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VIA Email, RESS and Courier

August 29, 2018

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

Dear Ms Walli:

<u>Re: EB-2017-0319 Renewable Natural Gas Enabling Program and Geothermal Energy</u> <u>Service Program</u>

Enbridge Gas Distribution Inc.'s ("Enbridge" or the "Company") letter of June 26, 2018 indicated that Enbridge would report back to the Board with its plans for updating the Geothermal Energy Service Program ("GESP") aspect of its EB-2017-0319 application (the "Application").

Enbridge remains committed to abating carbon emissions and to supporting the expansion of geothermal energy systems for Ontario homeowners and others. To that end, Enbridge will continue to work with the government of Ontario, the government of Canada, municipalities and geothermal industry partners to promote policies and programs which will reduce carbon emissions.

The new provincial government has indicated that it will reduce carbon emissions and is looking at various means to do so in the absence of the cap and trade framework. Starting January 1, 2019 the natural gas customers in Ontario may also be subject to a federal carbon tax. Both the province's yet to be announced carbon strategy and the implementation of the federal government's carbon tax have the potential to influence the Company's GESP. The Company will decide how best to proceed with this initiative once the federal and provincial carbon emission reduction programs are better understood by the Company. Enbridge believes that the GESP may be practical and attractive once the provincial and federal government programs are in place. The Company therefore requests that the Board continue to hold the GESP portion of the Application in abeyance until the Company has more clarity about government carbon pricing and carbon reduction plans.

Regards,

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Joel Denomy, M.A. CFA Technical Manager, Regulatory Applications

Cc: All Parties to EB-2017-0319