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Le 1^{er} avril 2008

M^{re} Louise Tremblay
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Me Véronique Dubois
Secrétaire
RÉGIE DE L'ÉNERGIE
800, Place Victoria - Bureau 2.55
Montréal (Québec) H4Z 1A2

OBJET : Ajustement des tarifs de Gazifère Inc.
Dossier : R-3637-2007
Notre dossier : 111216.0052

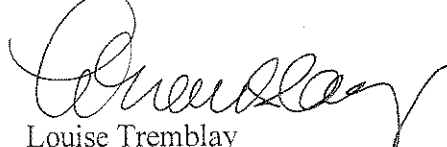
Régie de l'énergie
DOSSIER: R-3637-2007
PIÈCE NO: B-31
Date: 03/04/2008

Chère consoeur,

Suite à la nôtre du 26 mars 2008 relativement à l'objet mentionné en titre, veuillez trouver sous pli copie d'une lettre émanant de la Commission de l'énergie de l'Ontario ainsi que copie de la décision EB-2008-0048 qui a été amendée afin de corriger une erreur mineure au paragraphe 3 de la page 3 de ladite décision.

Veuillez agréer, chère consoeur, l'expression de nos sentiments les meilleurs.

MILLER THOMSON POULIOT sencrl


Louise Tremblay
LT/ld
P.j.

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BY E-MAIL ONLY

March 25, 2008

Patrick Hoey
Director, Regulatory Affairs
Enbridge Gas Distribution Inc.
500 Consumers Road
Willowdale ON M2J 1P8

Dear Mr. Hoey:

Re: **Enbridge Gas Distribution Inc.
Amended Decision and Interim Rate Order
Board File No. EB-2008-0048**

Pursuant to its powers under Rule 43-02 of the Rules of Practice and Procedure, the Board hereby amends the Decision and Interim Order (the "Decision") in EB-2008-0048 to correct a minor error in wording found at page 3 paragraph 3. The original Decision stated "The utility price used in determining amounts to be recorded in the **first** quarter of Test Year 2008 Purchased Gas Variance Account shall be \$340.684 /10³m³. (emphasis added)". In fact, the Decision should state: "The utility price used in determining amounts to be recorded in the **second** quarter of Test Year 2008 Purchased Gas Variance Account shall be \$340.684 /10³m³". A copy of the Amended Decision and Interim Order is attached to this letter.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

c. Jackie Collier, Enbridge Gas Distribution Inc.
Bonnie Jean Adams, Enbridge Gas Distribution Inc.
Lorraine Chiasson, Enbridge Gas Distribution Inc.
Fred Cass, Fraser Milner Casgrain LLP

Encl.



EB-2008-0048

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

AND IN THE MATTER OF an application by Enbridge Gas
Distribution Inc., pursuant to section 36(1) of the *Ontario
Energy Board Act, 1998*, for an order or orders approving or
fixing just and reasonable rates and other charges for the
sale, distribution, transmission, and storage of gas as of
April 1, 2008;

AND IN THE MATTER OF the Quarterly Rate Adjustment
Mechanism approved by the Ontario Energy Board in RP-
2000-0040, in RP-2002-0133 and in RP-2003-0203.

BEFORE: Ken Quesnelle
Presiding Member

AMENDED DECISION AND INTERIM ORDER

Enbridge Gas Distribution Inc. ("EGDI" or the "Company") filed an application with the Ontario Energy Board (the "Board") dated February 29, 2008 for an order approving or fixing rates for the sale, distribution, transmission, and storage of gas effective April 1, 2008 (the "Application"). The Board has assigned file number EB-2008-0048 to the Application.

EGDI indicated that the Application was prepared in accordance with the Quarterly Rate Adjustment Mechanism ("QRAM") approved by the Board in RP-2000-0040 and described in Issue 2.2 of the Settlement Proposal for RP-2000-0040. The mechanism was subsequently modified and approved by the Board in RP-2002-0133 as described under Issue 4.2 of that Settlement Proposal and under issue 15.11 of the RP-2003-0203 Settlement Proposal.

The Application included the following information:

- (i) The recalculated utility price for the second quarter of Test Year 2008 is \$340.684/10³m³ (\$9.039/GJ @ 37.69 MJ/m³) as compared to the current utility price of \$303.215/10³m³ (\$8.045/GJ @ 37.69 MJ/m³) for the first quarter of Test Year 2008. Since the new price as compared to the current price exceeds the 0.5 ¢/m³ price variance implementation threshold, EGDI requested that the recalculated utility price should be the new utility price effective April 1, 2008.
- (ii) The estimated balance in the Purchased Gas Variance Account ("PGVA"), as of December 31, 2008, is a customer credit of \$96.673 million reflecting the proposed utility price effective April 1, 2008 and this is greater than the 0.5¢/m³ threshold. The PGVA equates to a 3.9604 ¢/m³ credit for residential customers which will be in effect from April 1, 2008 to December 31, 2008.
- (iii) For a typical residential customer on system gas with an annual consumption of 3,064 m³, the rate impact of the increase in Utility Price in this QRAM amounts to an annual bill increase of approximately \$119.00, not including temporary rate riders. A typical residential customer on direct purchase will see their total annual bill increase by approximately \$9.00, not including temporary rate riders.

The Application and supporting written evidence was provided to Interested Parties including the Intervenor of record in the EB-2007-0615 proceeding. The Application also set out the dates for filing comments and the Company's reply to those comments.

The Board received one submission from the Industrial Gas Users Association indicating that it did not oppose the proposed changes to gas supply rates.

Pursuant to the *Ontario Energy Board Act, 1998*, section 36(4.1), the Board has considered all deferral account balances related to the commodity cost of gas and is adjusting rates, as set out below, to dispose of the forecasted balance for the 2008 PGVA account.

The Board has considered the evidence and finds that Enbridge's rate proposal is appropriate.

This rate order is made interim because it is replacing an existing interim rate order pursuant to the Board's Decision and Order for Interim Rates, pertaining to EB-2007-0615, dated December 18, 2007. When that proceeding concludes, rates will be made final.

THE BOARD THEREFORE ORDERS THAT:

1. The rates approved for Enbridge Gas Distribution Inc. as part of Rate Order EB-2007-0897 shall be superseded by the rates as provided in the Company's Rate Handbook for EB-2008-0048 and contained in Appendix "A" attached to this Rate Order.
2. The rates shall be effective April 1, 2008 and shall be implemented in the Company's first billing cycle commencing in April 2008.
3. The utility price used in determining amounts to be recorded in the second quarter of Test Year 2008 Purchased Gas Variance Account shall be \$340.684/10³m³.
4. The appropriate form of customer notice as set out in Appendix "B" shall accompany each customer's first bill following the implementation of this Rate Order.
5. The parties for service shall be those on the List of Interested Parties attached as Appendix "C".
6. A decision regarding cost awards will be issued at a later date. The eligible parties shall submit their cost claims by March 31, 2008. A copy of the cost claim must be filed with the Board and one copy is to be served on Enbridge. Cost claims must be prepared in accordance with the Board's Practice Direction on Cost Awards.
7. Enbridge will have until April 7, 2008 to object to any aspect of the costs claimed. A copy of the objection must be filed with the Board and one copy must be served on the party against whose claim the objection is being made.

8. Any party whose cost claim was objected to will have by April 14, 2008 to make a reply submission as to why their cost claim should be allowed. One copy of the submission must be filed with the Board and one copy is to be served on Enbridge.

ISSUED at Toronto, March 19, 2008

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary