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March 22, 2019

## **BY EMAIL, COURIER & RESS**

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

Dear Ms. Walli,

## Re: EB-2015-0301 Review of Miscellaneous Rates and Charges Enbridge Gas Inc. - Comments

On February 14, 2019, the Ontario Energy Board ("OEB") issued its EB-2015-0304 Decision and Order with respect to fees charged by electricity and natural gas distributors to energy retailers. This Decision and Order included the approval of a new rate to be charged to energy retailers for notice of switch letters issued by distributors to low volume consumers.

In the Report of the OEB issued in the same proceeding dated November 29, 2018, the OEB recognized that costs of billing system changes to apply the new charge could outweigh the benefits and, as a result, provided electricity and gas distributors the ability to opt out of charging this within 60 days of the order. The OEB also outlined its expectation that distributors that have opted out of applying the notice of switch letter charge will notify the OEB in an incentive rate-setting or cost-based rates application when they decide to begin applying the charge.

In its subsequent Decision and Order, the OEB acknowledged that some electricity distributors may not be able to implement the new notice of switch letter charge by May 1, 2019 and its expectation that affected distributors would advise the OEB in writing of when this charge will be implemented. Likewise in Schedule C to the Decision and Order, the OEB noted that natural gas distributors may opt out of applying the charge to energy retailers by notifying the OEB within 60 days of the issuance of this Order.

Enbridge Gas Inc. ("Enbridge Gas") has determined that it will opt out of applying the new notice of switch letter charge at this time. Enbridge Gas's current billing systems are unable to automatically apply the new charge.

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Given the current very low level of energy retailer enrolment activity, the cost to update Enbridge Gas's billing systems would far exceed the notice of switch letter revenue and would not be undertaken on its own.

Enbridge Gas will consider this charge in future billing system changes and/or if energy retailer enrolment activity significantly increases. Consistent with the Report of the OEB, Enbridge will inform the OEB when it is in a position to apply the charge.

Please contact the undersigned if you have any questions.

Yours truly,

(Original Signed)

Vanessa Innis Manager, Regulatory Applications & Strategy