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DELIVERED BY E-MAIL AND COURIER

August 20, 2007

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

**RE: Enbridge Gas Distribution Inc.
2008 Rates Application
Ontario Energy Board File Number EB-2007-0615**

Please find enclosed eleven copies of the interrogatories of the Ontario Association of Physical Plant Administrators for Enbridge Gas Distribution.

Should you have any questions, please feel free to contact me at 416-622-9449, X104.

Yours truly,

A handwritten signature in blue ink that reads "Valerie Young". The signature is fluid and cursive, with the first name "Valerie" and last name "Young" clearly distinguishable.

Valerie Young
Director, Research and Analysis

Encl.

cc. Applicants and Intervenor in EB-2007-0615 and EB-2007-0606 (via e-mail)
John Witjes, Director, Engineering, Physical Plant Services, Queen's University (via e-mail)

ENBRIDGE GAS DISTRIBUTION INC. (EGDI)
EB-2007-0615

Interrogatories of the Ontario Association of Physical Plant Administrators for EGDI

1. Ref: EGDI Exhibit B, Tab1, Schedule 1, pages 4-5, para. 11-12

Issue No.1.1

Issue: What are the implications associated with a revenue cap, a price cap and other alternative multi-year incentive ratemaking frameworks?

EGDI states it accepts the principles of rate predictability and stability and a clear rate adjustment mechanism for a multi-year incentive ratemaking plan.

- a. Please explain how EGDI's revenue cap proposal satisfies these two principles.
- b. In EGDI's view, with respect to satisfying these two principles what are the advantages and disadvantages of a revenue cap versus a price cap?
- c. Please explain how the concept of rate re-design during the term of a revenue cap plan is consistent with the principle of rate predictability and stability?

2. Ref: EGDI Exhibit B, Tab 1, Schedule 1, page 13, para. 31

Issue No. 1.1

Issue: What are the implications associated with a revenue cap, a price cap and other alternative multi-year incentive ratemaking frameworks?

EGDI indicates that with its revenue cap proposal there is "more regulatory process than a five year index". Please explain.

3. Ref: EGDI Exhibit B, Tab 1, Schedule 1, page 17, para. 39

Issue No. 5.1

Issue: What are the Y factors that should be included in the IR plan?

- a. Please explain how EGDI's proposal for a revenue cap will affect the EB-2006-0034 settlement of Issue 6.4 with respect to the treatment of the T-service credit (Exhibit N1, Tab 1, Schedule 1, page 40)?
- b. What is the current estimate of the period of time over which the treatment of the T-service credit referenced in (a) will be required?

4. Ref: EGDI Exhibit B, Tab 6, Schedule 1, pages 2-3, para. 4-6

Issue No. 12.2.1

Issue: What should be the criteria to implement a new energy service?

EGDI explains it supports having the flexibility during the term of its revenue cap plan to develop new services.

- a. Please list and describe all new energy services that EGDI anticipates may be required over the term of the incentive ratemaking plan.
- b. What specific criteria will EGDI use to decide whether or not a new energy service should be implemented?

5. Ref: EGDI Exhibit B, Tab 6, Schedule 1, pages 2-3, para. 4-6

Issue No. 12.3.1

Issue: What should be the criteria for changes in rate design?

EGDI explains it supports having the flexibility during the term of its revenue cap plan to make any necessary changes to existing services when required.

- a. Please list and describe all specific changes or areas of change to existing rate schedules, including rate design and terms and conditions of service, that EGDI anticipates it may be required to make during the term of the incentive ratemaking plan. Provide the rationale for each.
- b. What specific criteria will EGDI use to decide whether or not the changes are necessary?

6. Ref: EGDI Exhibit B, Tab 6, Schedule 1, pages 2-3, para. 7

Issue No. 12.3.2

Issue: How should the change in the rate design be implemented?

EGDI proposes that if rate-related changes are minor and customer impacts minimal, then the changes could be included in the annual rate-setting filing. If they are more significant in nature and require a longer review period, then a separate application may be required.

- a. Please provide examples of what EGDI considers to be minor changes and those that would be more significant.
- b. What criteria does EGDI propose to use to determine if a change could be included in the annual rate-setting filing or if it requires a separate application? Please explain how each criterion will contribute to determining the appropriate filing.

7. Ref: EGD I Exhibit B, Tab 1, Schedule 1, pages 21-22, para. 52-53

Issue No. 12.1

Issue: Annual Adjustment

- a. Please list the specific steps involved in adjusting rates under a revenue cap plan at the beginning of each year of the term.
- b. Using current Rates 115 and 170 as the base, please provide sample calculations to illustrate specifically how EGD I's revenue cap formula would be applied to arrive at new adjusted rates.
- c. Please complete the table that follows on the next page. If EGD I is unable to complete the table at this time, please confirm that the information will be provided once EGD I has filed its proposed 2008 rates.

Table for EGDI Interrogatory 7(c)

Rate Schedule (a)	Current Average Unit Rate (b)	Adjustment for Final Step in Phase-In of Upstream Cost Allocation Changes (c)	Current Rates Adjusted for Phase-In (d)	Proposed 2008 Average Unit Rate (e)	% Change Column (e) vs. Column (d) (f)
Rate 6 Customer Charge Distribution Charge Load Balancing Total T-Service					
Rate 100 Customer Charge Distribution Charge Load Balancing Total T-Service					
Rate 110 Customer Charge Distribution Charge Load Balancing Total T-Service					
Rate 115 Customer Charge Distribution Charge Load Balancing Total T-Service					
Rate 145 Customer Charge Distribution Charge Load Balancing Total T-Service					
Rate 170 Customer Charge Distribution Charge Load Balancing Total T-Service					