EB-2007-0606 & 0615   Technical Conference Oct. 3-5

GEC Questions to Enbridge:

Re: I/6/1: (comparison of price cap and revenue cap incentives for various utility activities) Please clarify the chart -- does the EGDI revenue cap approach provide any incentive to fuel switch existing customers' end uses (eg. Water heaters) to gas?   What incentive does EGDI have to market to increase burner tips? How will any revenue from OPA contracts for fuel switching be treated?

GEC Questions to Union:

Re: C11.1: Union agrees that a shortfall in earnings can put pressure on the utility to reduce attachments levels. Would Union agree that price cap regulation will reduce the return on capital investment in system expansion until rebasing? If so, is Union open to the inclusion of a Y factor to increase the return on system expansion capital costs during the IR period?

Re: C11.3: Union indicates that it cannot compare price cap and revenue cap incentives for various utility activities as it has not studied the matter. Please confirm that Union's price cap proposal has been selected without first considering a revenue cap option. Does Union accept EGDI's answer which appears at ex. I/6/1 with respect to the effect of price caps?