

June 8, 2016

**VIA RESS AND COURIER**

Ms. Kirsten Walli  
**ONTARIO ENERGY BOARD**  
P.O. Box 2319, 27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, Ontario  
M4P 1E4

Ian A. Mondrow  
Direct: 416-369-4670  
ian.mondrow@gowlingwlg.com

Assistant: Cathy Galler  
Direct: 416-369-4570  
cathy.galler@gowlingwlg.com

Dear Ms. Walli:

**Re: EB-2016-0028 – Enbridge Gas Distribution Inc. (EGD) Application for Approval of  
Tariff for Rate 332 Transportation Service.**

**Industrial Gas Users Association (IGUA) Submissions.**

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On behalf of IGUA, we have reviewed and considered the record in this proceeding in respect of EGD's execution of its obligations under the Board's *Storage and Transmission Access Rule (STAR)* and EGD's proposal for finalizing its Rate 332 tariff. IGUA supports the approvals requested by EGD.

EGD's Albion Project, and the resultant Rate 332 transportation service proposal, are unique. EGD has described the transportation portion of the project as a "*partial loop of the existing TransCanada Mainline pipeline from Parkway to Maple to help debottleneck the region and facilitate the development of short haul access from Dawn*".<sup>1</sup> EGD contemplates that TransCanada Pipelines will end up holding and/or controlling all of the 1200 TJ of Albion Project capacity reserved for transportation services, which TransCanada will use in support of its provision of transportation from Dawn, east. EGD indicates that Union will physically operate the inlet to the Albion pipeline through compression facilities which also feed existing TransCanada facilities from Parkway to Maple.<sup>2</sup> In this context EGD has proposed that the Rate 332 tariff include an authorized overrun service (priced at 120% of the firm service unit charge), but not an unauthorized overrun service, since Union will not control how much gas enters the Albion Pipeline versus TCPL's existing facilities at any given moment. (EGD explains that flow control will be managed by EGD at the east end of the pipe, where it connects to TransCanada's system, on an authorized overrun basis.)

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<sup>1</sup> Exhibit I.EGDI.Staff.5, page 1.

<sup>2</sup> Exhibit I.EGDI.Staff.5.

We note this context in recognition that, despite the unique nature of both the contractual and physical operations of this project, EGD has adhered to STAR in bringing this application. This adherence will ensure that all participants in the Ontario gas transportation market will have adequate opportunity to consider and, if interested, contract for space on the facilities, despite the contractual arrangements between TCPL and the eastern LDCs. IGUA commends EGD for this approach.

Further, the unique nature of this project reflects a co-operative and, in the result, efficient approach to gas infrastructure planning in the province, with the (ultimate) co-operation of TCPL, EGD and Union Gas (supported by Gaz Métro).<sup>3</sup> In the context of addressing the bottleneck issues at the eastern end of the Dawn-Parkway system, this co-operation has served Ontario gas consumers well, and IGUA wishes to recognize and endorse the efforts of EGD and all concerned in this respect.

Finally, while we note that no GTAITCRRDA deferral account clearance is being requested by EGD at this time, EGD has indicated<sup>4</sup> that the balance in this deferral account will be proposed to be collected from Rate 332 shippers. As this balance consists of the unrecovered costs associated with the incremental (to the 800 Tj of distribution) capacity of the Albion Project built to provide transportation services, IGUA agrees that it is appropriately recovered from transportation customers.

For the foregoing reasons, IGUA endorses EGD's requests for relief.

Yours truly,

  
Ian A. Mondrow

c:     A. Mandyam (EGD)  
       F. Cass (Aird & Berlis, Counsel for EGD)  
       S. Rahbar (IGUA)  
       L. Gluck (OEB Staff)  
       Intervenors of Record

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<sup>3</sup> Exhibit I. EGD. APPrO.1, part c (page 2).

<sup>4</sup> Exhibit I. EGD I. Staff.4, page 2, first full paragraph.