

May 15, 2023

VIA RESS

Ms. Nancy Marconi
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Dear Ms. Marconi:

Re: EB-2022-0200 – Enbridge Gas Inc. (EGI) Application for 2024 Cost of Service Rates.

Responses to Interrogatories on Evidence Sponsored by Industrial Gas Users Association (IGUA): Exhibits M5 & M6.

With this letter we are filing responses to interrogatories on two of the three pieces of evidence sponsored by IGUA and filed in this matter;

1. Exhibit M5 – IGUA Depreciation: The evidence of Dustin Madsen (Emrydia Consulting Corporation) addressing EGI's proposed depreciation policy and provision, including site restoration costs (issues 15 and 16).
2. M6 – IGUA Cost of Capital: The evidence of Dr. Sean Cleary addressing the fair return standard analysis put forward by EGI in support of EGI's proposal to increase its equity thickness (issues 20 and 21).

Exhibit N.M6 Multiple Parts

In respect of the responses to interrogatories on Exhibit M6, which is denoted as Exhibit N.M6, given the size of some of the attachments to the interrogatory responses, in particular Dr. Cleary's evidence filed in the Alberta and referenced in his evidence filed herein as requested in Staff-1, we are filing Exhibit N.M6 in two parts. Further, the Alberta evidence filed in response to Staff-1 includes a number of live excel files, which we are filing separately in live format.

Exhibit N.M5.EGI-29, Attachment 1: Redactions on the Basis of Relevance

In interrogatory EGI-29 EGI requested, *inter alia*, a copy of the retainer agreement between IGUA and Emrydia. The stated intention of this request is "*to understand which aspects were in and out of scope and what the mandate was*".

In providing the retainer agreement between IGUA and Emrydia as Attachment 1 to N.M6.EGI-29 we have redacted certain limited information that specifies the commercial parameters (i.e. hourly rate, payment timing and risk sharing arrangements) for the retainer. These details have no bearing or relevance to the “scope of the mandate” question which EGI is pursuing through its interrogatory, are commercially sensitive (i.e. if made public could impede Emrydia’s or IGUA’s ability to negotiate similar retainers in the future), and in respect of the pricing information is of a category of information that will presumptively be considered confidential by the OEB in accord with section 4 and Appendix B of the Board’s *Practice Direction on Confidential Filings*.

As specified in the practice direction, a password protected copy of the model has been filed through the Board’s RESS.

Corrected Exhibit M6

In preparing a response to N.M6.Staff-3, Dr. Cleary determined that he had made an error in his initial evidence in respect of EGI’s annual revenue for 2021, which he had recorded as \$37.588 billion, but which in fact was \$4.893 billion. In responding to this interrogatory Dr. Cleary indicates where in his evidence corrections are required to rectify this error, and confirms that correction of this error does not change any of his conclusions. We will be separately filing a corrected version of Exhibit M6, with the corrections indicated.

Yours truly,



Ian A. Mondrow

c: S. Rahbar (IGUA)
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