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March 29, 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-2018-0305 Enbridge Gas Inc. – 2019 Rate Application Response to EPCOR Late Intervenor Request

This is in response to the Intervenor Request Letter of EPCOR Natural Gas Limited Partnership ("EPCOR") dated March 27, 2019.

Enbridge Gas Inc. ("Enbridge Gas" or "the Company") does not oppose EPCOR's request to intervene in the above noted proceeding.

With respect to EPCOR's request to add a new issue, Enbridge Gas notes in its pre-filed evidence at Exhibit B1, Tab 1, Schedule 1, Appendix H, the Company updated the Economic Feasibility Procedure and Policy in the Enbridge Gas Distribution ("EGD") rate zone as follows:

- The Policy has been expanded to include key elements of the Community Expansion framework as approved by the Board in EB-2016-0004 dated November 17, 2016
- The Policy has been updated with a refined approach to determine the Profitability Index (PI) for each infill customer

The Procedure and Policy were updated to better align with Ontario Energy Board's E.B.O. 188 guidelines. The information on the refined feasibility analysis approach for residential infill customers is presented in response to a commitment made in the EB-2018-0131 EGD Earnings Sharing proceeding.

Should the Board determine an issue on this topic should be added to the issues list, the Company proposes the wording from Board Staff in its submission on the draft issues list be used:

Is Enbridge Gas' customer connection policy of calculating the Profitability Index for every individual infill customer for the Enbridge Gas Distribution rate zone and requiring a contribution in aid of construction (CIAC) appropriate and in accordance with the OEB's E.B.O. 188 guidelines? March 29, 2019 Ms. Kirsten Walli Page 2

The Company would also like to note that the 2019 rates application concerns adjustments pursuant to a rate setting mechanism where the 2018 approved base rates are adjusted in accordance with the MAADs decision and Order in EB-2017-0306/0307.

Please contact the undersigned if you have any questions.

Yours truly,

(Original Signed)

Rakesh Torul Technical Manager Regulatory Applications

cc: EB-2018-0305 Intervenors Bruce Brandell/Dana Bissoondatt, EPCOR Patrick G. Welsh, Osler, Hoskin & Harcourt LLP Crawford Smith, Lax O'Sullivan Lisus Gottlieb