



**BY EMAIL**

January 11, 2023

Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Ms. Marconi:

**Re: Enbridge Gas Inc. 2024 Rebasing Application  
Filing of Expert Evidence by Ontario Energy Board (OEB) Staff  
OEB File No. EB-2022-0200**

In accordance with Procedural Order No. 1, dated December 16, 2022, this letter is to advise the OEB, Enbridge Gas Inc. (Enbridge Gas) and intervenors regarding the expert evidence that OEB staff intends to file in this proceeding. This letter updates the information provided by OEB staff in its letter dated December 6, 2022. In the December 6, 2022 letter, OEB staff indicated that it was proceeding with Requests for Services (RFSs) to engage experts to review Enbridge Gas's evidence and possibly produce a report in the following areas:

- Overhead Capitalization Policy
- Proposed Depreciation Methodology and Study
- Price Cap Plan – Proposed Parameters including Inflation, Productivity and Stretch Factor
- Capital Structure including proposal for change to Equity Thickness

OEB staff has engaged Pacific Economics Research Group LLC (PEG) to provide a report presenting PEG's review of Enbridge Gas's evidence on the proposed price cap plan for 2025-2028, including plan parameters (e.g., inflation, productivity, stretch factor) and other provisions of the plan, as documented in Enbridge Gas's evidence and the evidence prepared by Enbridge Gas's expert, Black and Veatch.<sup>1</sup> PEG's review and report will be prepared under a team led by Dr. Mark Lowry.

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<sup>1</sup> Exhibit 10

Due to procurement-related issues, OEB staff has not been able to engage experts in the other subject areas, at this time, but is still in the process of evaluating bids on two of them.

OEB staff was unable to engage an expert on the proposed Overhead Capitalization Policy,<sup>2</sup> and will therefore not be filing an expert report on this subject matter.

OEB staff is still hoping to retain experts to assess Enbridge Gas's proposals with respect to capital structure<sup>3</sup> and the depreciation methodology.<sup>4</sup> OEB will file another update in that regard by next Friday, January 20, 2023.

As set out in Procedural Order No. 1, intervenors are required to advise, by letter, of any experts retained and evidence expected to be filed by January 16, 2023.<sup>5</sup> However, OEB staff notes that intervenors may be awaiting OEB staff's decision on retention of experts before making their own decision(s) on the filing of expert evidence. OEB staff suggests that the OEB may wish to grant an extension to the deadline from January 16, 2023 to five days after OEB staff has filed its final letter regarding the retention of experts on the outstanding areas, which again it expects to file no later than January 20, 2023. OEB staff does not believe that any other changes to the schedule outlined in Procedural Order No. 1 are necessary. Any expert evidence filed by OEB staff or intervenors is due on April 14, 2023.

Yours truly,

Khalil Viraney  
Case Manager EB-2022-0200

c: All parties in EB-2022-0200

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<sup>2</sup> Exhibit 2, Tab 4, Schedule 2

<sup>3</sup> Exhibit 5, Tab 3, Schedule 1

<sup>4</sup> Exhibit 4, Tab 5, Schedule 1

<sup>5</sup> Procedural Order No. 1, December 16, 2022, page 9, Order 9.