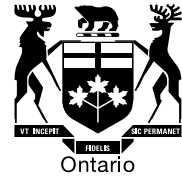


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BY E-MAIL

January 11, 2017

Andrew Mandyam
Director, Regulatory Affairs and Financial Performance
Enbridge Gas Distribution Inc.
500 Consumers Road
North York ON M2J 1P8

Dear Mr. Mandyam:

**Re: Enbridge Gas Distribution Inc.
Cap and Trade Compliance Plan
Ontario Energy Board File Number: EB-2016-0300**

On November 15, 2016, Enbridge Gas Distribution Inc. (Enbridge) filed its Cap and Trade Compliance Plan with the Ontario Energy Board (OEB) (EB-2016-0300). In accordance with the OEB's Report: Regulatory Framework for Assessment of Costs of Natural Gas Utilities' Cap and Trade Activities (EB-2015-0363) ([Cap and Trade Framework](#)), Enbridge has requested that various portions of its Compliance Plan be classified as confidential. Enbridge has made reference to the areas of its application which it deems confidential in Exhibit A, Tab 3, Schedule 1, page 6 of its Application.

As a general rule, and consistent with the OEB's Rules of Practice and Procedure (Rules) and Practice Direction on Confidential Filings ([Practice Direction](#)), the OEB places materials it receives in the course of the exercise of its authority under the *Ontario Energy Board Act, 1998* and other legislation on the public record so that all interested parties can have equal access to those materials.

The *Climate Change Mitigation and Low-Carbon Economy Act, 2016* (*Climate Change Act*) outlines limitations on the disclosure of certain information. These limitations are reflected in section 4 of the Cap and Trade Framework.¹ The Cap and Trade

¹ *Climate Change Mitigation and Low-carbon Economy Act, 2016*, S.O. 2016, CHAPTER 7 (*Climate Change Act*) and EB-2015-0363 Report of the Board - Regulatory Framework for Assessment of Costs of Natural Gas Utilities' Cap and Trade Activities (Cap and Trade Framework)

Framework indicates that there are three forms of information which may be included within a natural gas utility's Compliance Plan: public information, confidential information and strictly confidential information.

The Cap and Trade Framework provides for two categories of strictly confidential information which arise out of the *Climate Change Act* and Regulations² namely, auction confidential and market sensitive information. Strictly confidential information will be reviewed only by OEB staff and the OEB panel assigned to review and decide the application.³

The Cap and Trade Framework notes that while certain information included in an application may not be strictly confidential it may nevertheless need to be considered confidential on other grounds. For example, it may be strategically or commercially sensitive information.⁴ In those circumstances the OEB requires applicants to file both an un-redacted, confidential version and a non-confidential, redacted version of the document from which information that is the subject of the confidentiality request has been deleted or stricken. The OEB will then determine whether access to such information may be allowed to third parties in accordance with the provisions of the Rules and Practice Direction and may also initiate a process to determine whether the information over which confidentiality is requested is confidential or should be placed on the public record.

Having reviewed both the public and confidential versions of Enbridge's application, the OEB notes that the application does not clearly distinguish between strictly confidential (OEB review only) and confidential information, if any, which may be provided to other hearing participants subject to providing an executed copy of the OEB's Confidentiality Declaration and Undertaking. Furthermore, certain portions of Enbridge's evidence are filed confidentially in their entirety, rather than being redacted. Redaction would allow certain non-confidential information contained within certain documents for which confidentiality is otherwise requested to be placed on the public record in redacted form.

In particular, Enbridge requested that the following exhibits, or parts thereof, be treated as strictly confidential. Subject to any objection by Enbridge and explanations as to why these sections should not be on the public record, the OEB proposes that Enbridge file a redacted version of these exhibits which would allow the areas of evidence identified below to be placed on the public record:

² Ontario Regulation 144/16, *The Cap and Trade Program (Cap and Trade Regulation)*

³ Cap and Trade Framework, pages 9-13

⁴ Cap and Trade Framework, pages 13-14

Exhibit B, Tab 4, Schedule 1 (Annual Carbon Price Forecasts)

- paragraphs 1-3, 5-7, 10-14, 20 – 24 and 29
- headings preceding paragraphs 18 and 25

Exhibit C, Tab 1, Schedule 1 (Overview of Compliance Plan)

- paragraphs 1 – 9
- paragraph 10 (excluding the first two sentences)
- paragraph 11 (first sentence only)
- paragraphs 14, 16 – 21
- paragraph 22 (first sentence only)
- paragraphs 23 - 32
- heading preceding paragraph 35
- paragraphs 42, 44 (first 2 sentences only)
- paragraphs 45 – 63
- paragraph 64 (heading and first 2 sentences only)

Exhibit C, Tab 1, Schedule 1, Appendix A (Carbon Market Report)

- pages 9 -10 regarding the projected auction reserve price discussion, including Figure 3
- pages 35-46

Exhibit C, Tab 1, Schedule 1, Appendix B (Carbon Strategy Report)

- cover page
- pages 4-5 up to the heading “Allowance Price Forecast”

Exhibit C, Tab 2, Schedule 1 (Compliance Option Analysis and Optimization of Decision-Making)

- paragraphs 1 – 4,
- headings preceding paragraphs 16, 25, 27
- paragraphs 17, 19 – 21,
- paragraphs 33 – 40

Exhibit C, Tab 3, Schedule 1 (Performance Metrics and Cost Information)

- paragraphs 1 – 2, 6 – 10

Exhibit C, Tab 3, Schedule 5 (Compliance Plan – Abatement Activities – Facility)

- paragraph 9

Exhibit C, Tab 4, Schedule 1 (Risk Management – Identification and Mitigation)

- paragraphs 1 – 12,

- heading preceding paragraph 28
- paragraphs 31, 32, 34 – 45, 47, 48, 51, 52, 54 – 56, 58 – 60,
- paragraph 61 (excluding the last sentence), paragraph 62 (excluding the last sentence)
- paragraphs 63 – 66, 69, 70 – 76, 79, 80, 82, 83, 85-92, 94, 95, 96
- heading preceding paragraph 97
- paragraphs 98, 102 – 110, 111, 112 – 114, 115, 117, 118, 121 – 125

Exhibit F, Tab 1, Schedule 1 (Deferral and Variance Accounts)

- paragraph 6

Exhibit G, Tab 1, Schedule 2 (Alternate Cost Recovery Statements)

- entire exhibit

The OEB requires Enbridge to review the application material and the areas of evidence contained in this letter that are proposed to be placed on the public record and to file either updated redacted versions of the documents or to provide any objections and explanations as to why these sections of the evidence should not be on the public record. The OEB requires Enbridge to **respond accordingly by Wednesday, January 18, 2017.**

This letter and the re-filing of any materials by Enbridge will not preclude any further OEB-initiated process for determining whether confidentiality requests will be granted or whether the information will be required to be placed on the public record.

Yours truly,

Original Signed By

Kristi Sebalj
Registrar
Office of the Registrar