



EB-2010-0146

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, 2011.

PROCEDURAL ORDER NO. 2

Enbridge Gas Distribution Inc. ("Enbridge" or the "Applicant") filed an Application on September 1, 2010 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, 2011. The Board assigned file number EB-2010-0146 to the Application and has issued a Notice of Application dated September 13, 2010 (the "Notice").

Procedural Order No. 1 established the procedural schedule for the hearing and included a Draft Issues List. The Board requested comments on the Draft Issues List by October 21, 2010. Enbridge, Just Energy, Jason Stacey and Comsatec Inc. provided submissions. Enbridge filed its reply on October 25, 2010.

Enbridge requested that the Board re-phrase Draft Issues List number 12 (pertaining to the Tax Rate and Rule Change Variance Account) to more narrowly focus the issue. The reason given was that the language in the Draft Issues List goes beyond what is at issue which is the proposed adjustment to the 2010 tax variance account. The Board approves Enbridge's request and will re-phrase it as requested, as follows:

Is the adjustment calculated for the 2010 Tax Rate and Rule Change Variance Account ("TRRCVA") appropriate?

Just Energy requested that the Board add the following issue to the issues list:

Is the proposed increase in Direct Purchase Administration Charge ("DPAC") appropriate?

The Board notes that Enbridge did not object to Just Energy's request. The Board therefore approves of adding the issue.

Jason Stacey requested that the Board add an "Other Issues" category to the issues list to capture new issues that arise in the proceeding. Mr. Stacey also requested placement of a more specific issue about clarifying some language in the Company's Rate Handbook. Enbridge submitted that Mr. Stacey's issue could be narrowed to focus on the discrete issue he raised in respect of the Rate Handbook language for Rider H – Balancing Service Rider. Enbridge proposed wording for this issue. The Board believes Mr. Stacey's concerns can be addressed within the scope of the wording as proposed by Enbridge. The Board will approve the addition of the issue with the wording as proposed by Enbridge, as follows:

Is it appropriate to clarify the wording in Rider H of the Rate Handbook related to the In Franchise Title Transfer Service charges?

With respect to Comsatec's request to add an issue concerning billing requirements for customers taking firm and interruptible service but measured with only one meter, Enbridge objected to adding the issue on the basis that there is no impropriety in the manner in which its billing practices are carried out for firm and interruptible customers. Enbridge said this appears to be a customer-specific consumption issue and that the appropriate time to raise it is at the customer's annual contract renewal when the customer's contract parameters are re-established.

The Board agrees with Enbridge that this proceeding is not the appropriate place to deal with the matter raised by Comsatec. The Board expects that the matter will be dealt with in accordance with Enbridge's usual practice at the time the contracts are renewed. The Board will therefore not add this issue to the issues list.

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 filings to the Board must quote file number EB-2010-0146 and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format filed through the Board’s web portal at www.errr.oeb.gov.on.ca. Filings must clearly state the sender’s name, postal address and telephone number and, if available, a fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found on the “e-Filing Services” webpage of the Board’s website at www.oeb.gov.on.ca. If the web portal is not available you may email your document to BoardSec@oeb.gov.on.ca. 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 Senior Legal Counsel, Kristi Sebalj at Kristi.sebalj@oeb.gov.on.ca

DATED at Toronto, October 28, 2010
ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

APPENDIX A**Final Issues List****Enbridge 2011 Rates - EB-2010-0146**

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 CIS/Customer Care appropriate?
9. Is the amount proposed for the Y factor - Gas Cost & Carrying Cost appropriate?

DEFERRAL AND VARIANCE ACCOUNTS

10. Is it appropriate to establish for 2011 the previously agreed upon list of deferral and variance accounts from the Settlement Agreement in the EB-2007-0615 proceeding, updated to include additional approved accounts as identified in the Company's 2010 rates proceeding (EB-2009-0172)?

11. Is it appropriate to discontinue for 2011 the Change in Purchased Gas Variance Disposition Methodology DA ("CPGVDMDA")?
12. Is the adjustment calculated for the 2010 Tax Rate and Rule Change Variance Account ("TRRCVA") appropriate? (ref: C/1/2)

OTHER ISSUES

13. Is the proposed increase in Direct Purchase Administration Charge ("DPAC") appropriate?
14. Is it appropriate to clarify the wording in Rider H of the Rate Handbook related to the In Franchise Title Transfer Service charges?

IMPLEMENTATION

15. How should the new rates be implemented?