Canada



October 19, 2016

VIA COURIER, EMAIL, RESS

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

Re: Enbridge Gas Distribution Inc. ("Enbridge")
2017 Rate Adjustment – Year 4 of 5 – Custom IR Plan

Ontario Energy Board ("Board") File Number EB-2016-0215

Affidavit of Service

Pursuant to the Ontario Energy Board's Letter of Direction dated October 17, 2016, enclosed is my Affidavit of Service on behalf of Enbridge Gas Distribution Inc. with respect to the above noted proceeding.

Please contact the undersigned if you have any questions.

Yours truly,

(Original Signed)

Stephanie Allman Regulatory Coordinator

cc: D. Stevens, Aird & Berlis LLP (via email and courier)

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998;

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.

AFFIDAVIT OF SERVICE

- I, Stephanie Allman, of the Town of Keswick, make oath and say as follows:
 - 1. I am an employee of Enbridge Gas Distribution Inc. ("Enbridge") and as such have knowledge of the matters hereinafter deposed to.
 - Pursuant to the Letter of Direction dated October 17, 2016, I made inquiries
 as to the existence of Native Bands and Native Reservations to which
 Enbridge may supply gas. I am advised and verily believe that there are no
 such Native Bands or Native Reservations.
 - Pursuant to the Letter of Direction, I caused to be served by email a copy of the English and French versions of the Notice together with a copy of Enbridge's Application and Evidence, upon The Métis Nation of Ontario, all Intervenors in EB-2012-0459 and EB-2015-0114, Union Gas Limited, and Natural Resource Gas Limited.
 - 4. Attached hereto and marked as Exhibit "A", "B" and "C" are true copies of the aforesaid dated English and French Notices, and Enbridge's Application respectively. Enbridge's evidence was also served on all parties as requested, however due to the volume of the exhibits they have not been provided as an attachment to my Affidavit.

- 5. Attached hereto and marked as Exhibit "D" is proof in the form of a copy of emails that the Notice, Application and Evidence was served on those parties as directed by the Ontario Energy Board in the Letter of Direction.
- 6. Pursuant to the Letter of Direction, I caused to provide a copy of the Notice to Enbridge Gas Distribution's website. Attached as Exhibit "E" is a screen shot of the Company's website page.

SWORN before me in the City)	
of Toronto, this 19th day of)	
October, 2016.	
)	
)	(Original Signed)
)	STEPHANIE ALLMAN

ONTARIO ENERGY BOARD NOTICE TO CUSTOMERS OF ENBRIDGE GAS DISTRIBUTION INC.

Enbridge Gas Distribution Inc. applied to raise its natural gas rates effective January 1, 2017.

Learn more. Have your say.

Enbridge Gas Distribution Inc. applied to the Ontario Energy Board to raise its natural gas rates effective January 1, 2017. If the application is approved, a typical residential customer of Enbridge Gas Distribution Inc. would see an increase of approximately \$7 per year. Other customers, including businesses, may also be affected.

The requested rate increase is based on the rate update framework approved by the Ontario Energy Board for the period 2014 to 2018. The rate change is tied to updated costs for 2017 which include measures to promote efficiency.

THE ONTARIO ENERGY BOARD WILL HOLD A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider Enbridge Gas' request. We will question the company on its case for a rate change. We will also hear questions and arguments from individual customers and from groups that represent Enbridge Gas' customers. At the end of this hearing, the OEB will decide what, if any, rate changes will be allowed.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process.

- You can review Enbridge Gas' application on the OEB's website now.
- You can file a letter with your comments, which will be considered during the hearing.
- You can become an active participant (called an intervenor). Apply by **October 24, 2016** or the hearing will go ahead without you and you will not receive any further notice of the proceeding.
- At the end of the process, you can review the OEB's decision and its reasons on our website.

The OEB intends to consider cost awards in this proceeding that are in accordance with the *Practice Direction on Cost Awards* and only in relation to rate 332, Dawn transportation service, the customer care services procurement deferral account, and the following items on the OEB-approved list of custom IR adjustments applicable to 2017: volumes, revenues, gas supply plan, income taxes, and cost of debt.

LEARN MORE

Our file number for this case is **EB-2016-0215**. To learn more about this hearing, find instructions on how to file letters or become an intervenor, or to access any document related to this case, please enter the file number **EB-2016-0215** on the OEB website: www.ontarioenergyboard.ca/participate. You can also phone our Consumer Relations Centre at 1-877-632-2727 with any questions.

ORAL VS. WRITTEN HEARINGS

There are two types of OEB hearings – oral and written. The OEB will determine at a later date whether to proceed by way of a written or oral hearing. If you think an oral hearing is needed, you can write to the OEB to explain why by **October 24, 2016**.

PRIVACY

If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.

This rate hearing will be held under section 36 of the Ontario Energy Board Act, S.O. 1998 c.15 (Schedule B).



AVIS DE LA COMMISSION DE L'ÉNERGIE DE L'ONTARIO AUX CLIENTS D'ENBRIDGE GAS DISTRIBUTION INC.

Enbridge Gas Distribution Inc. a déposé une requête en vue d'augmenter ses tarifs de gaz naturel à partir du 1^{er} janvier 2017.

Soyez mieux renseigné et donnez votre opinion.

Enbridge Gas Distribution Inc. a déposé une requête auprès de la Commission de l'énergie de l'Ontario en vue d'augmenter ses tarifs de gaz naturel à compter du 1^{er} janvier 2017. Si la requête est approuvée, un consommateur résidentiel moyen d'Enbridge Gas Distribution Inc. constaterait une augmentation d'environ 7 \$ par année. D'autres clients, dont des entreprises, pourraient aussi être touchés.

L'augmentation des tarifs demandée s'appuie sur le cadre de mise à jour des tarifs approuvé par la Commission de l'énergie de l'Ontario pour la période 2014-2018. La hausse des tarifs est liée à la mise à jour des prix pour 2017, laquelle comprend des mesures visant à accroître l'efficience.

LA COMMISSION DE L'ÉNERGIE DE L'ONTARIO TIENDRA UNE AUDIENCE PUBLIQUE

La Commission de l'énergie de l'Ontario (CEO) tiendra une audience publique en vue d'examiner la requête d'Enbridge Gas. Elle interrogera l'entreprise sur son besoin de modifier ses tarifs. Elle entendra également les questions et les arguments de clients individuels et de groupes représentant la clientèle d'Enbridge Gas Distribution. Au terme de cette audience, la CEO décidera des changements de tarifs qu'elle autorisera, le cas échéant.

La CEO est un organisme public indépendant et impartial. Elle rend des décisions qui servent l'intérêt public. Son but est de promouvoir un secteur d'énergie viable et rentable financièrement qui vous offre des services énergétiques fiables à un coût raisonnable.

SOYEZ RENSEIGNÉ ET DONNEZ VOTRE OPINION

Vous avez le droit de recevoir des renseignements concernant cette requête et de participer au processus.

- Vous pouvez consulter la requête d'Enbridge Gas Distribution sur le site Web de la CEO.
- Vous pouvez présenter une lettre de commentaires qui sera examinée durant l'audience.
- Vous pouvez participer activement à l'audience (à titre d'intervenant). Inscrivez-vous d'ici le 24 octobre 2016, sinon l'audience sera entamée sans votre participation et vous ne recevrez aucun autre avis concernant cette instance.
- Vous pourrez passer en revue la décision rendue par la CEO et ses justifications sur notre site Web, à la fin du processus.

Dans le cadre de cette instance, la CEO entend envisager l'adjudication des frais, conformément aux directives de pratique touchant l'attribution des dépens et seulement en ce qui touche la Tarification 332, les services de transport au carrefour Dawn, le compte de report d'approvisionnement en services à la clientèle et les éléments suivants de la liste approuvée d'ajustements à la méthode d'établissement des tarifs incitative personnalisée applicables à 2017 : les volumes, les revenus, le plan d'approvisionnement gazier, les impôts sur le revenu et le coût de la dette.

SOYEZ MIEUX RENSEIGNÉ

Le numéro de ce dossier est **EB-2016-0215**. Pour en savoir plus sur cette audience ou sur les démarches à suivre pour présenter des lettres, pour devenir un intervenant ou encore pour accéder aux documents concernant ces dossiers, saisissez le numéro de dossier **EB-2016-0215** sur la liste du site Web de la CEO : www.ontarioenergyboard.ca/participate. Vous pouvez également adresser vos questions à notre centre de relations aux consommateurs, au 1 877 632-2727.

AUDIENCES ORALES ET AUDIENCES ÉCRITES

Il existe deux types d'audiences à la CEO : orales et écrites. La CEO déterminera à une date ultérieure si cette requête sera traitée lors d'une audience écrite ou orale. Si vous pensez qu'une audience orale doit avoir lieu, vous pouvez écrire à la CEO pour en expliquer les raisons, au plus tard le **24 octobre 2016**.

CONFIDENTIALITÉ

Si vous présentez une lettre de commentaires, votre nom et le contenu de votre lettre seront versés au dossier public et publiés sur le site Web de la CEO. Toutefois, votre numéro de téléphone, votre adresse personnelle et votre adresse courriel seront tenus confidentiels. Si vous êtes une entreprise, tous vos renseignements demeureront accessibles au public. Si vous faites une requête de statut d'intervenant, tous vos renseignements seront du domaine public.

Cette audience sera tenue en vertu de l'article 36 de la Loi sur la Commission de l'énergie de l'Ontario, L.O. 1998, chap. 15 (annexe B).



Updated: 2016-10-04 EB-2016-0215 Exhibit A1 Tab 2 Schedule 1 Page 1 of 5

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", or the "Company") 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, 2017.
- 3. As of January 1, 2017, Enbridge will be entering the fourth 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.

Updated: 2016-10-04 EB-2016-0215 Exhibit A1 Tab 2 Schedule 1 Page 2 of 5

- 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:
 - Final rates for the year commencing January 1, 2017, including all adjustments resulting from the application of Enbridge's Boardapproved Custom IR framework;
 - ii. The continuation of approved deferral and variance accounts for 2017;
 - iii. The re-establishment for 2017 and 2018 of the Customer Care Services Procurement Deferral Account, in the same form as was approved for 2014 to 2016;
 - iv. The establishment for 2017 of a Rate 332 Variance Account, similar to the account that was approved for 2016 to record any variance that occurs from forecast Rate 332 revenue;
 - v. The re-establishment for 2017 of the Greater Toronto Area Incremental Transition Cost Deferral Account, in the same form as was approved for 2016; and
 - vi. 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, 2017.
- 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.

Updated: 2016-10-04 EB-2016-0215 Exhibit A1 Tab 2 Schedule 1 Page 3 of 5

- 6. As a result of this Application, the impact on customers' bills in 2017 will result from the application of the Board-approved Custom IR framework for 2017. The application of the Custom IR framework will result in average rate increases of approximately 1.0% for all customer classes on a T-service basis (that is, excluding commodity costs), with the impact for residential customers being approximately 1.2% or about \$7annually.
- 7. Enbridge's final rates for 2017 will also include its Cap and Trade Unit Rates as required by the Board's July 28, 2016 "Early Determination Regarding Billing of Cap and Trade Related Costs and Customer Outreach" (the "Early Determination") in the EB-2015-0363. However, in accordance with direction from the OEB and consistent with the instructions in the EB-2015-0363 Report on the Regulatory Framework for the Assessment of Costs of Natural Gas Utilities' Cap and Trade Activities, Enbridge is not seeking approval of the Cap and Trade Unit Rates in this Rate Adjustment Application. Instead, the Cap and Trade Unit Rates (as well as necessary additional Variance or Deferral Accounts) will be presented for approval within Enbridge's 2017 Compliance Plan, which is to be filed by November 15, 2016. Enbridge requests that approval of the 2017 Cap and Trade Unit Rates be granted in sufficient time to allow for implementation in conjunction with the January 1, 2017 QRAM Application.
- 8. 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

Updated: 2016-10-04 EB-2016-0215 Exhibit A1 Tab 2 Schedule 1 Page 4 of 5

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.

- 9. The evidence in support of this Application was intended to be filed by September 30, 2016, however, a communication from the Board on September 30th informed the Company that any aspect of rate request with respect to the Cap and Trade framework (including Cap and Trade Unit Rates) should be removed from the 2017 Rate Adjustment Application. Rate request impacts of the Cap and Trade Framework are to be filed in a separate application.
- 10. Enbridge respectfully requests that the Board establish a process for this Application that allows for rates to be implemented as of January 1, 2017, in conjunction with the January 1, 2017 QRAM Application, and for Rider D (refund of Site Restoration Cost Reserve) to be implemented as of January 1, 2017. If necessary, Enbridge further requests that if final rates cannot be implemented as of January 1, 2017, the Board approve interim rates to be effective as of January 1, 2017, with a process for final rates to be approved as soon as possible thereafter.
- 11. 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:

Updated: 2016-10-04

EB-2016-0215 Exhibit A1 Tab 2 Schedule 1 Page 5 of 5

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

Fax: 416-495-6072

Email: EGDRegulatoryProceedings@enbridge.com

The Applicant's counsel:

Mr. David Stevens Aird & Berlis LLP

Address for personal service

and mailing address

Brookfield Place, P.O. Box 754 Suite 1800,181 Bay Street

Toronto, Ontario M5J 2T9

Telephone: 416-865-7783 Fax: 416-863-1515

Email: dstevens@airdberlis.com

DATED: October 4, 2016 at Toronto, Ontario.

ENBRIDGE GAS DISTRIBUTION INC.

Per: (Original Signed)

Andrew Mandyam

Director, Regulatory Affairs and

Financial Performance

From: Stephanie Allman

To: consultations@metisnation.org; "lindan@metisnation.org"

Subject: EB-2016-0215 - Enbridge Gas Distribution Inc. - Notice of Application

Date: Wednesday, October 19, 2016 9:09:00 AM Attachments: NoA EDG 2017 Rates Fr 20161017.pdf

NoA EGD 2017 Rates Eng 20161017.pdf

A1-2-1 Application.pdf

EGDI APPL A Administrative Corrected 20161005.pdf

EGDI APPL B Rate Base 20161004.pdf EGDI APPL C Operating Revenue 20161004.pdf

EGDI APPL D Operating and Maintenance Costs 20161004.pdf

EGDI APPL E Cost of Capital 20161004.pdf

EGDI APPL F Revenue Sufficiency-Deficiency 20161004.pdf

EGDI APPL G Cost Allocatioin 20161004.pdf EGDI APPL H Rate Design 20161004.pdf

Good morning,

On October 4, 2016, Enbridge filed their Application and Evidence for an Order or Orders approving or fixing rates for the sale, distribution, transmission and storage of gas.

Attached please find the Notice of Application in both English and French language along with Enbridge's Application and Evidence in this proceeding.

Interventions/comments are due no later than Monday October 24, 2016.

To view the Notice, the Application, and Evidence in this proceeding electronically, please refer to the Enbridge website by using the link provided below.

www.enbridgegas.com/ratecase

Thank you,

Stephanie Allman

Regulatory Coordinator - Regulatory Affairs

ENBRIDGE GAS DISTRIBUTION

TEL: 416 753-7805 | FAX: 416 495-6072

500 Consumers Road North York, Ontario M2J 1P8

enbridgegas.com

Integrity. Safety. Respect.

From: Stephanie Allman

To: "carlton.mathias@opq.com"; "catharine_davis@transcanada.com"; "cconway@bomatoronto.org";

<u>"colin.macdonald@powerstream.ca"; "david.butters@appro.org"; "david_farmer@transcanada.com";</u> "davidmacintosh@nextcity.com"; "drquinn@rogers.com"; "ealexander@bl.com"; "eblanchard@blg.com" "fmurray@justenergy.com"; "ian.mondrow@gowlings.com"; "jay.shepherd@canadianenergylawyers.com"; "jgirvan@uniserve.com"; "jim_bartlett@transcanada.com"; "jlittle@blg.com"; "jvellone@blg.com";

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"transcanada mainline@transcanada.com"; "vderose@blg.com"; "vyoung@aegent.ca"; "wmcnally@opsba.org";

CRipley@uniongas.com; Brian Lippold (brian@nrgas.on.ca)

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Stephanie Allman

Regulatory Coordinator - Regulatory Affairs

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