



David Stevens
Direct: 416.865.7783
E-mail: dstevens@airdberlis.com

February 10, 2021

BY EMAIL AND FILED VIA RESS

Christine Long
Registrar
Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: Enbridge Gas Inc. ("Enbridge Gas")
EB-2020-0181 – 2021 Rates Application – Phase 2**

We act as counsel to Enbridge Gas in this matter.

We write in response to Procedural Order No. 3, dated February 5, 2021 (PO #3).

In PO #3, the OEB responded to Enbridge Gas's request to update the Incremental Capital Module (ICM) evidence for Phase 3 of the St. Laurent NPS 12 Replacement Project (St. Laurent Phase 3 Project). The Board indicated that it has a number of concerns with the implications of granting Enbridge Gas's request. One of these concerns is titled "Holistic approach to project evaluation", and notes that the OEB wants to ensure that it is appropriate to consider funding for Phase 3 separate from Phase 4, given the fact that both Phases are being determined in a single LTC application (as previously directed by the Board).

In PO #3, the Board asks the Company to provide a brief written submission in response to the noted concerns. In particular, Enbridge Gas is asked to address whether it would be more appropriate to defer consideration of ICM funding for the St. Laurent Phase 3 Project until Enbridge Gas's 2022 rates application.

Enbridge Gas had expected that it would be helpful to the Board to file its requests for ICM funding for the St. Laurent Project in phases, aligning to the expected timing for when parts of the project were forecast to go into service. However, having now considered the Board's comments and concerns set out in PO #3, Enbridge Gas has decided to withdraw its request for 2021 ICM funding for St. Laurent Phase 3 Project. Instead, Enbridge Gas plans to request ICM funding for Phase 3 and Phase 4 of the St. Laurent Project in a single ICM request within Phase 2 of the Company's 2022 rates application.

Based on the foregoing, Enbridge Gas is now requesting 2021 ICM treatment for only two projects, both of which are in the Union Rate Zones (the London Line Replacement and the Sarnia Industrial Line). At the upcoming technical conference, the Company's witnesses will address questions on the interrogatory responses that concern the approval of those projects for ICM

February 10, 2021
Page 2

treatment as well as questions pertaining to how those projects are informed by the Utility System Plan and Asset Management Plan.

Please let us know if you have any questions.

Yours truly,

AIRD & BERLIS LLP



David Stevens
DS/

cc: All parties registered in EB-2020-0181

43429739.1