



EB-2010-0177

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. for approval of its tariff for its Rate 331 for
transportation services;

AND IN THE MATTER OF the Storage and Transportation
Access Rule.

BEFORE: Paul Sommerville
Presiding Member

Paula Conboy
Member

DECISION

July 12, 2010

Background

On December 9, 2009 the Ontario Energy Board (the "Board") issued a Notice of Issuance of a New Rule, under section 44(1) of the *Ontario Energy Board Act, 1998* (the "Act"). The new rule, known as the Storage and Transportation Access Rule ("STAR") came into effect on June 16, 2010. All materials related to the STAR are available on the Board's website.

On May 10, 2010, in accordance with sections 2.3.3 and 2.4.3 of the STAR, Enbridge Gas Distribution Inc. ("Enbridge") filed with the Board an application seeking Board approval of the tariff for its Rate 331 transportation services to be effective as of June 16, 2010.

Section 2.3.3 of the STAR applies to a transmitter that provides transportation services for a shipper while section 2.4.3 applies to a transmitter that provides transportation services for an embedded storage provider. Sections 2.3.3 and 2.4.3 of the STAR read as follows:

2.3.3 A transmitter shall include in its tariff the terms of service for each of its transportation services. The tariff shall be filed with the Board for approval and the approved tariff shall be posted on the transmitter's website.

2.4.3 A transmitter shall include in its tariff the standard terms of service for each of its transportation services. The tariff shall be filed with the Board for approval and the approved tariff shall be posted on the transmitter's website.

The Board issued a Notice of Application and Procedural Order No. 1 on May 27, 2010, which allowed registered participants in the development of the STAR (EB-2008-0052) and Niagara Gas Transmission Limited ("Niagara Gas"), the only customer using Rate 331 services, to file submissions on Enbridge's application. The Board decided to proceed by way of a written proceeding.

In its application, Enbridge requested that the Board grant approval of its tariff by July 1, 2010 to coincide with implementation of Enbridge's July 1 Quarterly Rate Adjustment Mechanism ("QRAM") Rate Order. Enbridge further requested that, if the approval is not granted by July 1, 2010, the Board extend the implementation date for those sections of the STAR related to the tariff. The Board decided to extend the current tariff for the Rate 331 transportation services until the Board issues a decision in this proceeding.

The Proceeding

On June 11, 2010, the Board received written submissions from the Canadian Manufacturers & Exporters ("CME"); Industrial Gas Users Association ("IGUA"); and Board staff ("Staff").

CME and IGUA supported the proposed Rate 331 tariff changes requested by Enbridge.

Staff submitted that Enbridge: 1) identify which pipelines provide transportation services to shippers as per section 2.3 of the STAR, 2) clarify the meaning of section 4.3 (of the FT Service Schedule), 3) clearly define its first-come, first-served allocation method in

its tariff and the associated rules with this methodology, and 4) include the different levels of priority in its tariff.

On June 25, 2010, the Board received Enbridge's Reply. To address stakeholder concerns, Enbridge made changes to the Rate 331 tariff as follows:

- Confirmed that the two pipelines used to provide Rate 331 Service are the twin NPS-30 pipelines. Also, the map was revised to specifically identify these pipelines, and to identify the other pipelines as gathering lines.
- Clarified that section 4.3 means that Enbridge will conduct open seasons in accordance with the Board's prescribed rules, whether those rules are prescribed in the STAR, or in another manner. Section 4.3 has been revised accordingly.
- Revised section 2.3 of the General Terms and Conditions to state that Enbridge will allocate capacity based upon the order of requests for service received, unless two or more requests are received at the same time, in which case capacity will be awarded proportionally.
- Revised section 7.1 to reflect the three levels of priority of service for Rate 331: 1) FT service for one year or greater, 2) FT service for less than one year, and 3) IT service. Also, an additional provision (sub-section 7.5) was included to provide for rate relief in the event of any curtailment or interruption of firm service.
- Made minor editorial changes.

Board Findings

The Board approves Enbridge's Rate 331 tariff as filed on June 25, 2010. The Board also notes that at this time Enbridge does not provide transportation services for embedded storage providers and therefore, section 2.4.3 of the STAR does not apply.

Cost Awards

The Board may grant cost awards to eligible intervenors pursuant to its power under section 30 of the *Ontario Energy Board Act, 1998*. The Board will determine such cost awards in accordance with its Practice Direction on Cost Awards. When determining the amounts of the cost awards, the Board will apply the principles set out in section 5 of the Board's Practice Direction on Cost Awards. The maximal hourly rate set out in the Board's Cost Awards Tariff will also be applied. The Board directs the following procedural steps to be followed:

1. Intervenors eligible for a cost award shall file with the Board and forward their respective cost claims for the proceeding to Enbridge no later than 21 days of the issuing of this decision.
2. Enbridge shall file with the Board and deliver to the applicable intervenor any objections to the claimed costs no later than 14 days upon receipt of cost claims.
3. The intervenors shall file with the Board and forward to Enbridge any responses to any objections for cost claims no later than 7 days upon receipt of objection by the Enbridge.

All filings to the Board must quote the file number, EB-2010-0177, be made through the Board's web portal at www.errr.oeb.gov.on.ca, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and email address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.oeb.gov.on.ca. If the web portal is not available parties may email documents to the address below. Those who do not have internet access are required to submit all filings on a CD or diskette in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies. All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

DATED at Toronto, July 12, 2010

Original signed by

Paul Sommerville
Presiding Member

Original signed by

Paula Conboy
Member