

January 17, 2017

**VIA RESS AND COURIER**

Ms. Kirsten Walli  
**ONTARIO ENERGY BOARD**  
P.O. Box 2319, 27<sup>th</sup> Floor  
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Toronto, Ontario  
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Dear Ms. Walli:

**Re: EB-2017-0306 – Enbridge Gas Distribution Inc. (EGD) and Union Gas Limited (Union)  
MAAD Application.**

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**Alternative Proposed Issues List**

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This letter is written on behalf of a number of intervenors in this matter and to provide to the Board and the applicants a consensus alternative proposed issues list (Alternative Issues List) for consideration.

## **Background**

Prior to the issues conference held earlier this week many of the intervenors met to discuss views on the appropriate scope for this proceeding. From that meeting a working consensus issues list emerged, as an alternative to the issues list pre-filed by the applicants. That consensus alternative issues list was provided to Board Staff and the utilities in advance of the issues conference.

As Procedural Order No. 2 notes, there was no consensus reached at the issues conference on an issues list for this matter, save in respect of the 3 issues related to the LGIC undertakings and proposed by Chatham-Kent.

Following the issues conference, and in light of the discussions there had, the intervenors involved in the previous issues discussions again exchanged views on an alternative issues list, and the attached Alternative Issues List was developed. This Alternative Issues List is based on the previous consensus working list, attempts to incorporate the issues as put forward by the utilities, and incorporates the issues put forward by Chatham-Kent.

### Alternative Issues List

The following parties (Endorsing Parties) have adopted the attached Alternative Issues List as the basis for their submissions on the issues appropriate for this proceeding:

SEC	FRPO	Energy Probe
OGVG	CCC	Six Nations Natural Gas
LPMA	Kitchener	VECC
APPrO	IGUA	TCPL
CME	OAPPA	

The Endorsing Parties support the Alternative Issues List as a starting point, but wish to reserve the ability to provide further comment on additions or modifications to this list based on the submissions of the utilities and their own further considerations of the matter prior to the date for their own submissions on issues for the proceeding.

The Endorsing Parties are filing the attached Alternative Issues List now so that other parties, including Board Staff and the applicants, can provide their comments on this alternative in their respective submissions. This would assist each of the Endorsing Parties in finalizing their issues positions, and best assist the Hearing Panel in its issues deliberations.

Yours truly,

  
Ian A. Mondrow

c: A. Mandyam (EGD)  
M. Kitchen (Union)  
F. Cass (Aird & Berlis)  
C. Smith (Torys)  
S. Rahbar (IGUA)  
K. Viraney (Board Staff)  
M. Millar (Board Staff)  
I. Richler (Board Staff)  
Intervenors of Record

TOR\_LAW 942076111

**Enbridge Gas Distribution Inc.  
and Union Gas Limited**

**Application for approval to amalgamate Enbridge Gas  
Distribution Inc. and Union Gas Limited**

**PROPOSED ISSUES LIST**

*[Bold & italicized numbers reference utilities' proposed issues list.]*

**TEST FOR APPROVAL OF THE MERGER**

1. What is the appropriate test for approval of the merger under section 43(1)(c) of the Ontario Energy Board Act, 1998; “no harm”, “net benefits”, other?
2. How should the test for approval be applied in this case, including in consideration of the Board's statutory objectives in relation to gas? ***[Utilities Issues 1, 5, 6, 7 and 8]***
3. Have the applicants met the appropriate test?

**REBASING DEFERRAL**

4. Is deferral of rebasing appropriate in the context of this application?
5. If so:
  - (a) What is the appropriate deferral period?
  - (b) Is an earnings sharing mechanism [ESM] appropriate and if so what should that mechanism be and when should it apply? ***[Utilities Issues 3 & 4]***
  - (c) What additional considerations and requirements are appropriate to protect the interests of customers pending rebasing?
6. What commitments to future action have the utilities made during their respective 2013-2018 rate plan terms, what other rate setting issues merit attention now (including cost allocation issues), and when and how are these commitments and issues to be addressed?

**IMPACTS OF THE MERGER**

7. Would the proposed merger impact any other OEB policies, rules or orders (e.g. regulation of new storage, Storage and Transmission Access Rule (STAR))? If so, what are those impacts and how should the Board address them?

8. If leave is granted, what conditions should be attached?
9. What is the status of the Undertakings to the Lieutenant Governor in Council of Ontario?
10. Should the undertakings be replaced by a condition of the approval of the OEB of the proposed merger?
11. If so, what should the content of the condition be?