

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15 (Sched. B).

AND IN THE MATTER OF a proceeding initiated by the Ontario Energy Board to determine whether it should order new rates for the provision of natural gas transmission, distribution and storage services to gas-fired generators (and other qualified customers) and whether the Board should refrain from regulating rates for storage of gas.

AND IN THE MATTER OF Rules 7, 42, 44 and 45.01 of the Board's *Rules of Practice and Procedure*.

**PRE-FILED EVIDENCE OF
ENBRIDGE GAS DISTRIBUTION INC.**
(Motion to Vary NGEIR Settlement Proposal)

1. Enbridge Gas Distribution Inc. (Enbridge) seeks an order of the Ontario Energy Board (the Board) varying the *Settlement Proposal for Issues Relating to Enbridge Gas Distribution Inc. in the NGEIR Proceeding* dated June 13, 2006 (the Settlement Proposal).
2. In the Natural Gas-Electricity Interface Review proceeding (NGEIR, EB-2005-0551), the Board accepted the Settlement Proposal that addressed issues in the proceeding related to Enbridge. Paragraph (I) of section 1.1 of the Settlement Proposal provides as follows:

Parties recognize that some operating experience with the new Rate 125 and the other rates and services being developed through this proceeding (Rates 300, 315 and 316) is needed before it can be determined whether further modifications to the services and associated rates schedules should be proposed. Parties agree that, once sufficient operating experience has been gained, and in any event no later than March 31, 2009, interested customer groups and Enbridge Gas Distribution will convene to evaluate and

discuss the experience and success of the services offered as a result of this proceeding. At that time, any party may propose further modifications to the rate schedules.

3. Certain electricity generators have begun to take service under Enbridge's new Rate 125 that was approved in the NGEIR proceeding. However, Enbridge believes that, by March 31, 2009, there will not be sufficient operating experience with the new services approved in the NGEIR proceeding to have a meaningful review of those services. This is particularly so because electricity generators now taking service under Rate 125 have been primarily involved in commissioning their equipment and preparing their plants to move from single cycle to combined cycle operations.

4. Further, in this proceeding, Union Gas Limited (Union) has requested that the deadline for the Power Services Review called for in Union's NGEIR Settlement Agreement be changed from March 31, 2009 to March 31, 2010. Enbridge believes that the review of its new services contemplated in the Settlement Proposal should occur at or about the same time as the Power Services Review under Union's Settlement Agreement. Enbridge understands, for example, that some electricity generators are using, or plan to use, upstream/load balancing services from Union in conjunction with Enbridge's new services.

5. Enbridge has contacted the Association of Power Producers of Ontario (APPrO) and believes that, on behalf of the electricity generators, APPrO supports the relief requested in this motion. Enbridge has requested that APPrO provide a letter setting out its position in respect of the relief requested and understands that APPrO will submit such a letter directly to the Board.

6. Enbridge therefore proposes that the Settlement Proposal be varied, such that the review of new services referred to in section 1.1, paragraph (I) of the Settlement Proposal will occur once sufficient operating experience has been gained and in any event no later than March 31, 2010.

7. It was not possible to bring this motion until it became known that any attempt to review Enbridge's new services (as approved in the NGEIR proceeding) by March 31, 2009 is unlikely to be meaningful.