

June 3, 2016

VIA RESS, EMAIL and COURIER

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

Dear Ms. Walli,

**Re: Enbridge Gas Distribution Inc. (the “Company” or “Enbridge”)
Ontario Energy Board (the “Board”) File: EB-2015-0267
2014 Demand Side Management (“DSM”) Clearance of Variance Accounts**

In its letter of June 2, 2016, the Ontario Energy Board (“the Board”) asked for clarification in relation to Enbridge’s letter of May 30, 2016, which had indicated that clearance of the 2014 DSM related deferral and variance accounts at the same time as the July 1, 2016 Quarterly Rate Adjustment Mechanism (“QRAM”) application, was not achievable.

While the estimated amount of time required for the Regulatory Affairs / Rate Design and Billing departments to complete development and testing work to enable clearance of the 2014 DSM related deferral and variance accounts is approximately 3 to 4 weeks, it is not only the time and effort requirements of this work which makes accommodating a July, 2016 clearance unachievable.

At the same time that the work of personnel necessary for the 2014 DSM accounts clearance would be required, the same personnel are required to perform development and testing work for the implementation of, the 2016 Final Rate Order and required Rider E derivation within the EB-2015-0049 and EB-2015-0114 proceedings and, are also required to perform development and testing work for the determination of the July 1, 2016 QRAM Gas Commodity Price Change.

The amount of interest which would accrue on the 2014 DSM related accounts as a result of clearance commencing in October 2016 versus July 2016 is approximately \$22,000, which is not enough to cause any discernable rate impact.

As proposed within the EB-2016-0142, 2015 ESM and Deferral and Variance accounts clearance proceeding, the time period for which the clearance of the 2014 DSM related accounts would occur is within the months of October and November of 2016.

As can be seen in the above responses to the clarification sought by the Board, there is almost no impact to customers, other than timing, from approving clearance of the 2014 DSM related Deferral and Variance accounts in October 2016 as requested in the EB-2016-0142 proceeding versus clearance occurring in July 2016.

Additionally, it is the combination of the unfortunate timing of the concluding Final Rate Orders from two proceedings, being the EB-2015-0049 / EB-2015-0114, 2016 Rates proceeding and the EB-2015-0267, 2014 DSM related Deferral and Variance Accounts proceeding, occurring at the same time as process requirements necessary in the July 1, 2016 QRAM proceeding, that makes clearance of the 2014 DSM related accounts at the same time as the July 1, 2016 QRAM unachievable.

As a result of the above explanations, as requested in our letter of May 30, 2016, Enbridge respectfully requests approval of the proposed timing within the EB-2016-0142 proceeding, for clearance of the 2014 DSM related account balances in October and November of 2016.

Please contact the undersigned if you have any questions.

Yours truly,

[original signed]

Kevin Culbert
Senior Manager, Regulatory Policy and Strategy

cc: Dennis O'Leary, Legal Counsel, Aird & Berlis LLP
EB-2015-0267 Interested Parties