



PUBLIC INTEREST ADVOCACY CENTRE
LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC

ONE Nicholas Street, Suite 1204, Ottawa, Ontario, Canada K1N 7B7

Tel: (613) 562-4002. Fax: (613) 562-0007. e-mail: piac@piac.ca. <http://www.piac.ca>

Michael Buonaguro
Counsel for VECC
(416) 767-1666

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VIA MAIL and E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge St.
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Re: Vulnerable Energy Consumers Coalition (VECC)
Interrogatories EB-2011-0277

Enbridge Gas Distribution Rates for 2012

Please find enclosed the interrogatories of VECC in the above-noted proceeding.
We have also directed a copy of the same to the Applicant.

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

**Enbridge Gas Distribution Inc. – 2012 Rates
Board File Number EB-2011-0277**

Interrogatories of the Vulnerable Energy Consumers' Coalition

IRM ADJUSTMENT

- 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?**

NO Questions

- 2. Is the forecast of customer additions appropriate?**

VECC Question 1

Reference: Exhibit B Tab 1 Schedule 4 Page 6

- a) Provide 2011 YTD Customer additions and compare to Board Approved Forecast.
- b) Provide a 5 year history of Customer additions including comparison of actuals to Board-approved and showing both 2011 and 2012 forecasts.

- 3. Is the gas volume budget appropriate?**

VECC Question 2

Reference: Exhibit B Tab 1 Schedule 5 Page 1

- a) Provide a 5 year history of gas volume forecasts actual and Board approved.
- b) Comment on changes including customer migration and drivers affecting trends for 2012 and beyond.

- 4. Is the forecast of degree days appropriate?**

NO Questions

5. Is the forecast of average use appropriate?

VECC Question 3

References: Exhibit B Tab 1 Schedule 5 Page 4 and Figure 1:
Exhibit B Tab 1 Schedule 5 Appendix A Page 15

- a) Breakdown Residential normalized average use into the three regions (chart) and show how the results translate into the franchise total shown in Figure 1.
- b) Update Figure 1 forecast 2011 to show 9 and 3 (or latest available) forecast. Adjust 2012 forecast based on 2011 YTD as needed.
- c) Modify update explanatory notes as needed.

VECC Question 4

References: Exhibit B Tab 1 Schedule 5 Page 6 and Figure 2
Exhibit B Tab 1 Schedule 5 Appendix A Page 15

- a) Update Figure 2 forecast 2011 to show a 9 and 3 forecast. Adjust 2012 forecast based on 2011 YTD as needed.

VECC Question 5

Reference: Exhibit B Tab 1 Schedule 5 Page 11/12 Tables 3 and 4

- a) Provide a Version of Table 3 that includes
 - i. 2010 Actual and Forecast
 - ii. 2011 Forecast based on 9 and 3
 - iii. Updated 2012 forecast based on above
- b) Update Table 4 to reflect 2011- 9 and 3 (or latest available).
- c) Update explanatory notes as needed.

Y FACTORS

VECC Question 6

Reference: Exhibit B Tab 2 Schedule 1 Page 2 Table 1

- a) Confirm that the York Central Power Plant Pipeline is completed on time and budget per Table 1 and the assets will be in rate base for all of 2012.
- b) If not adjust **Exhibit B Tab 2 Schedule 1 Appendix A.**

VECC Question 7

Reference: Exhibit B Tab 1 Schedule 2 Page 7 para. 22 -Updated Evidence

- a) Provide a schedule that presents the breakdown of the 2012 DSM budget.
- b) Provide the DSM Program maximum potential 2012 spend, including identifying the DSMVA and incentives components.

Z FACTORS

VECC Question 8

Reference: Exhibit B Tab 2 Schedule 5 Pages 4 -8 Plus Appendix A

- a) Provide a table similar to Appendix A which shows for the years 2003 through 2011 YTD, the percentage growth in Plan assets and liabilities year over year.
- b) Provide the averages over the period and provide a projection for 2012 based on the 2003-2011 YTD growth rates.
- c) Provide the funding requirement for 2012 based on average 5 year growth rates.
- d) Will the investment strategy remain substantially the same in 2012? If not discuss the changes.
- e) Provide a projection of the end 2012 Plan position using higher/lower discount rates of 5.75% \pm 1.00%.

VECC Question 9

Reference: Exhibit B Tab 2 Schedule 6 paras 29 and 30

- a) Provide a consolidated table that shows both 2011 and 2012 estimated costs in the same categories as the referenced Table.

- b) Provide a consolidated Table that shows 2011 costs and 2012 costs and activity levels in the format of the referenced Table.
- c) Provide the volume and cost of routine and emergency locates for the past 5 years.

COST ALLOCATION AND RATE SCHEDULES

VECC Question 10

Reference: Exhibit B, Tab 3, Schedule 1, pages 6-8

- a) Describe the rate class allocators that will be used for the 2012 Y factors-- DSM and Cross Bore O&M and Capital.
- b) Discuss why these allocators are appropriate based on cost causality and other factors.
- c) What other allocators were considered and why were these not used?

VECC Question 11

Reference: Exhibit E Tab 1, Schedule 1 Page 55- Settlement Agreement

- a) Provide a schedule that compares the 2012 allocation to Rate Classes to that shown at page 55 of the EB-2007-0615 Settlement Agreement.
- b) Comment on the differences for the Rate 1 and Rate 6 classes.

VECC Question 12

Reference: Exhibit E Tab 1, Schedule 1 Page 58- Settlement Agreement

- a) Provide an update and comparison to the Schedule shown at Page 58, including actual and forecast rate impacts and actual and forecast base DRRs 2008-2012.
- b) Provide an update/comparison of Bill impacts 2008-2012 in the schedule on Page 59 of the settlement Agreement.

- c) Provide a table showing the 5 year history of Rate 1 Customer charges in absolute terms and as a percentage of Distribution charges for average and low volume customers.

VECC Question 13

Reference: Exhibit E Tab 3 Schedule 1 Page 1

- a) Provide the ROE Update for 2012 referenced in Paragraph 3.

VECC Question 14

Reference: Exhibit B Tab 3 Schedule 2 Rate Handbook page 6

- a) Provide information on EGDI Late payment policy including Days for Payment, Applicable Interest Rate(s).
- b) Provide information on policies regarding Security Deposits.
- c) Have there been any changes as a result of the recent GDAR proceeding? If so specify these.
- d) Have these changes affect the forecast of LPP revenue for 2012? If so show the Impact relative to 2010/2011.
- e) Compare/discuss EGD and Union policies and provisions.
- f) When will EGD implement Low Income-specific policies and provisions related to Late Payment and Security Deposits.

DEFERRAL AND VARIANCE ACCOUNTS

VECC Question 15

References: Exhibit B, Tab 5, Schedule 1, pages 1 and 2.
Exhibit C Tab 1 Schedule 1 Page 5

- a) Provide full details (breakdown) of revenues and expenses related to the 2011 TSDA Balance - (\$3,620,800) plus interest (\$41,500).

- b) Compare to 2010 TSDA and
- c) 5 year TSDA history 2008-2011.

IMPLEMENTATION

NO Questions