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**BY EMAIL**

May 27, 2010

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

Dear Ms. Walli:

**Re: Board Staff Interrogatories  
Enbridge MDV Proposal  
Board File No. EB-2008-0106**

Dear Ms. Walli:

Please see attached Board Staff Interrogatories for the above proceeding. Please forward the attached interrogatories to Enbridge and all intervenors in this proceeding.

Yours truly,

*Original Signed By*

Colin Schuch  
Case Manager

Attach.

**Enbridge 2010 MDV Proposal  
Board Staff Interrogatories  
EB-2008-0106**

**BOARD STAFF INTERROGATORIES**

**Economics of MDV**

(1) Ref: Proposal page 10

Did Enbridge prepare a cost-benefit and/or an NPV analysis to support the MDV proposal? If so, please provide them as well as all assumptions underpinning the analyses.

**MDV Deferral Account Set-up, Tracking and Disposition**

(2) Ref: Proposal Page 1

Please provide Enbridge's views as to how budget and cost controls should be set up and managed for the purposes of reviewing the prudence and eventual disposition of the MDV deferral account amounts? For example should there be a line item variance tracking set up at an account level of detail similar to that found at page 10 of the MDV Proposal?

**Estimated Project Costs**

(3) Ref: Proposal Page 10

(i) Has Enbridge obtained an independent third party evaluation of its project cost estimate? Please discuss the pros and cons of undertaking such an evaluation.

(ii) Has Enbridge put this project out to tender? Is it possible and /or advisable to do so? Please discuss what would be involved in putting the specifications out to tender.

(iii) Please discuss the nature of the costs shown on page 10 of the MDV Proposal and whether they are either incremental costs, or otherwise.

(iv) Please refer to the table at Appendix B on page 10 – "Estimated Project Costs". Please add two (2) columns on the right hand side. For each line item in the cost estimate, identify which costs are either: A) incremental to the Company's existing Board-approved revenue requirement or B) costs which are sought as additional costs not already accounted for in the revenue requirement.

(v) What ongoing expenses are estimated to maintain the system once the project is up and running? Are these incremental or will they be absorbed within the Company's Board approved revenues? What is the cost allocation proposal associated with any such ongoing expenses?

**Cost allocation**

(4) Ref: Proposal Page 10

What is the method being proposed for the allocation of the development costs for the MDV proposal? Which customers or categories of customers give rise to the need for the MDV project? Which customer groups benefit? Please provide a schedule showing the rate class cost allocations, and rate impacts, based on the \$3.7 million estimate. Please also show how costs are

being allocated as between direct purchase customers and system gas customers. Please include large volume customers as well.

### **Glossary of Terms**

(5) Ref: Proposal Page 8

Please expand the Glossary of Terms at Page 8 of the MDV Proposal to include new and enhanced definitions and explanations of the concepts of: T-service arrangement, pools, pool terms, flowing pool, pool types, LVDC account, BGA, BGA disposition, EBT standards document, Rate Handbook, MSA , PCR, nomination, EnTRAC, suspension, Make-up request.

### **Transition to New MDV Process**

(6) Ref: Proposal

(i) Has Enbridge contemplated the need for any transition process to the new methodology? If needed, how would this be done?

(ii) Has Enbridge contemplated any need for a customer review process after the MDV project has some operating experience?

### **Rate Handbook Changes**

(7) Ref: Proposal Page X

Please file a blacklined version of the Rate Handbook changes that will need to be introduced and approved by the Board in order to give effect the MDV Proposal.

### **Stakeholder Consultations**

(8) Ref: Proposal Page 13 Appendix D

Was there any attempt to obtain an all-party agreement to the proposal? Did any parties express any objections to the proposal?