# DR QUINN AND ASSOCIATES LTD.

VIA E-MAIL & RESS

December 14, 2010

Ontario Energy Board P.O. Box 2319 27<sup>th</sup> Floor 2300 Yonge Street Toronto ON M4P 1E4

Attn: Kirsten Walli, Board Secretary

#### **RE: EB-2010-0347 Enbridge QRAM -Q1 2011**

Please see attached the interrogatories of the Federation of Rental-housing Providers of Ontario (FRPO) to Enbridge Gas Distribution in their application for QRAM Q1 2011. We are respectful of the time frames associated with this application and will strive to meet the Board's expectations with the assistance of Enbridge.

Respectfully Submitted on Behalf of FRPO,

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Dwayne R. Quinn Principal DR QUINN & ASSOCIATES LTD.

c. C. Ripley V. Brescia

## REF: Ex. Q1-2, Tab 3, Sch.1, Page 5

#### and

### EB-2010-0231 Ex. C, Tab 1, Sch. 1, Appendix A, Pages 11 and 14

Preamble: In paragraph 15, EGD presents a table with the respective allocations of System Reliability Costs by rate class. In EB-2010-0231, EGD presented unit rate impact for average-sized customer s in representative rate classes.

- 1) Cost Allocations for Short Haul Assignment and Peak Supply
  - a) Please provide a reconciliation between the table in paragraph 15 and the respective unit cost tables in EB-2010-0231 to demonstrate the proposed proportional allocation is in effect.
  - b) Please confirm that actual costs for the respective reliability provisions will be reconciled and impact the respective rate class Rider C. If not, please describe how the difference between forecast and actual costs will impact the respective rate classes.
  - c) Please confirm that paragraph 16 should be interpreted to mean that EGD will not be continuing to severe and report costs for these System Reliability provisions separately. If that is not correct, please provide an enhanced description of EGD's intent for separation and reporting.
  - d) With EGD's answer to c) above as context and with the provision for reviewing System Reliability under the Material Change in Circumstances provision in the EB-2010-0231 Settlement Agreement, please describe how ratepayers would be assured that systemic costs are properly removed from rates should Reliability be achieved in a different manner.

## REF: Ex. Q1-2, Tab 4, Sch.1, Page 3

Preamble: In paragraph 7, EGD states "The increase in the seasonal load balancing costs are offset by a decrease in carrying costs of gas in inventory."

- 2) Impact of Reduced.
  - a) Please provide the quantified amount of inventory and the reduction in carrying costs.
  - b) Are the reductions in carrying costs are being applied against the System Reliability Costs prior to allocation?
  - c) Is there a decreased requirement for seasonal storage? If so, what is the quantity and how are the assets being utilized? What are the resulting revenues and the costs and how are they being allocated?