

November 29, 2017

VIA E-MAIL

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

Dear Ms. Walli:

**Re: Enbridge 2017 Cap and Trade Compliance Plan
EB-2016-0300 Cost Claims**

We are writing as counsel to Enbridge Gas Distribution Inc. ("**Enbridge**").

Currently we are aware of ten cost claims being filed by various parties which relates to the Enbridge 2017 Cap & Trade Compliance Plan proceeding. Three include cost claims specific to Enbridge's Compliance Plan application (EB-2016-0300) by CME, FRPO and Environmental Defence. However the cost claims of OSEA combine its claims against Enbridge and Union Gas into one claim and each of APPRO, BOMA, CCC, IGUA, LIEN, and SEC have aggregated their cost claims for the three natural gas utility compliance plan applications into one amount. While Enbridge has no comment on the specifics of the cost claims as filed, by the aggregation of claims by certain parties, it is unable to determine the amounts that are allocable to it. Presumably this also makes it difficult for the Board to make a costs Order.

Rather than put the several intervenors to the task of refileing their cost claims with an allocation of time and disbursements to each of the three natural gas utilities, one option is for the Board to consider, and if appropriate, approve the cost claims by the three parties which are directed specifically to Enbridge. In respect of the balance of the cost claims, where a party has aggregated its cost claims against two or all three of the utilities, then the aggregate of such amounts could be considered by the Board and, if appropriate, allocated to the two or three utilities on a pro-rata basis using the Gas Utility Compliance Plan Cost Forecast Summary Table which appears at Table 2 of the Board's Decision and Order dated September 21, 2017 ("Forecast Cost Table").

A potential concern with this approach is that certain parties may have expended little or no time on the NRG Compliance Plan Application and witness panel because they directed their attention to the earlier Enbridge and Union Gas evidence and witness panels. Many of the issues raised by the parties were addressed by Enbridge and Union Gas witnesses in writing or orally. Using a straight pro-rata allocation based upon the

November 29, 2017

Page 2

Forecast Cost Table could lead to an inappropriately small amount being allocated to NRG as it appears that its share under such an approach would be less than 0.2%. If, for example, the aggregate of costs claimed totalled \$100,000, NRG's share is calculated at only \$200 which may not be appropriate.

In the event that a decision on cost claims is not issued in time for Enbridge to make payment of the approved amounts in calendar 2017, Enbridge confirms its view that any payment made in respect of these costs claims in 2018 will remain eligible to be included in the 2017 GGEIDA.

Yours truly,

AIRD & BERLIS LLP



Dennis M. O'Leary
DMO/vf

Cc: Tom Brett
Kristi Sebalj
Vanessa Innis
Crawford Smith
Andrew Mandyam
Brian Lippold
Richard King

30973562.1