

December 18, 2017

VIA RESS AND COURIER

Ms. Kirsten Walli
ONTARIO ENERGY BOARD
P.O. Box 2319, 27th Floor
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Dear Ms. Walli:

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Re: EB-2017-0347: Enbridge Gas Distribution Inc. (EGD) January 1, 2018 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, 2018. Aegent's review has been undertaken on the basis that for this particular QRAM application:

1. The rates filed for approval in this application combine the effects of changes resulting from EGD's 2018 rate application [EB-2017-0086] and the January, 2018 QRAM.
2. The heat value used in the development of the 2018 rates has been updated for 2018, in accord with the OEB-approved Settlement Proposal filed in EGD's 2017 rate application [EB-2016-0215] pursuant to which, starting in 2018, EGD will use an updated heat value each year for gas supply planning.

Based upon Aegent's advice, including consideration of the foregoing particular features of this QRAM application, IGUA is satisfied that EGD has properly followed the QRAM methodology approved by the OEB's EB-2008-0106 Decision.

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 Aegent, whose professionals are expert in Ontario gas commercial and regulatory matters, including rate matters in particular. Aegent conducts a review of the QRAM application as filed, and provides a report to IGUA. Provided that Aegent'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 (Aegent)
Intervenors of Record (EB-2017-0086)

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