

**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**

June 8, 2022

Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> floor  
Toronto, ON M4P 1E4

Dear Ms. Marconi

**Re: Enbridge Gas Inc. (“EGI”)  
July 1, 2022 QRAM Application  
Board File #: EB-2022-0150**

We are writing on behalf of Canadian Manufacturers & Exporters (“CME”). Please consider this correspondence as CME’s written comments on EGI’s QRAM Application, which seeks changes to its rates for the sale, distribution, storage and transmission of natural gas effective July 1, 2022.

As the Board is aware, it is CME’s practice to conduct a due diligence review of EGI’s QRAM Applications. In this instance, CME has benefitted from reviewing the questions and answers provided by Board Staff on the application.

In its application, EGI indicated that commodity prices would, absent mitigation, represent an increase of greater than 25%.<sup>1</sup> In response, EGI outlined two potential mitigation approaches. The first approach is EGI’s “preferred” mitigation approach, whereby EGI would collect all current QRAM costs in rates over a 24 month period, similar to the approach used in EB-2022-0089.<sup>2</sup> The second approach is to limit bill impacts to a 15% increase.

The secondary approach is a smaller bill increase than the preferred approach in the immediate term, but leaves over \$600 million which would still need to be recovered in the next QRAM application.<sup>3</sup> This compares to the maximum PGVA credit carried since prices began increasing in October, 2021 of \$455 million.<sup>4</sup> In answer to a question from Board Staff, EGI indicated that limiting the increase to 10% of the bill would leave \$936 million to be recovered from ratepayers, more than twice the previous highest balance.

---

<sup>1</sup> EB-2022-0150, Exhibit A, Tab 2, Schedule 2, p. 1.

<sup>2</sup> EB-2022-0150, Exhibit A, Tab 2, Schedule 2, p. 1.

<sup>3</sup> EB-2022-0150, Exhibit A, Tab 2, Schedule 2, p. 1.

<sup>4</sup> EB-2022-0150, Exhibit I; Staff.1, p. 2.

As a result of unprecedented macroeconomic factors such as inflation and volatility in commodity prices, CME understands the need to balance continued rate smoothing with other factors, such as accurate price signals and appropriate collection of commodity balances. Consequently, CME takes no issue with EGI's proposed mitigation strategies, and agrees that the preferred mitigation approach is the most appropriate approach.

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

Yours very truly



Scott Pollock

- c. Richard Wathy (EGI)  
Tania Persad (EGI)  
All Interested Parties EB-2019-0194; EB-2021-0147; EB-2021-0148  
Mathew Wilson & Allison Bernholtz (CME)