MICHAEL R. BUONAGURO

Barrister and Solicitor

24 HUMBER TRAIL TORONTO, ONTARIO, M6S 4C1 P: (416) 767-1666 F: (416) 767-1666 EMAIL: mrb@mrb-law.com

November 22, 2018

Ms. Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319 26th Floor 2300 Yonge Street Toronto, ON M4P 1E4

Dear Ms. Walli,

DELIVERED BY EMAIL

RE: Board File No. EB-2017-0319: Enbridge Gas Distribution Inc. Application for Renewable Natural Gas Enabling Program

Further to the Ontario Energy Board's (the "OEB's") Decision and Order dated October 18, 2018, the Canadian Biogas Association (the "CBA") submits the following comments with respect to the Draft Rate Schedule.

The Draft Rate Schedule submitted by Enbridge Gas Distribution Inc. ("EGDI") includes the following proposed language:

The Service Fee is set so as to recover all costs associated with the provision of service such as, but not limited to; operating and maintenance costs, depreciation, cost of debt, the Company's return on investment and related taxes.

In the CBA's respectful submission it would be appropriate to amend this section slightly as follows:

The Service Fee is set so as to recover all <u>reasonable</u> costs associated with the provision of service such as, but not limited to; operating and maintenance costs, depreciation, cost of debt, the Company's return on investment and related taxes.

The CBA submits that this amendment is appropriate in order to explicitly reflect that the rates charged by EGDI in accordance with the proposed rate schedule fall within the Board's jurisdiction under s. 36 (2) of the Ontario Energy Board Act,

1998 S.O. 1998, Chapter 15, Schedule B, which allows the Board to set rates that are "just and reasonable". EGDI is not, the CBA respectfully submits, entitled to simply recover any costs it incurs with respect to the proposed injection service it provides to RNG producers (or any service it provides to any customer for that matter); at all times those costs must be determined by the Board to be reasonable in order for the Board to approve a rate that is just and reasonable. In the CBA's respectful submission any potential customer for the proposed RNG Injection Service should be made aware through the Rate Schedule that there is a burden on EGDI to establish that the costs to provide the proposed service are reasonable. In the (hopefully unlikely) event that there is a dispute between a potential RNG Injection Service Customer and EGDI with respect to the reasonableness of EGDI's proposed costs to provide the service, the potential RNG Injection Service Customer should be able to rely on a Rate Schedule that properly reflects the Board's jurisdiction to set rates that are "just and reasonable" if and when relief is sought before the Board.

Yours very truly,

1/2

Michael R. Buonaguro