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By electronic filing

May 27, 2011

Kirsten Walli
Board Secretary
Ontario Energy Board
27th floor – 2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms Walli,

**Enbridge Gas Distribution Inc. (“EGD”)
2010 Earnings Sharing Mechanism (“ESM”) and
Other Deferral and Variance Accounts Clearance Review
Board File No.: EB-2011-0008
Our File No.: 339583-000103**

Attached please find the Interrogatories of Canadian Manufacturers & Exporters (“CME”) for Enbridge Gas Distribution Inc.

Yours very truly,

A handwritten signature in black ink, appearing to read 'VJ DeRose', with a long horizontal flourish extending to the right.

Vincent J. DeRose

enclosure

c. Robert Bourke (EGD)
Fred Cass (Aird & Berlis LLP)
Paul Clipsham

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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 the clearance or disposition of amounts recorded in certain deferral or variance accounts.

**INTERROGATORIES OF
CANADIAN MANUFACTURERS & EXPORTERS ("CME")
TO ENBRIDGE GAS DISTRIBUTION INC. ("EGD")**

Reference: Exhibit B, Tab 1, Schedule 3, page 2 of 4

1. EGD states that the other income charge of \$13.1M is mainly due to revenue from the "Management of Fee for Service, External Third Party Energy Efficiency Initiatives". Please describe the Management of Fee for Service, External Third Party Energy Efficiency Initiatives that have been conducted by EGD. If the Energy Efficiency Initiatives were subject to a contract or other form of performance agreement or Memorandum of Understanding, please produce those documents.

Reference: Exhibit B, Tab 4, Schedule 2, page 3 of 3

2. EGD states that the costs for Business Development and Customer Strategy increased \$4.3M due to higher conservation service costs. CME wishes to better understand this cost increase. To this end:
 - (a) Please provide an explanation of the "Conservation Service Costs" which lead to the \$4.3M increase;
 - (b) Please provide a description of Business Development and Customer Strategy's role in conservation; and
 - (c) Please provide copies of any PowerPoints, memoranda, and/or other written communications from Business Development and Customer Strategy to senior management which addresses, in part or in whole, conservation services.
3. EGD states that engineering costs increased \$3.2M due to increased requirements for the technical training department, and increased employee health and safety costs. Have there been changes to relevant legislation and/or regulations relating to employee health and safety and/or mandatory technical training which caused the increase in engineering costs? If so, please identify those changes. If not, please explain why there were increased requirements for technical training and increased employee health and safety costs in 2010.

Reference: Exhibit B, Tab 4, Schedule 2, page 3 of 3

4. EGD states that Public and Government Affairs increased \$2.4M primarily due to the transfer of the Ombudsman's Office from Customer Care and incremental costs incurred from a Customer Relationship Study conducted in 2010. To this end:
- (a) Please explain the role of the Ombudsman's Office;
 - (b) Please explain why the Ombudsman's Office was transferred from Customer Care to Public and Government Affairs;
 - (c) How much of the \$2.4M is attributable to the Ombudsman's Office being moved?
 - (d) Was there a cost decrease in Customer Care as a result of the removal of the Ombudsman's Office? If not, why not? If so, did the decrease in costs correspond to the increase in Public and Government Affairs? If not, why not?
 - (e) Was the Customer Relationship Study internally conducted by EGD, or alternatively, was it outsourced to external consultants? If it was conducted by external consultants, please provide the identity of the consultants; and
 - (f) Please provide a copy of the Customer Relationship Study.