INTERROGATORIES FOR ENBRIDGE GAS DISTRIBUTION

RE: EB-2008-0219 – 2009 RATES – PHASE II

FROM THE CONSUMERS COUNCIL OF CANADA

Issue 1: EGD's request for approval of a new deferral account to record the incremental costs of complying with the new International Financial Reporting Standards (IFRS) guidelines

1. (Ex. C/T1/S2, p. 1) With respect to the request for the IFRS Deferral Account when does EGD propose that the account become effective? Has EGD incurred costs to date that, in its view, would qualify for inclusion in the account? If so, please indicate the level of expenditures incurred and what specific activities they relate to.

2. (Ex. C/T1/S2, p. 1) What is EGD's current forecast of IFRS costs that it expects to incur in 2009? Please itemize these costs and describe what activities they relate to.

3. (Ex. C/T1/S2, p. 1) EGD gives some examples of the "types of costs" the Company is referring to for inclusion in the account.

   1. How, specifically, will EGD define and cost "incremental consulting costs"?
   2. How, specifically, will EGD define incremental employee resources and related operating costs?
   3. How will EGD define and cost enhancements or significant alterations and additions to the financial reporting and accounting systems specifically
   4. How will EGD define and cost enhancements or significant alterations and additions to IT related costs and their operational costs specifically related to IFRS?
   5. How will EGD define "incremental" audit related costs?

Issue 4: EGD's request for approval of the discontinuation of an ADR commitment stemming from the EB-2006-0034 proceeding requiring the submission of an EnVision benefit report on an annual basis

4. (Ex. C/T1/S2) Please explain how the Company currently tracks the benefits related to the EnVision project. Does the Company intend to track the benefits and cost resulting from the EnVision project even in the absence of an obligation to file a report to the Board on an annual basis?

5. (Ex. C/T1/S2) If EGD is not required to file a report on the EnVision benefits on an annual basis, how will the Board and intervenors ensure that the benefits from the project are included in EGD's base rates at the end of the IRM term?

Issue 7: EGD's request for approval of a change in the requirements for the contracting of upstream transportation that would require direct purchase bundled service customers to contract for firm upstream transportation

6. (Ex. C/T1/S10/p. 5) The evidence refers to the possibility of a gas system outage resulting from a supply shortfall and the execution of a lengthy system restoration plan. The estimated cost for an outage affecting 100,000 customers is $12 million. From EGD's perspective, assuming an outage occurs during the IRM plan, how would those costs be recovered?

7. (Ex. C/T1/S10/p. 5) Please explain, specifically, what has occurred to change the level of risk related to distribution system reliability. When did EGD identify that the risk had increased and that the current requirements were not sufficient?

8. (Ex. C/T1/S10/p. 5) Please provide more detail as to why this requirement should only apply to marketers and agents for small volume customers. Is there any risk

that non firm transportation arrangements by large volume customers could impact system integrity?