

April 20, 2018

VIA RESS, E-MAIL and COURIER

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

Dear Ms. Walli:

**Re: Enbridge Gas Distribution Inc. ("Enbridge")
Union Gas Limited ("Union")
DSM Framework and the Cost of Carbon
DSM Framework Mid-Term Review: EB-2017-0127 & EB-2017-0128**

We are writing this letter on behalf of Enbridge and Union jointly. These Utilities request that the Board consider the addition of the cost of carbon to the existing TRC cost-effectiveness test effective from the time of launch of Ontario's Cap-and-Trade Program (January 1, 2017).

The Utilities suggest that this could be accomplished through either the 2017 audit process or by adding this issue to the list of issues that will be considered at the DSM Mid-Term Review stakeholder meeting and consultation which is contemplated by the Board in accordance with its letter dated June 20, 2017.

Enbridge and Union are both of the view that assessment of energy conservation is more appropriately considered as part of the DSM Framework as opposed to being considered under the Cap and Trade Framework.

Yours truly,

AIRD & BERLIS LLP

(Original Signed)

Dennis M. O'Leary

Cc: Stakeholders to EB-2017-0127/0128
Stakeholders to 2018 Cap and Trade Compliance Plans
EB-2017-0224/0255