



EB-2009-0172

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 an Order or Orders
approving or fixing just and reasonable rates and
other charges for the sale, distribution, transmission
and storage of gas commencing January 1, 2010.

PROCEDURAL ORDER NO. 4

Enbridge Gas Distribution Inc. ("Enbridge" or the "Applicant") filed an Application on September 1, 2009 (as amended on September 14, 2009) with the Ontario Energy Board (the "Board") under section 36 of the *Ontario Energy Board Act*, 1998, S.O. c.15, Sched. B, as amended, for an order of the Board approving or fixing rates for the distribution, transmission and storage of natural gas, effective January 1, 2010. The Board assigned file number EB-2009-0172 to the Application and has issued a Notice of Application dated September 18, 2009 (the "Notice").

Procedural Order No. 3 established the procedural schedule for the hearing and included a Draft Issues List. The Board requested comments on the Draft Issues List by January 8, 2010. Only School Energy Coalition (SEC) and the Industrial Gas Users Association ("IGUA") provided submissions. Enbridge filed its reply on January 13, 2009.

The Board notes that IGUA was largely supportive of the draft issues while SEC proposed a number of wording changes, most of which were aimed at adding a greater amount of detail to the issues as drafted. Enbridge made the following comments on SEC's proposed changes:

Enbridge's view is that none of the proposed additions and changes are necessary. All of the items raised by the School Energy Coalition can be raised, if appropriate, within the context of the issues as described in the Draft Issues List.

The Board agrees with Enbridge and does not feel it necessary to change the Draft Issues List given that there are no issues in dispute and the Applicant is willing to entertain SEC's specific items within the context of the issues as currently described.

The Board did see merit in IGUA's comment on the drafting of Issue 15 – the Tax Rate and Rule Change variance account. The Board agrees that the issue would be more accurately reflected as IGUA suggested and will therefore recast it as:

Is the adjustment to the incremental tax amounts Y-factor appropriate (Ex. C-1-4)?

The Final Issues List is attached to this order.

Please be aware that further procedural orders may be issued from time to time.

THE BOARD ORDERS THAT:

1. The Final Issues List is attached as Appendix "A" to this procedural order.
2. All parties shall file their submissions with the Board Secretary and must quote file number EB-2009-0172. These submissions should 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, telephone number, fax number and e-mail address and must be sent to the Board by 4:45 pm on the date indicated with a copy to all parties. Please 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 you may email your document to the addresses 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. With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Colin Schuch at colin.schuch@oeb.gov.on.ca and Board Counsel, Donna Campbell at donna.campbell@oeb.gov.on.ca.

DATED at Toronto, January 20, 2010

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

APPENDIX A

Final Issues List

Enbridge 2010 Rates - EB-2009-0172

1. Has Enbridge calculated its proposed distribution revenue requirement, including the assignment of that revenue requirement to the rate classes and the resulting rates, in accordance with the EB-2007-0615 incentive settlement agreement?
2. Is the forecast of degree days appropriate?
3. Is the forecast of average use appropriate?
4. Is the forecast of customer additions appropriate?
5. Is the gas volume budget appropriate?

Y FACTORS

6. Is the amount proposed for the Y factor Power Generation Projects appropriate?
7. Is the amount proposed for the Y factor DSM Program appropriate?
8. Is the amount proposed for the Y factor for Gas in Storage and related carrying costs appropriate?
9. Is the amount proposed for the Y factor for CIS Customer Care appropriate?

Z FACTORS

10. Is it appropriate to have a Z factor for the Pension Funding costs and if so, is the amount proposed appropriate? In connection with this issue, is it appropriate to establish a Pension Funding costs variance account ("PFCVA")?

11. Is it appropriate to have a Z factor for the Crossbores/Sewer Laterals and if so, is the proposed amount appropriate? In connection with this issue, is it appropriate to establish a Crossbores/Sewer Laterals costs variance account ("CBSLCVA")?

DEFERRAL AND VARIANCE ACCOUNTS

12. Is it appropriate to establish for 2010 the previously agreed upon list of deferral and variance accounts from the Settlement Agreement in the EB-2007-0615 proceeding?
13. Is it appropriate to establish for 2010 the Open Bill Revenue variance account ("OBRVA") and the Ex-Franchise Third Party Billing Services deferral account ("EFTPBSDA")?
14. Is it appropriate to establish for 2010 the accounts relate to: (i) the International Financial Reporting Standards Transition Costs deferral account ("IFRSTCDA"), (ii) the Purchased Gas Variance Disposition Change Cost variance account ("PGVDCCVA") and (iii) the Mean Daily Volume Mechanism deferral account ("MDVMDA").

OTHER ISSUES

15. Is the adjustment to the incremental tax amounts "Y factor" appropriate (Ex. C-1-4)?
16. Review of the filed results of Enbridge's Service Quality Requirements Performance and Measurement reports (GDAR) for 2007 and 2008 and a discussion of what, if any, remedial action should be taken.

IMPLEMENTATION

17. How should the new rates be implemented?