

March 19, 2021

VIA RESS

Ms. Christine E. Long
Registrar
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Dear Ms. Long:

Re: EB-2021-0070: Enbridge Gas Inc. (EGI) April 1, 2021 QRAM Application.

Industrial Gas Users Association (IGUA) Comments.

We write as legal counsel to IGUA.

IGUA's Position on Proposed Rate Adjustments

IGUA's advisors, Jupiter Energy Advisors Inc. (Jupiter) have reviewed EGI's Application for quarterly adjustment of rates (QRAM) for all of the legacy rate zones of Enbridge Gas Distribution and Union Gas Limited, such adjustment to be effective April 1, 2021. Based upon Jupiter's advice, IGUA is satisfied that EGI has properly followed the QRAM methodology approved by the OEB's EB-2008-0106 Decision, and has no objection to approval of EGI's application as filed.

Additional Comments

With this QRAM EGI is implementing;

1. the OEB's decision on disposition of 2017/2018 DSM deferral and variance account balances (EB-2020-0067);
2. the OEB's decision on EGI's 2021 Federal Carbon Pricing Program (EB-2020-0212), adjusting both gas commodity rates and the Parkway Delivery Commitment Incentive (PDCI) accordingly; and
3. an increase as of January 1, 2021 in NGTL tolls and abandonment surcharges approved by the Canadian Energy Regulator.

Jupiter has considered these changes in its review and has no concerns.

EGI has also indicated (at paragraph 9 of ExB/T1/S1) that, effective January 1, 2021, one of EGI's NGTL transportation contracts "*became ineligible*" for NGTL's multi-year discounts, resulting in an increase in EGI's NGTL transportation costs of approximately \$0.2 million relative to the January 2021 QRAM forecast. No further information is provided in the instant filing regarding which NGTL contract "*became ineligible*" or why that contract "*became ineligible*". In EGI's 2021 Annual Gas Supply Plan Update filing (EB-2021-0004, see pages 48-49) EGI notes an NGTL contract renewal for 3 years effective November 1, 2021, and further notes that the term of 3 years for that renewal results in a 5% discounted toll. We ask that, in its responding submission, EGI explain which NGTL transportation contract "*became ineligible*" for NGTL's multi-year discounts and the basis upon which it became ineligible.

Costs

Pursuant to the Board's *Practice Direction on Cost Awards*, IGUA is eligible to apply for a cost award as a party primarily representing the direct interests of ratepayers in relation to regulated gas services. IGUA requests that the Board award it costs reasonably incurred in review of EGI's QRAM.

IGUA has, in the past, been consistently awarded modest costs for review of QRAM applications. IGUA respectfully submits that the Board, in making such awards, has recognized some value (commensurate with modest costs) in the independent and informed review of such applications.

IGUA continues to be mindful of the need for efficiency in its regulatory interventions, in particular in respect of what relatively non-contentious matters such as is normally the case with QRAM applications. For QRAM reviews, IGUA has retained Jupiter, whose professionals are expert in Ontario gas commercial and regulatory matters, including rate matters in particular. Jupiter conducts a review of the QRAM application as filed, and provides a report to IGUA. Following receipt and review of Jupiter's report, IGUA is either in a position to advise the Board of any concerns or that, as in this instance, it has no cause for objection.

IGUA submits that it has acted responsibly with a view to informing the Board's review and decision on this Application, while maintaining due attention to cost efficiency. On this basis, IGUA is requesting recovery of its costs for participation in this process.

Yours truly,



Ian A. Mondrow

- c. Dr. Shahrzad Rahbar (IGUA)
- Asha Patel (EGI)
- Tania Persad (EGI)
- Valerie Young (Jupiter)
- Intervenors of Record (EB-2019-0194; EB-2020-0095)