

**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.  
Pursuant to section 36(1) of the Ontario Energy Board  
Act, 1998, for an order or orders approving or fixing just and  
reasonable rates and other charges for the sale, distribution,  
transmission and storage of gas as of January 1, 2013.

**INTERROGATORIES OF  
BUILDING OWNERS AND MANAGERS ASSOCIATION,  
GREATER TORONTO (BOMA)**

## **B. Rate Base**

### **B1 Is Enbridge's forecast level of capital spending in 2013 appropriate?**

1. Ref: Exhibit B1, Tab 2, Schedule 1, Page 5 of 14. Given that \$23.8 million of the 2011 Historic vs. 2007 Board Approved variance of \$80 million is related to the Technical Training Facility; please indicate why such a major initiative was not included in previous plans and budgets.
2. Ref: Exhibit B1, Tab 3, Schedule 1, page 62. Please explain why the planned spending on major reinforcements spikes in 2014 and 2015. Could there be a less lumpy way to manage these projects?

### **B2 Is the proposed Test Year Rate Base appropriate?**

3. Ref: Exhibit B1, Table 2, Schedule 2, Page 6 of 8. Please provide a rationale for the repatriation of large billing accounts duties/functions/process from Accenture and related system changes that are required to complete the transition.

### **B3 Is the proposed Information Technology Capital Budget appropriate?**

4. Ref: Exhibit B1, Table 2, Schedule 2, Page 6 of 8. Please provide a rationale for the repatriation of large billing accounts duties/functions/process from Accenture and related system changes that are required to complete the transition.

### **B4 Is the proposed budget for Storage Capital Expenditure appropriate?**

5. Ref: Exhibit B1, Table 2, Schedule 2, Page 6 of 8. Please provide a rationale for the timing and requirement for new buildings in Gas Storage at Tecumseh..

### **B5 Is the forecast of Customer Additions appropriate?**

6. REF: Exhibit B1, Tab 2, Schedule 1, Page 11 of 11. Given the cancellation of two gas fired generating plants by the Ontario government and the rejection of 3 major cogeneration opportunities by the

Ontario Power Authority, what would the impact on forecast additions and associated capital be if the anticipated power generation projects do not happen as expected. Please provide estimates for a delay of one year and a delay of 3 years, plus their outright cancellation.

## C. Operating Revenue

### C4 Is the Average Use forecast appropriate?

7. Ref: Exhibit C2, Tab 2, Schedule 1, Page 20 of 22. With respect to the statement “As space heating efficiency gains have a greater impact on average use than thermal improvements to homes, customers by vintage is a better variable than age of the building in terms of explaining the percentage decline in residential average use”, please provide any studies which support this assumption. Has any study been done comparing natural improvements in thermal improvements, i.e. those undertaken by the homeowners without any financial assistance from utilities or governments to the level of savings achieved under a utility or governmental conservation/efficiency program?

## D. Operating Costs

### D1 Is the 2013 O&M budget appropriate?

8. Ref: Exhibit D1, Tab 3, Schedule 1, Page 5 of 29. With respect the merit increase guidance: 3.3% salary increase for non-union employees and 3.5% salary increase for union employees please provide any studies indicating how this increase compares with merit only increases in other industries. Please confirm that this increase is in addition to inflation adjustments and illustrate the total compensation increases.
9. Ref: Exhibit D1, Tab 3, Schedule 1, Page 13 of 29, “The O&M cost per customer for 2013, in constant dollars, has slightly increased by 0.2% since 2004 due to FTE growth, increased customer numbers, and higher safety requirements, partially offset by the continued productivity improvements. Please explain how and why an increase in the number of customers would increase O&M cost per customer?
10. Ref: Exhibit D1, Tab 3, Schedule 2, Page 9 of 10: Please explain why the amount for severances has doubled from the 2012 Estimate to the 2013 Budget.
11. Ref: Exhibit D1, Tab 3, Schedule 2, Page 10 of 10. With respect to the statement: “The relocations were a result of succession planning with a focus on leadership”, please explain how relocation costs between Enbridge Gas Distribution and other Enbridge units are handled. Are relocations of Enbridge Gas Distribution Staff designed to benefit Enbridge as a whole charged to Enbridge Gas Distribution? Are relocations from other Enbridge Units to Enbridge Gas Distribution also charged to Enbridge Gas Distribution?
12. Ref: Exhibit D1, Tab 3, Schedule 2, Page 10 of 10. With respect to the statement: “The relocations were a result of succession planning with a focus on leadership development to ensure the future success of the Company”, please indicate whether the company is Enbridge Gas Distribution or Enbridge Inc.?

**D2 Is Enbridge's gas supply plan, including the forecast of gas, transportation and storage costs appropriate?**

13. Ref: Exhibit D2, Tab 6, Schedule 1, page 3 of 18. With respect to the statement: "An article from the AGA likewise stated that the primary cause of UAF is meter uncertainty", has Enbridge done or is Enbridge aware of any studies comparing meter uncertainty between Canada under Measurement Canada and the United States under the National Institute of Standards and Technology (NIST)?

**D3 Is the corporate cost allocation ("RCAM") appropriate?**

14. Ref: Exhibit D1, Tab 4, Schedule 2, Attachment 2, Page 10 of 10. Please compare the Enbridge RCAM trend from 2007 to 2013 with the trend of total O&M expenditures of Enbridge Gas Distribution, exclusive of the allocation amounts.