



By E-mail

December 16, 2008

Kirsten Walli
Board Secretary
Ontario Energy Board
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Dear Ms Walli,

Enbridge Gas Distribution Inc. 2009 Rates
Board File No.: EB-2008-0219
Our File No.: 339583-000017

We are writing on behalf of our client, Canadian Manufacturers & Exporters ("CME"), to support approval of the Settlement Agreement (the "Settlement") which counsel for Enbridge Gas Distribution Inc. ("EGD") will be presenting to the Board on Thursday, December 18, 2008.

Since we are unable to attend on Thursday, we are providing this letter to submit two (2) requests for the Board's consideration during the course of the hearing with respect to the Settlement.

The first is that CME be awarded its costs of participating in this proceeding.

The second pertains to process. For reasons which follow, we urge the Board, when considering future Incentive Regulation Mechanism ("IRM") based rate applications, to adhere to the face-to-face Technical Conference/Settlement Conference/Oral Hearing process (adopted in this case) in preference to a written hearing process (adopted in the 2009 IRM Rate Application of Union Gas Limited ("Union")).

The face-to-face process used in this case has a number of advantages over the written hearing process, including the following:

- (a) It accommodates to and fro discussions between utility representatives and those parties seeking further information and, thereby, tends to provide a more thorough understanding of the information the utility provides to support its application;
- (b) The process permits intervenor-specific concerns to be dealt with promptly and, if necessary, in "one off" discussions between utility representatives and a particular intervenor;

- (c) A compressed schedule, of the type adopted in this case, for the face-to-face Technical Conference/Settlement Conference/Oral Hearing process is more expedient than a written hearing process; and
- (d) The face-to-face process allows the utility and intervenors an opportunity to gain a better understanding of their respective positions which, in turn, increases the probability of settling matters in dispute. This, in turn, relieves the Board from having to consider written arguments on what turn out to be settleable issues.

The written hearing process has none of these advantages.

For these reasons, we encourage the Board to adopt the face-to-face Technical Conference/Settlement Conference/Oral Hearing process, rather than a written hearing process, in the future IRM rate change proceedings of the large utilities it regulates such as EGD and Union Gas Limited.

We respectfully request that a copy of this letter be filed with the Board Panel hearing the presentation of EGD Settlement Agreement on Thursday of this week.

Please contact me if there are any questions about the contents of this letter.

Yours very truly,



Peter C.P. Thompson, Q.C.

PCT\slc

c. Interested Parties EB-2008-0219
Paul Clipsham (CME)
Vince DeRose (BLG)

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