

December 14, 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

Dear Ms. Walli:

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

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

**Re: EB-2016-0326: Enbridge Gas Distribution Inc. (EGD) January 1, 2017 QRAM Application.**

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

---

We write as legal counsel to IGUA.

**IGUA's Position on Proposed Rate Adjustments**

IGUA's advisors, Aegent Energy Advisors Inc. (Aegent), have reviewed EGD's Application for quarterly adjustment of rates (QRAM) to be effective January 1, 2017. Based upon Aegent's advice, IGUA is satisfied that EGD has properly followed the QRAM methodology approved by the OEB's EB-2008-0106 Decision.

We note that the QRAM related changes applied for build on rates resulting from EGD's 2017 rate case (EB-2016-0215), adjusted to incorporate the October, 2016 QRAM reference price (replacing the July, 2016 QRAM reference price used in the 2017 rate case filing. This adjustment has allowed for a proper Q1 2017 over Q4 2016 comparison.

In conducting its review, Aegent has also considered reflection in the rates filed herein of the Interim Rate Order issued in EGD's cap and trade compliance plan application (EB-2016-0300).

IGUA has no objection to approval of EGD's application as filed.

## Costs

Pursuant to the Board's *Practice Direction on Cost Awards*, IGUA is eligible to apply for a cost award as a party primarily representing the direct interests of ratepayers in relation to regulated gas services. IGUA requests that the Board award it costs reasonably incurred in review of EGD's QRAM.

IGUA has, in the past, been consistently awarded modest costs for review of QRAM applications. IGUA respectfully submits that the Board, in making such awards, has recognized some value (commensurate with modest costs) in the independent and informed review of such applications.

IGUA continues to be mindful of the need for efficiency in its regulatory interventions, in particular in respect of relatively non-contentious matters such as is normally the case with QRAM applications. For QRAM reviews, IGUA has retained Aagent, whose professionals are expert in Ontario gas commercial and regulatory matters, including rate matters in particular. Aagent conducts a review of the QRAM application as filed, and provides a report to IGUA. Provided that Aagent's report does not indicate any concerns with either the application of the QRAM protocols or the rate outcome, IGUA is in a position to advise the Board that it has no cause for objection, as is the case in this instance.

IGUA submits that it has acted responsibly with a view to informing the Board's review and decision on this Application, while maintaining due attention to cost efficiency. On this basis, IGUA is requesting recovery of its costs for participation in this process.

Yours truly,

  
Ian A. Mondrow

- c. Dr. Shahrzad Rahbar (IGUA)  
Andrew Mandyam (EGD)  
Tania Persad (EGD)  
Fred Cass (Aird & Berlis LLP)  
Valerie Young (Aagent)  
Intervenors of Record (EB-2016-0215)

TOR\_LAW\ 9077327\1