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**By electronic filing**

July 13, 2012

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> floor  
Toronto, ON M4P 1E4

Dear Ms Walli,

<b>Enbridge Gas Distribution Inc. ("EGD")</b>	
<b>2011 Earnings Sharing Mechanism ("ESM") and Deferral &amp; Variance Accounts</b>	
<b>Board File No.:</b>	<b>EB-2012-0055</b>
<b>Our File No.:</b>	<b>339583-000139</b>

We enclose Interrogatories being submitted on behalf of Canadian Manufacturers & Exporters ("CME").

Yours very truly,

A handwritten signature in dark ink, appearing to read 'Vincent J. DeRose', is written over a horizontal line.

Vincent J. DeRose

enclosure

c. Norm Ryckman (EGD)  
Fred Cass (Aird & Berlis)  
Intervenors EB-2012-0055  
Paul Clipsham (CME)

OTT01\5174435\w1

**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")**

**INTRODUCTION**

These interrogatories have been prepared having regard to the interrogatories already submitted by Board Staff. To the extent possible, we have attempted to avoid duplicating questions already asked.

**Reference: Exhibit B, Tab 1**

1. In EB-2011-0354, CME sought information relating to the gross sufficiency for 2008, 2009, 2010 and 2011 presented in materials filed in its various Earnings Sharing Mechanism ("ESM") proceedings for each of those years. CME requests that the IR Response from EB-2011-0354 also be filed in this case. To this end, please file IR #1 under issues F.2 and O.3 from EB-2011-0354.

**Reference: Exhibit B, Tab 1**

2. In EB-2011-0354, CME sought information about the Firm Transportation Risk Alleviation Mechanism ("FT-RAM"), which was introduced by TransCanada Pipelines Limited ("TCPL") as a means of enabling its shippers to mitigate their Unutilized Demand Charges ("UDC"). CME wishes to have this information put on the record in this Application. Please file IR #1 under issue C6 from EB-2011-0354.

**Reference: Exhibit B, Tab 2, Schedule 4, Page 3 of 4**

3. EGD states that an increase of \$1.1 million in Measurement and Regulation was primarily due to more system regulation requirements relative to 2010. Please identify the regulatory changes which resulted in this increase of \$1.1 million.

**Reference: Exhibit B, Tab 4, Schedule 2, Page 2 of 3**

4. EGD states that the Provision for Uncollectibles increased by \$10 million mainly due to adjustments required to correct deficiencies in accounts receivable reporting that were recognized in 2011. CME wishes to better understand the deficiencies which resulted in the \$10 million increase. To this end:

- (a) Please describe the deficiencies recognized in 2011;
- (b) Please describe the impact which these recently identified deficiencies have had, if any, in the years 2007, 2008, 2009 and 2010; and
- (c) Please explain why these deficiencies were not identified prior to 2011.

**Reference: Exhibit B, Tab 4, Schedule 2, Page 2 of 3**

5. EGD states that the Legal and Corporate Security has increased by \$2.7 million because of the centralization of legal expenses in the Legal Department. Please explain where legal expenses were incurred prior to the centralization in the Legal Department. Further, please explain why legal expenses were centralized in the Legal Department if the result is an increase rather than a decrease in overall legal expenses.

**Reference: Exhibit B, Tab 4, Schedule 2, Page 2 of 3**

6. EGD states that the Business Development and Customer Strategy decreased by \$2.9 million mainly due to lower conservation services spending. Are the conservation services referred to in this line item part of Demand Side Management ("DSM")? If not, explain what the difference is between the conservation services incurred as part of Business Development and Customer Strategy as opposed to DSM. If the conservation spending is part of DSM, please explain why it is not included in Line No. 20, which sets out the DSM budget.

**Reference: Exhibit D, Tab 2, Schedule 1**

7. In EB-2011-0354, Interrogatories were submitted by Mr. Quinn on behalf of the Federation of Rental-housing Providers of Ontario ("FRPO") that contained questions prepared by John Rosenkranz, an expert retained by Consumers Council of Canada ("CCC"), CME and FRPO with respect to matters pertaining to EGD's storage expenditures, including their allocation between utility and non-utility operations. These questions related to the Storage Cost Allocation Study prepared by Black & Veatch, which is attached as Exhibit D, Tab 2, Schedule 1. Please provide the answers to all of the questions asked by Mr. Quinn with respect to the allocation between utility and non-utility operations in EB-2011-0354 in this Application.