

SCOTT POLLOCK
T 613.787.3541
spollock@blg.com

Borden Ladner Gervais LLP
World Exchange Plaza
100 Queen St, Suite 1300
Ottawa, ON, Canada K1P 1J9
T 613.237.5160
F 613.230.8842
blg.com



Our File # 339583-0000007

By electronic filing

September 17, 2018

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Walli

**Re: Enbridge Gas Distribution Inc. ("EGD")
October 1, 2018 QRAM Application
Board File #: EB-2018-0249**

We are writing on behalf of Canadian Manufacturers & Exporters ("CME"). Please consider this correspondence as CME's written comments on EGD's QRAM Application, which seeks changes to EGD's rates for the sale, distribution, storage and transmission of natural gas effective October 1, 2018.

As the Board is aware, it is CME's practice to conduct a due diligence review of EGD's QRAM Applications. CME wishes to better understand EGD's PGVA reconciliation review and the additional amounts claimed by EGD as outstanding in relation to the PGVA located at Exhibit Q4-2, Tab 1, Schedule 1 of EGD's QRAM Application.

CME invites EGD to answer the following questions:

- 1) What was the impetus for EGD to engage in a review of the PGVA reconciliation process?
- 2) Please describe, in more detail, the issue that occurred regarding the April 2015 QRAM that caused EGD to not fully capture the amount that resides in the PGVA account. How/why was this amount missed originally?
- 3) EGD states that one of the issues stems from the April 2015, QRAM. What transactions / time periods have been reviewed as part EGD's continuous improvement efforts?
- 4) Are there any further time periods that EGD intends to review in the future, which may disclose further PGVA debits or credits?
- 5) EGD states that the PGVA and related commodity costs were audited by the OEB in 2015. Did this audit include the calculations in question as part of the April 2015 QRAM?
- 6) If the answer above is no, does EGD intend to have the PGVA additions in this QRAM application (e.g. the \$7.5 million from the April 2015 QRAM and the \$20.4 million stemming from the July 2014

GRAM) audited, either by the OEB or by an external auditor, and, if so, when would this audit take place?

7) If the answer above is no, why not?

CME requests an award of its reasonably incurred costs in connection with conducting its examination of EGD's GRAM Application.

Yours very truly

Borden Ladner Gervais LLP



Scott Pollock

c. Andrew Mandyam (EGD)
Fred Cass (Aird & Berlis LLP)
All Interested Parties EB-2016-0215
Alex Greco (CME)

OTT01: 9214334: v1