to Construct (“LTC”) application under Section 90 of the Act based on the requested changes to the economic feasibility guidelines.

In the immediate proceeding Enbridge intends to submit evidence in relation to the economic feasibility relief it would have requested when its community expansion application was filed with the Board. Principle differences between the evidence Enbridge intends to bring before the Board in this proceeding and that of Union relate to the attributes of the target communities and certain relief requested with respect to changes to the economic feasibility guidelines. Differences in the attributes of the communities targeted for expansion, differences in each utilities cost structure and rate setting regimes will lead to different outcomes and rate impacts for the existing customers of Enbridge. Enbridge believes that it can offer the Board a viewpoint that will be of value as the Board considers changes to the economic feasibility guidelines.

Description of the Evidence to be Filed by Enbridge in EB-2015-0179

As indicated earlier Enbridge's community expansion application will seek changes to the Board's economic feasibility guidelines that are largely similar to those requested by Union. The two major differences between Enbridge's request and those of Union relate to the Temporary Expansion Surcharge ("TES"). Specifically, Enbridge's evidence will differ from Union's in relation to the application of the term of the TES and the types of customers to which the TES will apply.

With the exception of the aforementioned differences and the communities targeted for gas distribution system expansion, Enbridge anticipates that the evidence it will file in EB-2015-0179 will make the same requests as that of Union concerning all of the elements pertaining to Section 36 of the Act.

Purpose of Enbridge Submitting Evidence and Expected Outcomes

It is Enbridge's expectation that by filing evidence in this proceeding it will provide the Board with an additional and helpful perspective. Enbridge would request that any decision of the Board in respect of this proceeding would also pertain to any community expansion projects or small main extension projects that Enbridge would seek to pursue. Should the Board determine that differences (as between Enbridge and Union) in the requested economic feasibility relief are appropriate, Enbridge would request that the Board indicate so in its Decision in this case.