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

**Attention: Ms. Kirsten Walli, Board Secretary**

Dear Ms. Walli:

**Re: OEB Framework for the Assessment of Distributor Gas Supply Plans  
OEB File No. EB-2017-0129  
TransCanada PipeLines Limited (TransCanada) Letter of Comment**

Pursuant to the Ontario Energy Board's letter of May 2, 2018, TransCanada writes to express its support for the Draft Report of the Ontario Energy Board as filed.

North American gas markets have continued to evolve at a rapid pace. From a production perspective, new sources of supply have emerged and compete against gas produced in traditional supply areas. Commodity prices continue to shift considerably from previous norms and have generally decreased in the traditional Canadian supply source, the WCSB.

Pipelines such as the TransCanada Mainline have also responded by offering unique competitive services and open seasons to underpin new facilities on its pipeline system. Gas infrastructure has also changed in response. New connections to emerging basins, as well as pipeline reversals, proposed expansions, and as noted, new service offerings, continue to alter gas flows across North America. These changes can lead to new gas supply opportunities for LDCs across the continent.

Lastly, the industry continues to evolve. The most notable example of which is the purchase of Spectra Energy Corp. by Enbridge Inc., and the subsequent application for the amalgamation of the utilities owned by each entity; Union Gas Limited, and Enbridge Gas Distribution Inc. Enbridge Inc. owns not only the two largest Ontario LDCs, but has interests in upstream pipeline transportation infrastructure on which the LDCs contract to provide gas for Ontario ratepayers. These pieces of infrastructure include NEXUS Gas Transmission, Vector Pipeline, and Alliance Pipeline.

June 1, 2018

Ms. Walli

Page 2

Given these changes, it is TransCanada's view that the Board's three foundational objectives of increased accountability, increased transparency, and performance measurement, and the resulting recommendations to further those objectives as found in the report, will be beneficial to ensure Ontario ratepayers receive the appropriate mix of cost-effective, reliable and secure supply in the face of changing markets.

Yours truly,

**TransCanada PipeLines Limited**

*Original signed by*

Matthew D. Ducharme

Legal Counsel

Canadian Law, Natural Gas Pipelines