

VIA E-MAIL

April 30, 2018

Ontario Energy Board  
Attn: Kirsten Walli, Board Secretary  
P.O. Box 2319  
27<sup>th</sup> Floor, 2300 Yonge Street  
Toronto ON M4P 1E4

**RE: EB-2017-0306/0307 Enbridge – Union Merger – FRPO Initial Views**

We are writing on behalf of the Federation of Rental-housing Providers (“FRPO”) in the above subject matter. In Procedural Order No. 5, the Board directed parties to provide initial positions in response to certain key matters. While we respect that the Board has its reasons for such a request, we are concerned that this approach may create some pre-dispositions that are not helpful. However, to be responsive and to assist the Board, we provide our initial views on a without prejudice basis.

**1. Do you plan on supporting approval of the merger?**

We are not in a position to provide support for the approval of the merger due to a number of factors in the applicants’ proposed approach (“Proposal”). Conversely, if adjustments were made, we see the potential for supporting the merger be approved in the public interest.

**2. If you plan to support the merger what, if any, conditions of approval will you propose?**

Our support for the merger is contingent on adjustments to the Proposal. Chief amongst the type of adjustments is ratepayer protection measures which would share the benefits of the merger earlier and more equitably than the Proposal (e.g, early initiation of a more equitable Earnings Sharing Mechanism). We respectfully defer proposing the measure(s) until we have completed discovery.

**3. Do you support the 10-year deferred rebasing period?**

We would likely not support a 10-yr rebasing period unless an array of ratepayer protection measures were added. We believe, if there is deferred rebasing, the period be shortened considerably.

**4. Are there elements of the proposed rate setting framework that you oppose?**

The proposed framework includes zero percent productivity/stretch factors. In spite of the Proposal assertions, we are not convinced that the utilities will not find productivity and we believe the Board and ratepayers should expect that to be shared. We are also concerned about the proposed ICM and will be considering adjustments necessary to ensure a more appropriate funding approach.

**5. Are there elements missing from the proposed rate setting framework?**

Drawing from our above concerns, the proposed framework is lacking a timely and equitable earnings sharing mechanism and greater than zero productivity/stretch factors.

We trust these initial views are responsive and we hope helpful to the Board.

Respectfully Submitted on Behalf of FRPO,



Dwayne R. Quinn  
Principal  
DR QUINN & ASSOCIATES LTD.

- c. A. Mandyam, M. Kitchen, EGD Regulatory Proceedings, Union Gas Regulatory Proceedings  
M. Millar, K. Viraney – Board Staff  
D. Chong – FRPO  
Interested Parties EB-2017-0306/0307