



**EB-2017-0307**

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

**Application for approval of a rate setting mechanism  
and associated parameters from January 1, 2019 to  
December 31, 2028**

**PROCEDURAL ORDER NO. 2**

**January 23, 2018**

Enbridge Gas Distribution Inc. (Enbridge Gas) and Union Gas Limited (Union Gas), jointly referred to as applicants, filed an application dated November 23, 2017 with the Ontario Energy Board (OEB) under section 36 of the *Ontario Energy Board Act, 1998*, for approval of a rate setting mechanism and associated parameters, effective January 1, 2018. The applicants have requested the rate setting framework for a period of 10 years ending in December 2028.

Enbridge Gas' rates for the period 2014 to 2018 have been set using custom incentive regulation while Union Gas' 2014-2018 rates have been set using a price cap adjustment. Both utilities were expected to file a rebasing application to set rates for 2019. On November 2, 2017, Union Gas and Enbridge Gas filed an application<sup>1</sup> to amalgamate into a single company. The applicants indicated that in preparing the amalgamation and rate setting framework applications, the applicants have been guided by the OEB's Handbook to Electricity Distributor and Transmitter Consolidations which provides guidance on applications for mergers, acquisitions, amalgamations and divestitures (MAADs) for electricity utilities.

The OEB issued Procedural Order No. 1 on December 22, 2017, which approved a list of intervenors and scheduled an Issues Conference, Issues Day and a discovery process that included filing of intervenor evidence.

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<sup>1</sup> EB-2017-0306

An Issues Conference was held on January 22, 2018, with the objective of developing a proposed issues list for presentation to the OEB. The OEB understands that there was no consensus on the issues list proposed by the applicants.

In Procedural Order No. 1, the OEB had scheduled an Issues Day on January 25, 2018 to deal with any contested issues. However, the OEB will not hold an Issues Day on the scheduled date. The OEB has determined that it will proceed by way of written submissions.

It is necessary to make provision for the following matters related to this proceeding. The OEB may issue further procedural orders from time to time.

**IT IS THEREFORE ORDERED THAT:**

1. The applicants shall file with the OEB their argument-in-chief with respect to their proposed Issues List and serve it on all intervenors by **January 26, 2018**.
2. Intervenors and OEB staff who wish to file submissions on the applicants' proposed Issues List and suggest revisions shall file them with the OEB and other intervenors by **February 2, 2018**.
3. The applicants shall file their reply argument with the OEB and serve it on all intervenors by **February 9, 2018**.
4. The procedural steps #3 to #10 outlined in Procedural Order No. 1 are suspended pending the determination of an OEB-approved Issues List for the proceeding.

All filings to the OEB must quote the file number, **EB-2017-0307** and be made electronically in searchable/unrestricted PDF format through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. Two paper copies must also be filed. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <http://www.oeb.ca/OEB/Industry>. If the web portal is not available, parties may email their documents to the address below.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Khalil Viraney at [Khalil.Viraney@oeb.ca](mailto:Khalil.Viraney@oeb.ca) and Board Counsel, Michael Millar at [Michael.Millar@oeb.ca](mailto:Michael.Millar@oeb.ca).

**ADDRESS**

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**DATED** at Toronto, January 23, 2018

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary