

memo

Date: June 14, 2017

From: Enbridge Gas Distribution

Re: **General Comment Regarding DNV's Proposed NTG Ratios
And Application To 2015 Program Year Results**

As we have made clear on several occasions, Enbridge is of the view that the Board's Decision and Order in respect of the Company's 2015 -2020 Multi-year DSM Plan (EB-2015-0029/0049) and the DSM Framework (together Decision) does not provide that the net-to-gross factors which have been proposed by DNV are to be used in the evaluation of the Company's 2015 DSM program year results in a retroactive manner. To be clear, Enbridge does not believe the Decision is consistent with the view of retroactivity promoted by Board Staff for the purposes of the evaluation of the Company's 2015 DSM results. In this regard, we remain willing to discuss this issue further with Board Staff in the hope of ultimately resolving the matter.

However, in the event that Board Staff's interpretation continues to differ from that of the Company, it is Enbridge's view that the determination of this issue is not the prerogative of Board Staff, the evaluation contractor or any member of the Evaluation Advisory Committee. The interpretation and application of a Decision and Order of the Board is solely a matter for the Board. While every stakeholder including Board Staff may in a future clearance application take a position which differs from Enbridge, Board Staff in its role as the coordinator and overseer of the evaluation and audit process (as set out in the Board's August 21, 2015 Letter, EB-2015-0245), is not the entity that should be in effect rendering a determination about how a Board Decision and Order should be interpreted and applied. It is Enbridge's view that where a difference exists as between any member of the EAC and/or Board Staff as to the interpretation and application of the Decision, such differences and the resulting impact on program results should both be presented in the evaluation results report which will ultimately then be filed with the Board. This would necessarily mean that where the evaluation contractor has been directed to undertake an evaluation based upon an interpretation of the Decision which is very much in dispute, the evaluation contractor should be required to undertake the evaluation using both interpretations so that there is a full record that is presented to the Board for adjudication. It would then be open to each stakeholder to file evidence and make such argument as they consider appropriate to support their interpretation of the Decision.