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May 28, 2010

VINCENT J. DEROSE direct tel.: (613) 787-3589 e-mail: vderose@blgcanada.com

Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street 27<sup>th</sup> floor Toronto, ON M4P 1E4

Dear Ms Walli,

Enbridge Gas Distribution Inc. ("EGD") MDV Proposal

**Board File No.:** 

EB-2008-0106

Our File No.:

339583-000009

Enclosed please find the Interrogatories of Canadian Manufacturers & Exporters ("CME") to EGD.

Please contact me if you require any further information.

Yours yeary truly,

Vincent J. DeRose

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enclosure

c. All Interested Parties

Paul Clipsham (CME)

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Filed: 2010-05-28 EB-2008-0106

**IN THE MATTER OF** a proceeding initiated by the Ontario Energy Board to determine methodologies for commodity pricing, load balancing and cost allocation for natural gas distributors.

# Interrogatories of Canadian Manufacturers & Exporters ("CME") to Enbridge Gas Distribution Inc. ("EGD")

## **Economics of MDV Re-Establishment**

Ref: page 6 and 10 of 13, and Board Staff Interrogatory No. 1

### Questions

- 1. Board Staff Interrogatory No. 1 asks whether EGD prepared a cost benefit and/or a NPV analysis to support the MDV proposal, and if so, that EGD produce the analysis. If EGD did not prepare a cost benefit and/or a NPV analysis to support the MDV proposal, then please explain why such an analysis was not undertaken.
- 2. Please produce reports or power point presentations addressing the changes to the MDV re-establishment, including the estimated project costs and project timing, presented to EGD's senior management.

#### **Estimated Project Costs and Cost Allocation**

Ref: page 6 of 13, and Board Staff Interrogatory No. 4

#### Questions

- 3. EGD has confirmed that in keeping with the Board's Order it has created a deferral account called the 2010 Mean Daily Volume Mechanism D\A ("2010 MDVMDA"). CME understands that the 2010 MDVMDA was created to capture the costs of implementing MDV changes, and that the final amount will be brought forward for clearing in a future proceeding. In this regard:
  - (a) Will the 2010 MDVMDA capture only costs incurred in 2010? If not, why not?
  - (b) If the answer to question (a) is yes, does EGD intend to apply to the Board for a 2011 MDVMDA? If so, when?
- 4. Board Staff Interrogatory No. 4 seeks clarification on the method being proposed for the allocation of the development costs for the MDV proposal. In responding to Board Staff Interrogatory No. 4, please confirm that the proposed cost allocation methodology will apply to all costs captured in the 2010 MDVMDA.