



PUBLIC INTEREST ADVOCACY CENTRE

LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC

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May 27, 2011

VIA E-MAIL/RESS

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

Dear Ms. Walli,

**Re: EB-2011-0008 Enbridge Gas Distribution Inc.
Application for Approval of 2010 ESM and Deferral Account Disposition**

**Interrogatories on behalf of the Vulnerable Energy Consumers Coalition
(VECC)**

Please find enclosed VECC's interrogatories to the Applicant regarding the above Application.

Yours truly,

Original signed

Michael Buonaguro
Counsel for VECC
Encl.

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15 (Sched. B), as amended;

AND IN THE MATTER OF an Application by Enbridge Gas
Distribution Inc. for an Order or Orders approving the
clearance or disposition of amounts recorded in certain
deferral or variance accounts..

**EGDI Earnings Sharing for 2010
Deferral Account Disposition
Information Requests of the
Vulnerable Energy Consumers Coalition (VECC)**

2010 ESM

VECC IR# 1

References:

Exhibit B Tab 1 Schedule 1 Appendix A para. 1;
Exhibit C, Tab 1, Schedule 4

- a) Provide the original and revised calculations of th impact of HST on Working capital.
- b) Provide the details of how an increase of \$1.0 million became a reduction of \$3.2 million.
- c) Show the original and revised calculations of the entries to the TRRCA.
- d) Provide the original and revised Impacts on Earnings and Earnings sharing.

VECC IR #2

References:

Exhibit B Tab 1 Schedule 1 Appendix A para. 2;
Exhibit B, Tab 1, Schedule 7

- a) Provide the CAM amounts for 2007-2010.
- b) Explain the process used in setting CAM amounts/.budgets. Confirm the agreed 2010 amount between EGDI and Enbridge Inc was \$36.7 million (para 2).
- c) Explain why the extracted CAM amounts did not reconcile with the \$36.7 m amount agreed to in the 2010 Budget Process.(para 2).

- d) How can EGDI and intervenors be sure that the revised 2010 CAM amount is correct? Provide a summary of the documentation between EGDI and Enbridge regarding setting of the 2010 CAM amount.

VECC IR #3

References:

Exhibit B Tab 1 Schedule 3 Page 2 Paragraph 1b)
Exhibit B Tab 2 Schedule 2 Page 1 Line 8

- a) Provide actual LPP revenue for 2007-2010.
- b) Provide an explanation for the 2010 LPP variance, including any changes in policy.
- c) Provide an explanation of the increase in customer security deposits 2009-2010
- d) Discuss proposed changes to customer service rules and the potential impact on LPP revenue and Security Deposits 2011-2012.

VECC IR #4

References:

Exhibit B Tab 1 Schedule 6 Appendix I Storage Activities:
Exhibit B Tab 1 Schedule 6 Appendix II Allocation of Storage O&M Costs

- a) Provide a list of the cost drivers/allocators used to allocate costs between unregulated and regulated storage.
- b) Compare to Unions cost allocators.
- c) Provide the physical amounts of capacity and volumes associated with regulated and unregulated storage.
- d) Describe how the O&M amounts shown in Appendix I for unregulated storage are calculated and show how the percentage of O&M allocated to regulated and unregulated storage is estimated relative to the physical attributes of each.
- e) Is there a Board Approved methodology for storage cost allocation? If so point to the Board Decision(s).

VECC IR #5

Reference: Exhibit B Tab 4 Schedule 2 Page 1

- a) Provide (more) explanations for the following material changes:
 - i. Customer Care Service Charges (line 3)
 - ii. Information Technology (line 9)
 - iii. Public and Government Affairs (line 14)
 - iv. Corporate Allocations (line 16)

For each variance indicate the 2011 estimate and indicate whether the 2011 level of expense will continued in 2012.

- b) Confirm the Corporate Allocations figure shown in the 2007 column is the RCAM amount. Provide the actual 2007 CAM amount.

VECC IR # 6

Reference: Exhibit B Tab 4 Schedule 2 Page 3 para. 16

- a) Provide a breakdown and explanation of the \$2.9 m compensation-related Increase in CAM for 2010. Include Stock Based Compensation amounts, both the Performance Stock Unit (PSU) Plan and the Restricted Stock Unit (RSU) Plan, and number(s) of participants and average payments.
- b) Compare to 2007 and 2008 and 2009 including relevant explanations regarding stock/strike price changes.
- c) Provide the estimates for SBC costs for 2011 and 2012.

Deferral Account Balances and Disposition

VECC IR # 7

Reference: Exhibit A Tab 2 Schedule1 Appendix A

- a) Provide a list of the accounts and associated balances that have already undergone a formal Board review process and have obtained Board approval. Include references.

VECC IR # 8

Reference: :Exhibit A, Tab 2,Schedule 1, Appendix A, Page 1 lines 9 and 10

- a) Provide details of the calculation of the amounts and balances in the 2009/2010 OBSDA and OBAVA.
- b) Relate the balances to be disposed of to the EB-2009-0043 Settlement Agreement.

VECC IR # 9

References:

Exhibit A, Tab 2 Schedule 1, Appendix A, Page 1
Exhibit C Tab 2 Schedule 2 Page 2 of 6;

- a) For non-PGVA accounts (lines 2-19) indicate the Year(s) for which the balances were accumulated.

- b) Provide a version that shows the 2009 opening and closing balances, interest and total for each account.

VECC IR # 10

Reference: Exhibit B Tab 3 Schedule1 pages 3 and 4

- a) What is EGDs Plan for review of the details of the transactions and revenue related to the 2010 TSDA?
- b) Provide the composition of the TS and TSDA amounts and the basis for the adjustment to utility revenue.
- c) Compare/contrast to 2009.

VECC IR # 11

Reference: Exhibit C, Tab 1 Schedule 5 Page 3 of 3 plus Appendix A

- a) Provide details of the 2010 Weather.
- b) Provide the calculation of normalized volumes for Residential Rate 1 and Rate 6.
- c) Compare to Budget/forecast.
- d) Reconcile to 2010 Rate 1 AUTVA calculation.

VECC IR # 12

References:

Exhibit A Tab 2 Schedule 1 Appendix A line 15;
Exhibit C Tab 2 Schedule 1Page 2 line 12

- a) Provide a summary report of the Activities and Costs incurred related to the 2009 International Financial Reporting Standards Transition Costs Deferral Account (IFRSTCDA).