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VIA EMAIL, RESS and COURIER

June 30, 2016

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

**Re: Ontario Energy Board ("Board")
Enbridge Gas Distribution Inc. ("Enbridge")
EB-2012-0459**

Within the EB-2012-0459, 2014-2018 Custom Incentive Regulation application and proceeding, Enbridge proposed to develop and the Board summarized Enbridge's commitment with respect to a future total cost benchmarking study as follows, "Enbridge, however, has committed to developing a benchmarking study that attempts to address both capital and operating costs and to holding a consultation with stakeholders that will allow for review of and feedback on the benchmarking study. Based on the results of the consultation, Enbridge proposed to develop a benchmarking study to be filed on rebasing which, Enbridge intends, will use a methodology that has been accepted by all parties, including Board Staff and its expert".

Enbridge will be issuing a request for proposal ("RFP") within July of 2016, to consultants in the marketplace for development of a Total Factor Productivity "TFP" and Benchmarking study to be completed in time for use within Enbridge's next generation Incentive Regulation application and model.

Enbridge expects to issue the RFP to the following consultants (Elenchus, Navigant, London Economics, The Brattle Group, Nera Economic Consulting, Larry Kaufman – Sr. Advisor to Pacific Economics Group).

As a starting point for consultation with stakeholders, Enbridge is seeking any comments that stakeholders may have about the consultants on the list and any other consultants that stakeholders believe should be added to this list. We ask that your comments on and/or additions to the list be forwarded to us by July 12, 2016.

In addition, Enbridge proposes that the intervenor community agrees to and appoints an oversight group of three or four intervenor representatives to receive proponent bids for review and shortlisting (with required confidentiality provisions agreed to). We are making this proposal as there is a good likelihood of there being many different time commitments for all stakeholders and in the interest of keeping the amount of time and complexities of many different views to a helpful and useful level. Enbridge is seeking your input and agreement to this proposal as soon as possible. To achieve this, we ask that each intervenor replies to whether they are agreeable to this approach by July 12, 2016, such that Enbridge can determine next steps. Enbridge will summarize and communicate the responses and, if the majority are agreeable to the proposal will ask the intervenors to establish and communicate the selected intervenor oversight group.

The next step for consultation with stakeholders will occur after receipt of bids to the RFP. Enbridge proposes that the bids would be sent to the intervenor oversight group for review and for creation of a short list of potential successors. At the same time Enbridge will review and create its view of a potential short list of successors. Enbridge and the intervenor oversight group would communicate and compare short lists in order to agree to and complete a final short list by the end of August 2016 for Enbridge to consider and select a successful bidder from, by mid-September, 2016.

We are proposing the above process and timelines as it is important for a consultant to commence work on the studies as soon as possible and at the latest by the fall of 2016. Enbridge proposes that it and the intervenor oversight group would form a working group, to meet with the successful consultant to communicate and to the extent possible come to an agreement about the consultant's terms of reference and intended methodology for completion of the study. Enbridge proposes that Board Staff be in attendance at working group meetings and be informed about and included in communications throughout the lead in and other ensuing processes.

Please provide your reply to this communication in advance of or by July 12, 2016 so that the necessary steps can be commenced to begin work on a required benchmarking study.

Yours truly,

[original signed]

Kevin Culbert
Senior Manager, Regulatory Policy & Strategy

cc: all Parties to EB-2012-0459