



BY EMAIL

June 6, 2024

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Marconi:

**Re: Enbridge Gas Inc. 2024 Rebasing Application – Phase 2
Filing of Expert Evidence by Ontario Energy Board (OEB) Staff
OEB File No. EB-2024-0111**

In accordance with the OEB's Decision on Issues List and Procedural Order No. 2, dated May 30, 2024, this letter is to advise the OEB, Enbridge Gas Inc. (Enbridge Gas) and intervenors regarding the expert evidence that OEB staff intends to file in this proceeding.

OEB staff has engaged Pacific Economics Research Group LLC (PEG) to provide a report presenting PEG's review of Enbridge Gas's evidence on the proposed price cap plan for 2025-2028, including plan parameters, as documented in Enbridge Gas's evidence and the updated evidence prepared by Enbridge Gas's expert, Black and Veatch.¹ PEG's review and report will be prepared under a team led by Dr. Mark Lowry.

PEG's review will specifically discuss:

1. New weighting of the inflation measure subindexes and new labor price subindex
2. Use of a US national total factor productivity trend to set the productivity factor for Enbridge Gas
3. Appropriateness of sample selection and size
4. Use of a unit total cost index and various peer groups as the cost benchmarking method instead of the econometric modelling that is typically used in Ontario electric utility statistical benchmarking studies
5. Use of a hyperbolic decay capital cost specification instead of the geometric decay or cost of service specifications that have previously been used in Ontario productivity and benchmarking evidence

¹ Exhibit 10.

PEG will prepare an independent expert report which may include providing alternative analyses, proposals, and recommendations on Enbridge Gas's 2025-2028 price cap plan.

Yours truly,

A handwritten signature in black ink, reading "KNViraney". The signature is written in a cursive, slanted style.

Khalil Viraney

Case Manager EB-2024-0111

c: All parties in EB-2024-0111