FRPO INTERROGATORY #1

INTERROGATORY

O - Other Issues
Issue O1: Has Enbridge responded appropriately to all relevant Board directions from previous proceedings, including any commitments from prior settlement agreements?

Preamble: In EB-2008-0106, EGD provided Undertaking J2.3.

Please provide the undertaking response and answers to the following questions:

a. Is the policy describing how imbalances are handled in the undertaking response still in place?

b. Please update the table from the end of reported numbers through the end of 2011.

c. Please provide an enhanced response that describes if the economic rents associated with the commodity purchased or sold on behalf of Direct Purchase customers flow to all customers or the system gas program.

RESPONSE

The Company respectfully declines to provide the table requested because of the considerable effort involved in gathering monthly BGA gas purchase and sale information from January 2009 to December 2011.

The policies and procedures for calculating EnTRAC generated BGA Excess Gas Sales and BGA Excess Gas Purchases above the contracted tolerance have not changed with the following exception. With the launch of the MDV Re-establishment function in EnTRAC effective in January, 2012, the contracted BGA tolerance was changed from “20 times the MDV”, to the arithmetic equivalent (of 20 times the MDV) of “5.5% of the annual MDV”. BGA dispositions continue to be captured in the PGVA.

Witnesses: J. Sarnovsky
D. Small

CCC INTERROGATORY #1

INTERROGATORY

O - Other Issues
Issue O2: Are Enbridge's economic and business planning assumptions for the Test Year appropriate?

Ref: A2/T2/S1

In the Regulatory Budget Assumptions and Guidelines Directive at page 11 there is reference to Vacancy Credits. Please explain what Vacancy Credits are and how they are used to derive the budgets.

RESPONSE

A vacancy credit of 2.25% has been applied to the budget across the organization to account for the natural attrition that occurs throughout the year. Historically, during the year there are approximately 50 vacancies that are waiting to be filled. The vacancy credit was derived from 50 vacancies, and a workforce of approximately 2,200 employees, results in a reduction of 2.25%.

The vacancy credit is calculated based on gross salaries and wages of employees before capitalization. As a result, the reduction has been reflected in both O&M and capital budgets.

Witnesses: S. Kancharla
R. Lei

CCC INTERROGATORY #2

INTERROGATORY

O - Other Issues
Issue O2: Are Enbridge's economic and business planning assumptions for the Test Year appropriate?

Ref: A2/T2/S3

The evidence indicates that in preparing the 2013 budget individual departmental budgets were submitted to the EMT prior to being submitted to Finance. Please specify, for each submitted budget, the changes made by the EMT and explain the reason for the changes.

RESPONSE

Please refer to the response to CCC Interrogatory #3, Exhibit I, Issue D1, Schedule 5.3.

Witnesses: S. Kancharla
R. Lei

BOARD STAFF INTERROGATORY #1

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 1/Page 7 of 30

Enbridge states that through the course of the IR term, Enbridge evaluated the way it goes about its business in an effort to find as many productivity and efficiency gains as possible.

a) Please provide the evaluation(s) that Enbridge conducted.

b) Please outline in detail the objectives and/or criteria used by Enbridge to evaluate its business.

c) Please list and describe the productivity and efficiency gains realized as a result of Enbridge's evaluation(s).

RESPONSE

a) As described in response to CCC Interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.3, the focus on productivity improvements was ongoing throughout the IR term. There is no overall evaluation that was conducted.

b) Please see Exhibit I, Tab B1, Schedule 4.3 for a discussion of how EGD prioritized capital spending during the IR term and please see the response to CCC Interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term.

c) Please see the response to CCC interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a presentation of efficiency gains through the IR period.

Witnesses: R. Fischer
M. Lister

BOARD STAFF INTERROGATORY #2

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 1/Page 7 of 30

Enbridge states that the efficiency gains were achieved throughout the Enbridge organization, and primarily relate to reductions in the Company's Operations and Maintenance ("O&M") costs, as compared to what those costs would be in the absence of such efficiency gains.

a) Please list and describe the productivity and efficiency activities (or projects) initiated by Enbridge that resulted in reductions to its O&M costs during the IR plan.

b) Please identify when (i.e., the date) these productivity and efficiency activities were initiated and implemented.

c) Please provide the annual O&M cost savings associated with each of these productivity and efficiency activities outlined in a) above for the 2008-2012 IR period.

d) Please identify whether Enbridge's productivity and efficiency gains from 2008 to 2012 are net of any incremental operating or administrative expenses that Enbridge incurred when implementing these projects. If so, please identify the total dollar amount(s) and the year(s) in which the expenses associated with implementing efficiency-enhancing projects were incurred.

e) Please identify whether Enbridge's productivity and efficiency gains from 2008 to 2012 are net of any incremental capital expenditures that Enbridge incurred to implement these gains. If so, please identify the total dollar amount(s) of the capital expenditures and the year(s) in which these expenditures were incurred.

f) Please describe in detail why Enbridge considers these productivity and efficiency gains (associated with the O&M cost savings) to be sustainable.

Witnesses: R. Fischer
S. Kancharla
M. Lister

RESPONSE

a) Please see the response to CCC Interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term.

b) Please see the response to CCC Interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term.

c) Please see the response to CCC Interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term.

d) Please see the response to CCC Interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term.

e) Please see the response to CCC Interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term.

f) Please see the response to CCC Interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term.

Witnesses: R. Fischer
S. Kancharla
M. Lister

BOARD STAFF INTERROGATORY #3

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 1/Page 7

In summary, Enbridge states that it was able to achieve significant productivity and efficiency gains through items such as targeted spending on projects with future benefits, optimizing various aspects of operations, enhancing revenues from various activities, optimizing financing costs and prioritizing project spending.

a) Please list and describe the various activities that enhanced Enbridge's revenue.
    i. Please identify when (i.e., the date) these activities were initiated and implemented.
    ii. Please provide the annual revenues generated with each of the activities (in relation to the revenue generation) for the 2008-2012 IR period.

b) Please provide the estimated annual revenue generation in relation to these activities that Enbridge estimates for the year 2013. Are these revenues included in Enbridge's 2013 Cost of Service estimates?

c) Please outline the various activities (or projects) that will enhance Enbridge's revenue that Enbridge is considering in 2013 and beyond.

RESPONSE

a) During the IR period, revenues were driven by the formula and hence the opportunities to enhance revenues were limited.

   However, the implementation of the Revenue Analysis and Volume Estimation Data Warehouse (RAVE DW) application 1.0 in 2008 enabled the Company to close revenue leakages and to identify revenue opportunities more timely and effectively. Examples of these activities are 1) the reduction of the number of customers not

being billed due to customer move in/move out activities and 2) an increase in the number of meters being unlocked.

In addition, the Company has leveraged Conservation services (i.e. the delivery of conservation programs on behalf of municipalities and electric utilities) and the delivery of the High Performance New Construction program on behalf of the Ontario Power Authority.

b) Please refer to Exhibit C3, Tab 2, Schedule 1 for the updated volume budget that has incorporated increase in unlock meters. Yes, these revenues are already included in Enbridge's 2013 Cost of Service estimates.

c) RAVE DW enhancement project (RAVE DW 2.0) is currently underway and is expected to be implemented in late 2013. This project will enable the Company to generate insightful analytics on late payment penalty revenues, red lock meters (i.e. revenues) and the process between when the service line is installed and the flow of gas.

Witnesses: R. Fischer
S. Kancharla
M. Lister

BOARD STAFF INTERROGATORY #4

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 1/Page 7

In summary, Enbridge states that it was able to achieve significant productivity and efficiency gains through items such as targeted spending on projects with future benefits, optimizing various aspects of operations, enhancing revenues from various activities, optimizing financing costs and prioritizing project spending.

a) Please outline the productivity and efficiency activities (or projects) that Enbridge is considering in 2013 and beyond.

b) Please provide the estimated annual O&M and capital cost savings in relation to these activities (or projects) that Enbridge estimates for the year 2013. Are these savings included in Enbridge's 2013 Cost of Service estimates?

RESPONSE

a) & b) CCC Interrogatory #2 at Exhibit I, Issue O3, Schedule 5.2 sets out information regarding EGD's productivity and efficiency outcomes during the IR term. O&M and capital budgets for 2103 were developed by individual departments on a grass-roots basis which reflected their business needs. Efficiencies or savings, where they exist, were incorporated in the budgets.

Witnesses: R. Fischer
S. Kancarla
M. Lister

BOARD STAFF INTERROGATORY #5

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 1/Pages 24-27
Enbridge states that Concentric Energy Advisors' (CEA) independent benchmarking analysis indicates that Enbridge has demonstrated strong capital and operating and maintenance cost management compared to industry peers.

a) Please list and describe the productivity and efficiency activities (or projects) initiated by Enbridge that resulted in strong capital cost management.

b) Please identify when (i.e., the date) these productivity and efficiency activities were initiated and implemented.

c) Please provide the annual capital expenditure savings associated with each of these productivity and efficiency activities outlined in a) above for the 2008-2012 IR period.

d) Please identify whether Enbridge's capital cost savings in relation to its productivity and efficiency gains from 2008 to 2012 are net of any incremental operating or administrative expenses that Enbridge incurred when implementing these projects. If so, please identify the total dollar amount(s) and the year(s) in which the expenses associated with implementing efficiency-enhancing projects were incurred.

e) Please identify whether Enbridge's capital cost savings in relation to its productivity and efficiency gains from 2008 to 2012 are net of any incremental capital expenditures that Enbridge incurred to implement these gains. If so, please identify the total dollar amount(s) of the capital expenditures and the year(s) in which these expenditures were incurred.

f) Please describe in detail why Enbridge considers these productivity and efficiency gains (associated with the capital savings) to be sustainable.

Witnesses: R. Fischer
S. Kancharla
M. Lister

RESPONSE

a) Please see the response to CCC interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term, and the response to Energy Probe #3, filed at Exhibit I, Tab B1, Schedule 4.3 for a discussion of how EGD prioritized capital spending during the IR term.

b) Please see the response to CCC interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term, and the response to Energy Probe #3, filed at Exhibit I, Tab B1, Schedule 4.3 for a discussion of how EGD prioritized capital spending during the IR term.

c) Please see the response to CCC interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term, and the response to Energy Probe #3, filed at Exhibit I, Tab B1, Schedule 4.3 for a discussion of how EGD prioritized capital spending during the IR term.

d) Please see the response to CCC interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term, and the response to Energy Probe #3, filed at Exhibit I, Tab B1, Schedule 4.3 for a discussion of how EGD prioritized capital spending during the IR term.

e) Please see the response to CCC interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term, and the response to Energy Probe #3, filed at Exhibit I, Tab B1, Schedule 4.3 for a discussion of how EGD prioritized capital spending during the IR term.

f) Please see the response to CCC interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a discussion of EGD's productivity enhancing processes during the IR term, and the response to Energy Probe #3, filed at Exhibit I, Tab B1, Schedule 4.3 for a discussion of how EGD prioritized capital spending during the IR term.

Witnesses: R. Fischer
S. Kancharla
M. Lister

BOARD STAFF INTERROGATORY #6

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 1

CEA states that it conducted a benchmarking analysis, which measures Enbridge against both a US and Canadian peer group using a series of metrics designed to examine the relative efficiency of the Company in terms of both its capital investment and O&M expense profile.

Please provide a list of all benchmarking studies previously undertaken by CEA for gas or electric utilities, or energy utility regulators over the last five years.

RESPONSE

The table below lists the clients for which Concentric has completed benchmarking studies over the last five years.

Client	Year
Ameren Illinois	2007
Questar Gas	2007
Confidential Mid-West Natural Gas Utility	2008
Florida Power & Light	2008
Owners of Palo Verde Nuclear Power Plant	2008
Baltimore Gas and Electric	2009
Ameren Illinois	2009
Baltimore Gas and Electric	2010
Arizona Public Service	2011
Confidential Mid-West Power Company	2011
Ameren Illinois	2011
Florida Power & Light	2012
El Paso Electric	2012

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #7

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 1

CEA states that it conducted a benchmarking analysis, which measures Enbridge against both a US and Canadian peer group using a series of metrics designed to examine the relative efficiency of the Company in terms of both its capital investment and O&M expense profile.

a) Has Enbridge participated in any independent benchmarking studies since 2007? If so, please identify all such studies done specifically for Enbridge, or for a group of utilities in which Enbridge participated, and provide copies of all benchmarking reports delivered to Enbridge as part of the project(s).

b) Did Enbridge participate in any benchmarking studies that identify specific “best practices” in various gas distribution operations? If so, was Enbridge itself ever identified as having the “best practice” in a specific gas distribution operational area? If so, please identify all such areas.

c) Did Enbridge adjust its own operations to incorporate or move towards “best practice” in any area where Enbridge’s operations were not deemed to be best practice? If not, please explain why.

RESPONSE

(a) EGD has participated in a number of benchmarking studies, administered by the American Gas Association (AGA), the Canadian Gas Association (CGA) and Public Service Enterprise Group (PSEG). These benchmarking studies are each considered to be confidential. EGD is in the process of seeking permission to file the studies in this proceeding. Assuming that there are no issues in that regard, EGD expects to file copies of the benchmarking studies on a confidential basis, to be made available to parties who execute the Board’s confidentiality undertaking.

Witnesses: R. Fischer
M. Lister

(b) and (c) Some of the benchmarking studies do identify industry best practices, or practices that could be adopted by utilities to improve performance and/or reduce costs. In some instances, EGD's practices are consistent with those items. In other instances, the identified practices may not be applicable to EGD. The Company strives to be aware of, and responsive to, identified industry best practices so that relevant items can be reflected in the Company's ongoing operations where appropriate. EGD does not have any listing of its specific responses to items identified in benchmarking studies as "best practices".

BOARD STAFF INTERROGATORY #8

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 3

CEA writes that "limitations of benchmarking include its inability to quantify causal relationships between operating circumstances and costs, and the relationships between inputs and outputs."

a) Please explain in detail why benchmarking is unable to quantify "relationships between operating circumstances and costs, and the relationship between inputs and outputs."

b) Does an inability to quantify the relationship between inputs and outputs imply that it is not possible to quantify productivity growth? If not, please explain the rationale behind this statement.

RESPONSE

a) Concentric refers to benchmarking as it is typically employed. The purpose of benchmarking is to compare companies across a peer group to examine differences in various operating characteristics. It is often used to identify top performance, or performance gaps in relation to peer groups, or provide perspective on the range of performance. In practice, benchmarking is not an analytical tool designed to quantify causality or relationships between inputs and outputs, although these may be observed. For example, O&M Expense per Volume as reported on page 21 of our study is a measure of cost (an input) expressed in relation to sales volumes (an output).

   Extensions of benchmarking, requiring additional data and increased analytical complexity, include methods such as: econometric analysis, indexing and data envelopment analysis. These tools may be used to quantify the relationships between inputs and outputs.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

b) No, it is technically possible to quantify productivity growth. Analytical techniques such as "total factor productivity", which employ indexing, are used for this purpose, and have been presented before this Board.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #9

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 3

CEA writes that “further, the benchmarking comparison is a relative one, and therefore does not offer insights into optimal performance in an absolute sense”. Does CEA’s view that benchmarking “does not offer insights into optimal performance in an absolute sense” depend on the quantitative method(s) used to benchmark performance? Please explain.

RESPONSE

No. In Concentric's experience, benchmarking is a tool designed to measure relative performance within a peer group, and not to measure optimal performance in an absolute sense. Best of class performance may be the best of a given peer group, but that does not necessarily define the best possible performance, only the best observed. Methods such as data envelopment analysis (sometimes referred to as frontier analysis) may be employed to determine the "efficient frontier" for an industry, but this method goes beyond typical benchmarking studies.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #10

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 4

Please explain CEA's rationale for selecting companies for the peer group based on their "similarity of operations to EGD" either by being natural gas distribution utilities, or combination utilities where "data on natural gas distribution operations was available separately from electric operations". Would any investor-owned natural gas utilities in the US or Canada *not* satisfy this criterion? Please explain.

RESPONSE

Concentric believes that it is appropriate to select peer group companies for the benchmarking analysis that have similar operations to EGD (i.e., natural gas distribution utilities) as well as similar weather and size as EGD, and available data. A few examples of types of companies that may have less similar operations to EGD than natural gas distribution utilities include water utilities, electric utilities, and manufacturing companies. Therefore, any investor-owned natural gas utility or gas operations of a combination utility in the US or Canada would satisfy this criterion, but water utilities, electric utilities, and manufacturing companies would not.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #11

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Pages 1-33

In Figure 1, CEA provides a list of U.S. and Canadian natural gas utilities that are in its industry peer group as part of its benchmarking study. Please identify the utilities listed in Figure 1 that are under incentive regulation plans and the associated plan term for each of those plans (e.g., 2008-2012).

RESPONSE

As explained on page 2, Concentric's selection criteria were based on the similarity of operations, similarity of weather conditions, and similarity of size to EGD, as well as data availability. A number of U.S. and Canadian utilities have operated under various types of incentive rate mechanisms at different times and for varying periods of time. All rate regulation provides for some form of incentive. Concentric did not use incentive rate plans as a selection criterion and did not conduct research to identify which utilities are under incentive regulation plans and the plan term.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #12

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 4

CEA says US companies were selected for the peer group if they have at least 500,000 customers in a single State. When determining this 500,000 customer threshold, does CEA aggregate customer numbers for all the operating subsidiaries within a single State for the parent company, or does it treat each operating subsidiary as a separate company? For example, is “National Grid NY” a single company in the sample, or are all three operating subsidiaries of National Grid NY treated as three different companies in the peer group?

RESPONSE

Concentric aggregated data for all operating subsidiaries within a state and considered that one company in the peer group; therefore, National Grid NY is a single company in the sample, comprised of the sum of the data for its three operating subsidiaries in New York.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #13

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 4

CEA says that six Canadian gas utilities were chosen for the peer group if they had at least 150,000 customers.

a) If customer numbers and the realization of scale economies impact gas distribution unit costs, what is the basis for having different customer number thresholds for the US and Canadian utilities?

b) Please explain how CEA is able to draw meaningful inferences on the O&M cost performance of Canadian vis-a-vis US gas distributors given this difference in customer number thresholds in Canada and the US.

c) Does CEA believe economies of scale in gas distribution are exhausted when gas utility customer numbers exceed 150,000? Please provide all quantitative studies that support this opinion.

RESPONSE

a) As explained in footnote 2 on page 2, the size threshold for Canadian companies was lowered in relation to the US threshold due to the limited universe of Canadian gas companies. If the threshold was a minimum of 500,000 customers as it is for the US utilities, only three Canadian utilities would be included in the peer group. While the direct comparability the three smaller Canadian utilities (Gaz Metro, Manitoba Hydro, and SaskEnergy) to Enbridge may be limited, Concentric believes that the benefits of allowing for the comparison of EGD to multiple Canadian utilities outweighs the limitations.

b) Concentric did not draw inferences on the O&M cost performance of Canadian utilities vis-à-vis US gas distributors; Concentric compared Enbridge to both the Canadian and US gas distributors.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

c) Concentric has not conducted research or analysis on the customer count size at which economies of scale in gas distribution utilities are exhausted.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #14

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 5

Please list all 45 companies in CEA's peer group.

RESPONSE

There are 28 companies in Concentric's peer group, which are comprised of a total of 45 operating subsidiaries. The table below lists the 28 peer group companies and their 45 operating subsidiaries.

45 Operating Subsidiaries		28 Peer Group Companies	
1	Central Illinois Light Company	Ameren Corporation	1
2	Central Illinois Public Service Company		
3	Illinois Power Company		
4	MidAmerican Energy Company	MidAmerican Energy Company	2
5	CenterPoint Energy Resources Corp.	CenterPoint Energy Resources Corp	3
6	Consumers Energy Company	Consumers Energy Company	4
7	Consolidated Edison Company of New York, Inc.	Consolidated Edison, Inc.	5
8	Orange and Rockland Utilities, Inc.		
9	Baltimore Gas and Electric Company	Baltimore Gas and Electric Company	6
10	East Ohio Gas Company	East Ohio Gas Company	7
11	Michigan Consolidated Gas Company	DTE Energy Company	8
12	Citizens Gas Fuel Company		
13	Rochester Gas and Electric Corp	Iberdrola, S.A.	9
14	New York State Electric & Gas Corp		
15	North Shore Gas Company	Integrys Energy Group, Inc.	10
16	Peoples Gas Light and Coke Company		
17	Laclede Gas Company	Laclede Gas Company	11
18	National Fuel Gas Distribution Corporation	National Fuel Gas Distribution Corp	12

Witness: M. Bartos
J. Coyne
J. Simpson
Concentric

45 Operating Subsidiaries		28 Peer Group Companies	
19	Boston Gas Company	National Grid (MA)	13
20	Colonial Gas Company		
21	Essex Gas Company		
22	Brooklyn Union Gas Company	National Grid (NY)	14
23	KeySpan Gas East Corporation		
24	Niagara Mohawk Power Corporation		
25	Northern Illinois Gas Company	Northern Illinois Gas Company	15
26	Columbia Gas of Ohio, Incorporated	Columbia Gas of Ohio	16
27	Northern Indiana Fuel & Light Company, Inc.	NiSource Inc.	17
28	Northern Indiana Public Service Co.		
29	Kokomo Gas & Fuel Company		
30	Northwest Natural Gas Company	Northwest Natural Gas Company	18
31	Philadelphia Gas Works Co.	Philadelphia Gas Works Co.	19
32	Public Service Electric and Gas Company	Public Service Electric and Gas Company	20
33	Puget Sound Energy, Inc.	Puget Sound Energy, Inc.	21
34	Questar Gas Company	Questar Gas	22
35	Missouri Gas Energy	Missouri Gas Energy	23
36	UGI Utilities, Inc.	UGI Utilities	24
37	UGI Penn Natural Gas, Inc.		
38	UGI Central Penn Gas, Inc.		
39	UGI Central Penn Gas, Inc.		
40	Indiana Gas Company, Inc.	Vectren Corporation	25
41	Southern Indiana Gas and Electric Company, Inc.		
42	Washington Gas Light Company	Washington Gas Light Company	26
43	Wisconsin Electric Power Company	Wisconsin Energy Corporation	27
44	Wisconsin Gas LLC		
45	Public Service Company of Colorado	Public Service Company of Colorado	28

Witness: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #15

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 5

In Figure 1, are “Mountain Fuel Gas” and “Questar Gas” different companies, or different names for the same company? Please explain.

RESPONSE

Mountain Fuel Supply Company and Questar Gas are different names for the same company. Questar Corp was formed in 1984 with Mountain Fuel Supply as its gas distribution subsidiary. In 1998, Mountain Fuel Supply Company changed its name to Questar Gas.

Witness: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #16

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 5

Figure 1 lists operations in Colorado, Idaho, Utah, and Wyoming for Mountain Fuel Gas and Questar Gas. Were data for operations for all these States consolidated for these companies? Please explain.

RESPONSE

Consolidated Utah, Wyoming and Idaho data for Questar Gas (formerly known as Mountain Fuel Supply Company) were used because state-specific cost data was unavailable.[1] Questar Gas reports total cost data for the three states in its report to the Utah Public Service Commission. Approximately 97% of Questar Gas' customers are in Utah (with approximately 3% in Wyoming, and less than 1% in Idaho), so it was assumed that the total Questar Gas data was representative of its Utah operations. Total Questar Gas customer counts and volumes were also used, consistent with the cost data.

[1] Colorado should be removed from the list of states for Questar Gas as it does not have distribution service territory in Colorado.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #17

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 5

a) Please confirm that the measure of OM&A costs for all companies in the CEA study include administrative and general (A&G) costs.

b) For the combination utilities in the CEA sample, did CEA have to allocate A&G expenses between gas and electricity operations? If so, please explain the methodology used to allocate A&G expenses.

RESPONSE

a) It is confirmed that the measure of OM&A costs includes A&G costs.

b) No. The Annual LDC Reports filed at the state regulatory commissions (and compiled by SNL) provide data for the gas operations separately from electric operations. Therefore, Concentric did not have to allocate the A&G expenses between gas and electric operations for combination utilities.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #18

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 6

Please identify the availability of gas salaries and wage data, for all companies and years. In particular, please present this information in a table with sample companies listed in rows and sample years listed in columns, and simply indicate “yes” or “no” whether the gas salaries and wage data are available for each cell in the table

RESPONSE

The attached tables contain information about the availability of gas salaries and wages data for all companies in the sample group in the requested format. Please note the following key:

Value	**Definition**
Yes	Data available from either Annual LDC Reports or AGA eGUS database
I	Interpolated
NA	Data not necessary (because it is included with another subsidiary)
No	Data not available
Shading	Excluded from labour cost analysis due to lack of data

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

		Gas O&M Salaries & Wages (excl Capitalized Amounts)										
Company Name	**Parent Company Name**	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Central Illinois Light Company (IL)	Ameren Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA
Central Illinois Public Service Company (IL)	Ameren Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA
Illinois Power Company (IL)	Ameren Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA
Ameren Illinois Company (CILCO, CIPS and IP)	Ameren Corporation	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Yes
MidAmerican Energy Company (IL)	Berkshire Hathaway Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
MidAmerican Energy Company (IA)	Berkshire Hathaway Inc.	No	No	No	No	No	No	No	No	No	No	No
CenterPoint Energy Resources Corp. (MN)	CenterPoint Energy, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consumers Energy Company (MI)	CMS Energy Corporation	Yes	Yes	Yes	I	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consolidated Edison Company of New York, Inc. (NY)	Consolidated Edison, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Orange and Rockland Utilities, Inc. (NY)	Consolidated Edison, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Baltimore Gas and Electric Company (MD)	Constellation Energy Group, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
East Ohio Gas Company (OH)	Dominion Resources, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Michigan Consolidated Gas Company (MI)	DTE Energy Company	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Citizens Gas Fuel Company (MI)	DTE Energy Company	Yes	Yes	Yes	Yes	I	Yes	Yes	Yes	Yes	Yes	Yes
Rochester Gas and Electric Corp (NY)	Iberdrola, S.A.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
North Shore Gas Company (IL)	Integrys Energy Group, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Peoples Gas Light and Coke Company (IL)	Integrys Energy Group, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Laclede Gas Company (MO)	Laclede Group, Inc. (The)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
National Fuel Gas Distribution Corporation (NY)	National Fuel Gas Company	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Boston Gas Company (MA)	National Grid (MA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	I	Yes	Yes	Yes
Colonial Gas Company (MA)	National Grid (MA)	Yes	Yes	No	No	No	No	No	No	No	No	No
Essex Gas Company (MA)	National Grid (MA)	Yes	Yes	No	No	No	No	No	No	No	No	No
Brooklyn Union Gas Company (NY)	National Grid (NY)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
KeySpan Gas East Corporation (NY)	National Grid (NY)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Niagara Mohawk Power Corporation (NY)	National Grid (NY)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Northern Illinois Gas Company (IL)	Nicor Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Columbia Gas of Ohio, Incorporated (OH)	NiSource Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Northern Indiana Public Service Co. (IN)	NiSource Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Northwest Natural Gas Company (OR,WA)	Northwest Natural Gas Company	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Public Service Electric and Gas Company (NJ)	Public Service Enterprise Group Incorporated	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Puget Sound Energy, Inc. (WA)	Puget Holdings LLC	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Questar Gas Company (CO,MT,NM,UT,WY,ID) - UT	Questar Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Missouri Gas Energy (MO)	Southern Union Company	I	I	I	I	Yes	Yes	Yes	Yes	Yes	Yes	Yes
UGI Utilities, Inc. (PA)	UGI Corporation	Yes	Yes	Yes	Yes	Yes	Yes	I	Yes	Yes	Yes	Yes
UGI Penn Natural Gas, Inc. (PA)	UGI Corporation	Yes	I	I	I	I	I	No	No	No	No	No
North Penn Gas Company (PA)	UGI Corporation	Yes	I	I	I	I	I	I	I	No	No	No
PFG Gas Inc. (PA)	UGI Corporation	Yes	I	I	I	I	I	I	I	No	No	No
UGI Central Penn Gas, Inc. (PA)	UGI Corporation	No	No	No	No	No	No	No	No	No	No	No
PFG Gas Inc. (MD)	UGI Corporation	No	No	No	No	No	No	No	No	No	No	No
UGI Central Penn Gas, Inc. (MD)	UGI Corporation	No	No	No	No	No	No	No	No	No	No	No
Indiana Gas Company, Inc. (IN)	Vectren Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Southern Indiana Gas and Electric Company, Inc. (IN)	Vectren Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Washington Gas Light Company (DC)	WGL Holdings, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Wisconsin Electric Power Company (WI)	Wisconsin Energy Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Wisconsin Gas LLC (WI)	Wisconsin Energy Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Public Service Company of Colorado (CO)	Xcel Energy Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Union Gas Limited (Ontario)		No	No	No	No	No	No	No	No	No	Yes	No
ATCO (Alberta)		No	No	No	No	No	No	No	No	No	No	No
FortisBC (British Columbia)		No	No	No	No	No	No	No	No	No	No	No
SaskEnergy Inc. (Saskatchewan)		No	No	No	No	No	No	No	No	No	Yes	No
Manitoba Hydro (Manitoba)		No	No	No	No	No	No	No	No	No	No	No
Gaz Metro (Quebec)		No	No	No	No	No	No	No	No	No	No	No

		Total Gas Salaries & Wages (incl. Capitalized Amounts)										
Company Name	**Parent Company Name**	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Central Illinois Light Company (IL)	Ameren Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA
Central Illinois Public Service Company (IL)	Ameren Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA
Illinois Power Company (IL)	Ameren Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA
Ameren Illinois Company (CILCO, CIPS and IP)	Ameren Corporation	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Yes
MidAmerican Energy Company (IL)	Berkshire Hathaway Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
MidAmerican Energy Company (IA)	Berkshire Hathaway Inc.	No	No	No	No	No	No	No	No	No	No	No
CenterPoint Energy Resources Corp. (MN)	CenterPoint Energy, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consumers Energy Company (MI)	CMS Energy Corporation	Yes	Yes	I	I	I	Yes	Yes	Yes	Yes	Yes	Yes
Consolidated Edison Company of New York, Inc. (NY)	Consolidated Edison, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Orange and Rockland Utilities, Inc. (NY)	Consolidated Edison, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Baltimore Gas and Electric Company (MD)	Constellation Energy Group, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
East Ohio Gas Company (OH)	Dominion Resources, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Michigan Consolidated Gas Company (MI)	DTE Energy Company	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Citizens Gas Fuel Company (MI)	DTE Energy Company	Yes	Yes	Yes	Yes	I	Yes	Yes	Yes	Yes	Yes	Yes
Rochester Gas and Electric Corp (NY)	Iberdrola, S.A.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
North Shore Gas Company (IL)	Integrys Energy Group, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Peoples Gas Light and Coke Company (IL)	Integrys Energy Group, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Laclede Gas Company (MO)	Laclede Group, Inc. (The)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
National Fuel Gas Distribution Corporation (NY)	National Fuel Gas Company	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Boston Gas Company (MA)	National Grid (MA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Colonial Gas Company (MA)	National Grid (MA)	Yes	Yes	Yes	Yes	Yes	Yes	I	Yes	Yes	Yes	Yes
Essex Gas Company (MA)	National Grid (MA)	Yes	Yes	Yes	Yes	Yes	Yes	I	Yes	Yes	Yes	Yes
Brooklyn Union Gas Company (NY)	National Grid (NY)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
KeySpan Gas East Corporation (NY)	National Grid (NY)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Niagara Mohawk Power Corporation (NY)	National Grid (NY)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Northern Illinois Gas Company (IL)	Nicor Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Columbia Gas of Ohio, Incorporated (OH)	NiSource Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Northern Indiana Public Service Co. (IN)	NiSource Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Northwest Natural Gas Company (OR,WA)	Northwest Natural Gas Company	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Public Service Electric and Gas Company (NJ)	Public Service Enterprise Group Incorporated	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Puget Sound Energy, Inc. (WA)	Puget Holdings LLC	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Questar Gas Company (CO,MT,NM,UT,WY,ID) - UT	Questar Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Missouri Gas Energy (MO)	Southern Union Company	I	I	I	I	Yes	Yes	Yes	Yes	Yes	Yes	Yes
UGI Utilities, Inc. (PA)	UGI Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
UGI Penn Natural Gas, Inc. (PA)	UGI Corporation	Yes	No	No	No	No	No	No	No	No	No	No
North Penn Gas Company (PA)	UGI Corporation	Yes	No	No	No	No	No	No	No	No	No	No
PFG Gas Inc. (PA)	UGI Corporation	Yes	No	No	No	No	No	No	No	No	No	No
UGI Central Penn Gas, Inc. (PA)	UGI Corporation	No	No	No	No	No	No	No	No	No	No	No
PFG Gas Inc. (MD)	UGI Corporation	No	No	No	No	No	No	No	No	No	No	No
UGI Central Penn Gas, Inc. (MD)	UGI Corporation	No	No	No	No	No	No	No	No	No	No	No
Indiana Gas Company, Inc. (IN)	Vectren Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Southern Indiana Gas and Electric Company, Inc. (IN)	Vectren Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Washington Gas Light Company (DC)	WGL Holdings, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Wisconsin Electric Power Company (WI)	Wisconsin Energy Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Wisconsin Gas LLC (WI)	Wisconsin Energy Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Public Service Company of Colorado (CO)	Xcel Energy Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Union Gas Limited (Ontario)		No	No	No	No	No	No	No	No	No	Yes	No
ATCO (Alberta)		No	No	No	No	No	No	No	No	No	Yes	No
FortisBC (British Columbia)		No	No	No	No	No	No	No	No	No	Yes	No
SaskEnergy Inc. (Saskatchewan)		No	No	No	No	No	No	No	No	No	No	No
Manitoba Hydro (Manitoba)		No	No	No	No	No	No	No	No	No	No	No
Gaz Metro (Quebec)		No	No	No	No	No	No	No	No	No	Yes	No

BOARD STAFF INTERROGATORY #19

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 8

Please provide a complete list of all data points in the dataset that were interpolated by CEA personnel. For each point, please indicate the Company name, the name of the data series, the year, and the method used to interpolate/estimate the value (i.e., for each of the figures, please provide tables with the actual numbers instead of the lines, columns and bars as outlined in the associated benchmarking study).

RESPONSE

Attachment A contains a list of all data points that were interpolated.

Concentric interprets the second part of the question "(i.e., for each of the figures, please provide tables with the actual numbers instead of the lines, columns and bars as outlined in the associated benchmarking study)" as asking for the values for each of the graphs used in the benchmarking study. Assuming this interpretation is correct, Attachment B contains the values for each of the graphs in the benchmarking study.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

	Company Name	Ultimate Parent Company Name	Data Series	Year	Method
1	CenterPoint Energy Resources Corp. (MN)	CenterPoint Energy, Inc.	Total Miles of Main (miles)	2010Y	Applied average 2009-2010 percent growth in total miles of main for the other peer group companies (excluding the max and min) to CenterPoint's 2009 miles of main
2	Public Service Company of Colorado (CO)	Xcel Energy Inc.	Residential Gas Sales Vol (Dth)	2002Y	Average of year before and year after
3	Public Service Company of Colorado (CO)	Xcel Energy Inc.	Small (or Comm) Gas Sales Vol (Dth)	2002Y	Average of year before and year after
4	Public Service Company of Colorado (CO)	Xcel Energy Inc.	Large (or Ind) Gas Sales Vol (Dth)	2002Y	Average of year before and year after
5	Public Service Company of Colorado (CO)	Xcel Energy Inc.	Other Retail Gas Sales Volume (Dth)	2002Y	Average of year before and year after
6	Public Service Company of Colorado (CO)	Xcel Energy Inc.	Resale Gas Sales Vol (Dth)	2002Y	Average of year before and year after
7	CenterPoint Energy Resources Corp. (MN)	CenterPoint Energy, Inc.	Transport Gas for Others Volume (Dth)	2010Y	Applied CenterPoint's 2009-2010 percent growth in transportation volume from AGA eGUS database to CenterPoint's 2009 transportation volume
8	Public Service Company of Colorado (CO)	Xcel Energy Inc.	Total Natural Gas Volume (Dth)	2002Y	Average of year before and year after
9	Southern Union Company (MO)	Southern Union Company	Distribution Plant-Gas ($000)	2003Y	Average of year before and year after
10	Southern Union Company (MO)	Southern Union Company	General Plant-Gas ($000)	2003Y	Average of year before and year after
11	Southern Union Company (MO)	Southern Union Company	Distribution Plant-Gas ($000)	2000Y	Allocated total gross plant between distribution and general plant based on 2004-2007 average ratio
12	Southern Union Company (MO)	Southern Union Company	Distribution Plant-Gas ($000)	2001Y	Allocated total gross plant between distribution and general plant based on 2004-2007 average ratio
13	Southern Union Company (MO)	Southern Union Company	Distribution Plant-Gas ($000)	2002Y	Allocated total gross plant between distribution and general plant based on 2004-2007 average ratio
14	Southern Union Company (MO)	Southern Union Company	General Plant-Gas ($000)	2000Y	Allocated total gross plant between distribution and general plant based on 2004-2007 average ratio
15	Southern Union Company (MO)	Southern Union Company	General Plant-Gas ($000)	2001Y	Allocated total gross plant between distribution and general plant based on 2004-2007 average ratio
16	Southern Union Company (MO)	Southern Union Company	General Plant-Gas ($000)	2002Y	Allocated total gross plant between distribution and general plant based on 2004-2007 average ratio
17	Illinois Power Company (IL)	Ameren Corporation	Nat Gas Storage Exp ($000)	2008Y	Average of year before and year after
18	Orange and Rockland Utilities, Inc. (NY)	Consolidated Edison, Inc.	Transmission-Op & Maint Exp-Gas ($000)	2007Y	Average of year before and year after
19	Colonial Gas Company (MA)	National Grid plc	Transmission-Op & Maint Exp-Gas ($000)	2003Y	Straight line trend from 2002-2005
20	Colonial Gas Company (MA)	National Grid plc	Transmission-Op & Maint Exp-Gas ($000)	2004Y	Straight line trend from 2002-2005
21	PFG Gas Inc. (PA)	UGI Corporation	Transmission-Op & Maint Exp-Gas ($000)	2001Y	Average of year before and year after
22	Orange and Rockland Utilities, Inc. (NY)	Consolidated Edison, Inc.	Customer Svc-Cust Svc & Info-Gas ($000)	2000Y	Average of year before and year after
23	Essex Gas Company (MA)	National Grid plc	Sales Expenses-Gas ($000)	2006Y	Average of 2005 and 2006 values
24	Essex Gas Company (MA)	National Grid plc	Sales Expenses-Gas ($000)	2009Y	Average of 2008 and 2009 values
25	Southern Union Company (MO)	Southern Union Company	A&G-Employee Pensions & Benefits ($000)	2000Y	Average of 2003 to 2009
26	Southern Union Company (MO)	Southern Union Company	A&G-Employee Pensions & Benefits ($000)	2001Y	Average of 2003 to 2009
27	Southern Union Company (MO)	Southern Union Company	A&G-Employee Pensions & Benefits ($000)	2002Y	Average of 2003 to 2009
28	UGI Central Penn Gas, Inc. (PA)	UGI Corporation	A&G-Employee Pensions & Benefits ($000)	2008Y	Average of year before and year after
29	Southern Indiana Gas and Electric Company, Inc. (	Vectren Corporation	A&G-Employee Pensions & Benefits ($000)	2001Y	Average of year before and year after
30	MidAmerican Energy Company (IA)	Berkshire Hathaway Inc.	Calculated - Total Headcount	2001Y	Average of year before and year after
31	MidAmerican Energy Company (IA)	Berkshire Hathaway Inc.	Calculated - Total Headcount	2004Y	Average of year before and year after
32	Consumers Energy Company (MI)	CMS Energy Corporation	Calculated - Total Headcount	2003Y	Average of year before and year after
33	Orange and Rockland Utilities, Inc. (NY)	Consolidated Edison, Inc.	Calculated - Total Headcount	2005Y	Straight line trend from 2004-2009
34	Orange and Rockland Utilities, Inc. (NY)	Consolidated Edison, Inc.	Calculated - Total Headcount	2006Y	Straight line trend from 2004-2009
35	Orange and Rockland Utilities, Inc. (NY)	Consolidated Edison, Inc.	Calculated - Total Headcount	2007Y	Straight line trend from 2004-2009
36	Orange and Rockland Utilities, Inc. (NY)	Consolidated Edison, Inc.	Calculated - Total Headcount	2008Y	Straight line trend from 2004-2009
37	Citizens Gas Fuel Company (MI)	DTE Energy Company	Calculated - Total Headcount	2004Y	Average of year before and year after
38	Rochester Gas and Electric Corp (NY)	Iberdrola, S.A.	Calculated - Total Headcount	2003Y	Average of year before and year after
39	North Shore Gas Company (IL)	Integrys Energy Group, Inc.	Calculated - Total Headcount	2000Y	Average of year before and year after
40	Boston Gas Company (MA)	National Grid plc	Calculated - Total Headcount	2001Y	Average of year before and year after
41	Colonial Gas Company (MA)	National Grid plc	Calculated - Total Headcount	2006Y	Average of year before and year after
42	Essex Gas Company (MA)	National Grid plc	Calculated - Total Headcount	2002Y	Average of 2001 and 2005
43	Essex Gas Company (MA)	National Grid plc	Calculated - Total Headcount	2003Y	Average of 2001 and 2005
44	Essex Gas Company (MA)	National Grid plc	Calculated - Total Headcount	2004Y	Average of 2001 and 2005
45	Essex Gas Company (MA)	National Grid plc	Calculated - Total Headcount	2006Y	Average of year before and year after
46	Northern Indiana Public Service Co. (IN)	NiSource Inc.	Calculated - Total Headcount	2002Y	Average of year before and year after
47	Public Service Electric and Gas Company (NJ)	Public Service Enterprise Group Incorporated	Calculated - Total Headcount	2005Y	Average of year before and year after
48	UGI Utilities, Inc. (PA)	UGI Corporation	Calculated - Total Headcount	2003Y	Average of year before and year after
49	Southern Indiana Gas and Electric Company, Inc. (	Vectren Corporation	Calculated - Total Headcount	2006Y	Average of year before and year after
50	Consumers Energy Company (MI)	CMS Energy Corporation	Total Gas Sal & Wages ($000) - O&M	2003Y	Average of year before and year after
51	Citizens Gas Fuel Company (MI)	DTE Energy Company	Total Gas Sal & Wages ($000) - O&M	2004Y	Average of year before and year after
52	Boston Gas Company (MA)	National Grid plc	Total Gas Sal & Wages ($000) - O&M	2007Y	Average of year before and year after
53	Southern Union Company (MO)	Southern Union Company	Total Gas Sal & Wages ($000) - O&M	2000Y	Extrapolated trend from 2004 to 2009
54	Southern Union Company (MO)	Southern Union Company	Total Gas Sal & Wages ($000) - O&M	2001Y	Extrapolated trend from 2004 to 2009
55	Southern Union Company (MO)	Southern Union Company	Total Gas Sal & Wages ($000) - O&M	2002Y	Extrapolated trend from 2004 to 2009
56	Southern Union Company (MO)	Southern Union Company	Total Gas Sal & Wages ($000) - O&M	2003Y	Extrapolated trend from 2004 to 2009
57	UGI Utilities, Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2006Y	Average of year before and year after
58	UGI Penn Natural Gas, Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2001Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2000 to 2001 to UGI Penn Natural Gas, Inc. 2000 total gas salaries and wages-O&M
59	UGI Penn Natural Gas, Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2002Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2001 to 2002 to UGI Penn Natural Gas, Inc. 2001 total gas salaries and wages-O&M
60	UGI Penn Natural Gas, Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2003Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2002 to 2003 to UGI Penn Natural Gas, Inc. 2002 total gas salaries and wages-O&M
61	UGI Penn Natural Gas, Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2004Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2003 to 2004 to UGI Penn Natural Gas, Inc. 2003 total gas salaries and wages-O&M
62	UGI Penn Natural Gas, Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2005Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2004 to 2005 to UGI Penn Natural Gas, Inc. 2004 total gas salaries and wages-O&M
63	North Penn Gas Company (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2001Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2000 to 2001 to North Penn Gas Company 2000 total gas salaries and wages-O&M
64	North Penn Gas Company (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2002Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2001 to 2002 to North Penn Gas Company 2001 total gas salaries and wages-O&M
65	North Penn Gas Company (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2003Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2002 to 2003 to North Penn Gas Company 2002 total gas salaries and wages-O&M
66	North Penn Gas Company (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2004Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2003 to 2004 to North Penn Gas Company 2003 total gas salaries and wages-O&M

	Company Name	Ultimate Parent Company Name	Data Series	Year	Method
67	North Penn Gas Company (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2005Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2004 to 2005 to North Penn Gas Company 2004 total gas salaries and wages-O&M
68	North Penn Gas Company (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2006Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2005 to 2006 to North Penn Gas Company 2005 total gas salaries and wages-O&M
69	North Penn Gas Company (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2007Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2006 to 2007 to North Penn Gas Company 2006 total gas salaries and wages-O&M
70	PFG Gas Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2001Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2000 to 2001 to PFG Gas Inc. (PA) 2000 total gas salaries and wages-O&M
71	PFG Gas Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2002Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2001 to 2002 to PFG Gas Inc. (PA) 2001 total gas salaries and wages-O&M
72	PFG Gas Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2003Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2002 to 2003 to PFG Gas Inc. (PA) 2002 total gas salaries and wages-O&M
73	PFG Gas Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2004Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2003 to 2004 to PFG Gas Inc. (PA) 2003 total gas salaries and wages-O&M
74	PFG Gas Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2005Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2004 to 2005 to PFG Gas Inc. (PA) 2004 total gas salaries and wages-O&M
75	PFG Gas Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2006Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2005 to 2006 to PFG Gas Inc. (PA) 2005 total gas salaries and wages-O&M
76	PFG Gas Inc. (PA)	UGI Corporation	Total Gas Sal & Wages ($000) - O&M	2007Y	Applied UGI Utilities, Inc. (PA) total gas salaries and wages-O&M percent change from 2006 to 2007 to PFG Gas Inc. (PA) 2006 total gas salaries and wages-O&M
77	Consumers Energy Company (MI)	CMS Energy Corporation	Gas - Construction Wages	2003Y	Average of year before and year after
78	Citizens Gas Fuel Company (MI)	DTE Energy Company	Gas - Construction Wages	2004Y	Average of year before and year after
79	Consumers Energy Company (MI)	CMS Energy Corporation	Gas - Plant Removal / Other Wages	2002Y	Straight line trend from 2001-2005
80	Consumers Energy Company (MI)	CMS Energy Corporation	Gas - Plant Removal / Other Wages	2003Y	Straight line trend from 2001-2005
81	Consumers Energy Company (MI)	CMS Energy Corporation	Gas - Plant Removal / Other Wages	2004Y	Straight line trend from 2001-2005
82	Colonial Gas Company (MA)	National Grid plc	Calc. Total Gas Salary & Wages	2006Y	Average of year before and year after
83	Essex Gas Company (MA)	National Grid plc	Calc. Total Gas Salary & Wages	2006Y	Average of year before and year after
84	Citizens Gas Fuel Company (MI)	DTE Energy Company	Gas - Plant Removal / Other Wages	2004Y	Average of year before and year after
85	Baltimore Gas and Electric Company (MD)	Constellation Energy Group, Inc.	Accum Deprec-Production-Mfgd Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on year before and year after average ratio
86	New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Accum Deprec-Production-Mfgd Gas ($000)	2000Y	Average of year before and year after
87	Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Accum Deprec-Production-Mfgd Gas ($000)	2006Y	Average of year before and year after
88	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Production-Mfgd Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
89	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Production-Mfgd Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
90	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Production-Mfgd Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
91	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Production-Mfgd Gas ($000)	2003Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
92	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Production-Mfgd Gas ($000)	2004Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
93	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Production-Mfgd Gas ($000)	2005Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
94	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Production-Mfgd Gas ($000)	2006Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
95	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Production-Mfgd Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
96	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Production-Mfgd Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
97	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Production-Mfgd Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
98	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Production-Mfgd Gas ($000)	2007Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
99	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Production-Mfgd Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
100	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Production-Mfgd Gas ($000)	2009Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
101	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Production-Mfgd Gas ($000)	2010Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
102	PFG Gas Inc. (MD)	UGI Corporation	Accum Deprec-Production-Mfgd Gas ($000)	2002Y	Average of year before and year after
103	UGI Central Penn Gas, Inc. (MD)	UGI Corporation	Accum Deprec-Production-Mfgd Gas ($000)	2007Y	Average of year before and year after
104	Baltimore Gas and Electric Company (MD)	Constellation Energy Group, Inc.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on year before and year after average ratio
105	New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2000Y	Average of year before and year after
106	Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2006Y	Average of year before and year after
107	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
108	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
109	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
110	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2003Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
111	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2004Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
112	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2005Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
113	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2006Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
114	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
115	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
116	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Prod & Gath-Nat Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio

	Company Name	Ultimate Parent Company Name	Data Series	Year	Method
117	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Prod & Gath-Nat Gas ($000)	2007Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
118	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Prod & Gath-Nat Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
119	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Prod & Gath-Nat Gas ($000)	2009Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
120	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Prod & Gath-Nat Gas ($000)	2010Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
121	PFG Gas Inc. (MD)	UGI Corporation	Accum Deprec-Prod & Gath-Nat Gas ($000)	2002Y	Average of year before and year after
122	UGI Central Penn Gas, Inc. (MD)	UGI Corporation	Accum Deprec-Prod & Gath-Nat Gas ($000)	2007Y	Average of year before and year after
123	Baltimore Gas and Electric Company (MD)	Constellation Energy Group, Inc.	Accum Deprec-Prod Extr-Nat Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on year before and year after average ratio
124	New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Accum Deprec-Prod Extr-Nat Gas ($000)	2000Y	Average of year before and year after
125	Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Accum Deprec-Prod Extr-Nat Gas ($000)	2006Y	Average of year before and year after
126	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod Extr-Nat Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
127	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod Extr-Nat Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
128	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod Extr-Nat Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
129	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod Extr-Nat Gas ($000)	2003Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
130	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod Extr-Nat Gas ($000)	2004Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
131	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod Extr-Nat Gas ($000)	2005Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
132	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Prod Extr-Nat Gas ($000)	2006Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
133	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Prod Extr-Nat Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
134	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Prod Extr-Nat Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
135	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Prod Extr-Nat Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
136	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Prod Extr-Nat Gas ($000)	2007Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
137	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Prod Extr-Nat Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
138	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Prod Extr-Nat Gas ($000)	2009Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
139	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Prod Extr-Nat Gas ($000)	2010Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
140	PFG Gas Inc. (MD)	UGI Corporation	Accum Deprec-Prod Extr-Nat Gas ($000)	2002Y	Average of year before and year after
141	UGI Central Penn Gas, Inc. (MD)	UGI Corporation	Accum Deprec-Prod Extr-Nat Gas ($000)	2007Y	Average of year before and year after
142	Baltimore Gas and Electric Company (MD)	Constellation Energy Group, Inc.	Accum Deprec-Undrgrnd Gas Stor ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on year before and year after average ratio
143	New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Accum Deprec-Undrgrnd Gas Stor ($000)	2000Y	Average of year before and year after
144	Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Accum Deprec-Undrgrnd Gas Stor ($000)	2006Y	Average of year before and year after
145	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Undrgrnd Gas Stor ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
146	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Undrgrnd Gas Stor ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
147	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Undrgrnd Gas Stor ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
148	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Undrgrnd Gas Stor ($000)	2003Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
149	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Undrgrnd Gas Stor ($000)	2004Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
150	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Undrgrnd Gas Stor ($000)	2005Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
151	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Undrgrnd Gas Stor ($000)	2006Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
152	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Undrgrnd Gas Stor ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
153	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Undrgrnd Gas Stor ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
154	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Undrgrnd Gas Stor ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
155	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Undrgrnd Gas Stor ($000)	2007Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
156	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Undrgrnd Gas Stor ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
157	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Undrgrnd Gas Stor ($000)	2009Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
158	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Undrgrnd Gas Stor ($000)	2010Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
159	PFG Gas Inc. (MD)	UGI Corporation	Accum Deprec-Undrgrnd Gas Stor ($000)	2002Y	Average of year before and year after
160	UGI Central Penn Gas, Inc. (MD)	UGI Corporation	Accum Deprec-Undrgrnd Gas Stor ($000)	2007Y	Average of year before and year after
161	Baltimore Gas and Electric Company (MD)	Constellation Energy Group, Inc.	Accum Deprec-Other Storage Plant ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on year before and year after average ratio
162	New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Accum Deprec-Other Storage Plant ($000)	2000Y	Average of year before and year after
163	Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Accum Deprec-Other Storage Plant ($000)	2006Y	Average of year before and year after
164	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Other Storage Plant ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
165	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Other Storage Plant ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
166	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Other Storage Plant ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
167	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Other Storage Plant ($000)	2003Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
168	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Other Storage Plant ($000)	2004Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
169	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Other Storage Plant ($000)	2005Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
170	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Other Storage Plant ($000)	2006Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio

	Company Name	Ultimate Parent Company Name	Data Series	Year	Method
171	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Other Storage Plant ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
172	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Other Storage Plant ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
173	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Other Storage Plant ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
174	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Other Storage Plant ($000)	2007Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
175	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Other Storage Plant ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
176	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Other Storage Plant ($000)	2009Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
177	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Other Storage Plant ($000)	2010Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
178	PFG Gas Inc. (MD)	UGI Corporation	Accum Deprec-Other Storage Plant ($000)	2002Y	Average of year before and year after
179	UGI Central Penn Gas, Inc. (MD)	UGI Corporation	Accum Deprec-Other Storage Plant ($000)	2007Y	Average of year before and year after
180	Baltimore Gas and Electric Company (MD)	Constellation Energy Group, Inc.	Accum Deprec-Bse Ld LNG Plt ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on year before and year after average ratio
181	New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Accum Deprec-Bse Ld LNG Plt ($000)	2000Y	Average of year before and year after
182	Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Accum Deprec-Bse Ld LNG Plt ($000)	2006Y	Average of year before and year after
183	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Bse Ld LNG Plt ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
184	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Bse Ld LNG Plt ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
185	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Bse Ld LNG Plt ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
186	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Bse Ld LNG Plt ($000)	2003Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
187	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Bse Ld LNG Plt ($000)	2004Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
188	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Bse Ld LNG Plt ($000)	2005Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
189	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Bse Ld LNG Plt ($000)	2006Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
190	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Bse Ld LNG Plt ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
191	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Bse Ld LNG Plt ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
192	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Bse Ld LNG Plt ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
193	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Bse Ld LNG Plt ($000)	2007Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
194	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Bse Ld LNG Plt ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
195	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Bse Ld LNG Plt ($000)	2009Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
196	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Bse Ld LNG Plt ($000)	2010Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
197	PFG Gas Inc. (MD)	UGI Corporation	Accum Deprec-Bse Ld LNG Plt ($000)	2002Y	Average of year before and year after
198	UGI Central Penn Gas, Inc. (MD)	UGI Corporation	Accum Deprec-Bse Ld LNG Plt ($000)	2007Y	Average of year before and year after
199	Baltimore Gas and Electric Company (MD)	Constellation Energy Group, Inc.	Accum Deprec-Transmission-Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on year before and year after average ratio
200	New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Accum Deprec-Transmission-Gas ($000)	2000Y	Average of year before and year after
201	Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Accum Deprec-Transmission-Gas ($000)	2006Y	Average of year before and year after
202	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Transmission-Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
203	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Transmission-Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
204	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Transmission-Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
205	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Transmission-Gas ($000)	2003Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
206	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Transmission-Gas ($000)	2004Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
207	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Transmission-Gas ($000)	2005Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
208	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Transmission-Gas ($000)	2006Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
209	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Transmission-Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
210	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Transmission-Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
211	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Transmission-Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
212	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Transmission-Gas ($000)	2007Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
213	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Transmission-Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
214	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Transmission-Gas ($000)	2009Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
215	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Transmission-Gas ($000)	2010Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
216	PFG Gas Inc. (MD)	UGI Corporation	Accum Deprec-Transmission-Gas ($000)	2002Y	Average of year before and year after
217	UGI Central Penn Gas, Inc. (MD)	UGI Corporation	Accum Deprec-Transmission-Gas ($000)	2007Y	Average of year before and year after
218	Baltimore Gas and Electric Company (MD)	Constellation Energy Group, Inc.	Accum Deprec-Distr-Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on year before and year after average ratio
219	Rochester Gas and Electric Corp (NY)	Iberdrola, S.A.	Accum Deprec-Distr-Gas ($000)	2003Y	Average of year before and year after
220	New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Accum Deprec-Distr-Gas ($000)	2000Y	Average of year before and year after
221	Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Accum Deprec-Distr-Gas ($000)	2006Y	Average of year before and year after
222	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Distr-Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
223	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Distr-Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
224	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Distr-Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio

	Company Name	Ultimate Parent Company Name	Data Series	Year	Method
225	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Distr-Gas ($000)	2003Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
226	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Distr-Gas ($000)	2004Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
227	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Distr-Gas ($000)	2005Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
228	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Distr-Gas ($000)	2006Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
229	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Distr-Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
230	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Distr-Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
231	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-Distr-Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
232	Southern Union Company (MO)	Southern Union Company	Accum Deprec-Distr-Gas ($000)	2003Y	Average of year before and year after
233	Southern Union Company (MO)	Southern Union Company	Accum Deprec-Distr-Gas ($000)	2004Y	Average of 2002 and 2006
234	Southern Union Company (MO)	Southern Union Company	Accum Deprec-Distr-Gas ($000)	2005Y	Average of year before and year after
235	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Distr-Gas ($000)	2007Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
236	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Distr-Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
237	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Distr-Gas ($000)	2009Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
238	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-Distr-Gas ($000)	2010Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
239	PFG Gas Inc. (MD)	UGI Corporation	Accum Deprec-Distr-Gas ($000)	2002Y	Average of year before and year after
240	UGI Central Penn Gas, Inc. (MD)	UGI Corporation	Accum Deprec-Distr-Gas ($000)	2007Y	Average of year before and year after
241	Baltimore Gas and Electric Company (MD)	Constellation Energy Group, Inc.	Accum Deprec-General-Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on year before and year after average ratio
242	Rochester Gas and Electric Corp (NY)	Iberdrola, S.A.	Accum Deprec-General-Gas ($000)	2002Y	Average of 2001 and 2004
243	Rochester Gas and Electric Corp (NY)	Iberdrola, S.A.	Accum Deprec-General-Gas ($000)	2003Y	Average of year before and year after
244	New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Accum Deprec-General-Gas ($000)	2000Y	Average of year before and year after
245	Brooklyn Union Gas Company (NY)	National Grid plc	Accum Deprec-General-Gas ($000)	2004Y	Average of year before and year after
246	Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Accum Deprec-General-Gas ($000)	2006Y	Average of year before and year after
247	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-General-Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
248	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-General-Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
249	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-General-Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
250	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-General-Gas ($000)	2003Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
251	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-General-Gas ($000)	2004Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
252	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-General-Gas ($000)	2005Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
253	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-General-Gas ($000)	2006Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
254	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-General-Gas ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
255	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-General-Gas ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
256	Philadelphia Gas Works Co. (PA)	Philadelphia Gas Works Co.	Accum Deprec-General-Gas ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2003-2009 average ratio
257	Southern Union Company (MO)	Southern Union Company	Accum Deprec-General-Gas ($000)	2003Y	Average of year before and year after
258	Southern Union Company (MO)	Southern Union Company	Accum Deprec-General-Gas ($000)	2004Y	Average of 2002 and 2006
259	Southern Union Company (MO)	Southern Union Company	Accum Deprec-General-Gas ($000)	2005Y	Average of year before and year after
260	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-General-Gas ($000)	2007Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
261	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-General-Gas ($000)	2008Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
262	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-General-Gas ($000)	2009Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
263	UGI Utilities, Inc. (PA)	UGI Corporation	Accum Deprec-General-Gas ($000)	2010Y	Allocated total accumulated depreciation to functional categories based on 2004-2006 average ratio
264	PFG Gas Inc. (MD)	UGI Corporation	Accum Deprec-General-Gas ($000)	2002Y	Average of year before and year after
265	UGI Central Penn Gas, Inc. (MD)	UGI Corporation	Accum Deprec-General-Gas ($000)	2007Y	Average of year before and year after
266	New York State Electric & Gas Corp (NY)	Iberdrola, S.A.	Accum Deprec-Gas Plant ($000)	2000Y	Average of year before and year after
267	Northern Indiana Fuel & Light Company, Inc. (IN)	NiSource Inc.	Accum Deprec-Gas Plant ($000)	2006Y	Sum of functional categories
268	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Gas Plant ($000)	2000Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
269	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Gas Plant ($000)	2001Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
270	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Gas Plant ($000)	2002Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
271	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Gas Plant ($000)	2003Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
272	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Gas Plant ($000)	2004Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
273	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Gas Plant ($000)	2005Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
274	Kokomo Gas & Fuel Company (IN)	NiSource Inc.	Accum Deprec-Gas Plant ($000)	2006Y	Allocated total accumulated depreciation to functional categories based on 2007-2009 average ratio
275	PFG Gas Inc. (MD)	UGI Corporation	Accum Deprec-Gas Plant ($000)	2002Y	Average of year before and year after
276	UGI Central Penn Gas, Inc. (MD)	UGI Corporation	Accum Deprec-Gas Plant ($000)	2007Y	Average of year before and year after

Total 2009 Natural Gas Customers (bar graph, page 7)

Company Name	Number of Customers
Gaz Metro (Quebec)	179,027
Manitoba Hydro (Manitoba)	261,934
SaskEnergy Inc. (Saskatchewan)	342,656
Missouri Gas Energy Co. (MO)	511,184
Philadelphia Gas Works Co. (PA)	514,491
National Fuel Gas Distr. Corp. (NY)	515,722
Iberdrola, S.A. (NY)	556,965
UGI Utilities, Inc. (PA)	573,777
MidAmerican Energy Company (IA,IL)	613,355
Laclede Gas Company (MO)	631,191
Baltimore Gas & Electric Co. (MD)	654,597
Northwest Natural Gas Co. (OR,WA)	667,794
Vectren Corporation (IN)	678,276
Puget Sound Energy, Inc. (WA)	746,532
NiSource Inc. (IN)	791,242
CenterPoint Energy Resources (MN)	797,209
Ameren Corp. (CILCO, CIPS and IP) (IL)	814,774
National Grid (MA)	845,860
Questar Gas Company (UT)	891,343
FortisBC (British Columbia)	931,579
Integrys Energy Group, Inc. (IL)	979,903
ATCO (Alberta)	1,026,814
Wisconsin Energy Corporation (WI)	1,055,562
Washington Gas Light (DC,MD,VA,WV)	1,066,164
Consolidated Edison, Inc. (NY)	1,186,479
East Ohio Gas Company (OH)	1,200,218
DTE Energy Company (MI)	1,241,609
Public Service Co. of Colorado (CO)	1,293,575
Union Gas Limited (Ontario)	1,325,043
Columbia Gas of Ohio, Inc. (OH)	1,402,971
Public Service Electric & Gas Co. (NJ)	1,774,042
Consumers Energy Company (MI)	1,857,246
Enbridge Gas Distribution	1,887,605
Northern Illinois Gas Company (IL)	2,172,724
National Grid (NY)	2,324,774

2009 Residential Customers as % of Total Natural Gas Customers (bar graph, page 8)

Company Name	Residential % of Total
Gaz Metro (Quebec)	72%
Consolidated Edison, Inc. (NY)	74%
National Fuel Gas Distr. Corp. (NY)	76%
Iberdrola, S.A. (NY)	77%
DTE Energy Company (MI)	80%
NiSource Inc. (IN)	80%
National Grid (NY)	80%
Northern Illinois Gas Company (IL)	81%
Washington Gas Light (DC,MD,VA,WV)	82%
Baltimore Gas & Electric Co. (MD)	84%
Consumers Energy Company (MI)	85%
Missouri Gas Energy Co. (MO)	87%
Integrys Energy Group, Inc. (IL)	88%
Public Service Electric & Gas Co. (NJ)	89%
SaskEnergy Inc. (Saskatchewan)	89%
UGI Utilities, Inc. (PA)	89%
FortisBC (British Columbia)	90%
Northwest Natural Gas Co. (OR,WA)	91%
Manitoba Hydro (Manitoba)	91%
MidAmerican Energy Company (IA,IL)	91%
National Grid (MA)	91%
Vectren Corporation (IN)	91%
Union Gas Limited (Ontario)	91%
Wisconsin Energy Corporation (WI)	91%
ATCO (Alberta)	91%
Ameren Corp. (CILCO, CIPS and IP) (IL)	91%
CenterPoint Energy Resources (MN)	92%
Enbridge Gas Distribution	92%
Public Service Co. of Colorado (CO)	92%
Columbia Gas of Ohio, Inc. (OH)	92%
Puget Sound Energy, Inc. (WA)	92%
East Ohio Gas Company (OH)	93%
Questar Gas Company (UT)	93%
Laclede Gas Company (MO)	93%
Philadelphia Gas Works Co. (PA)	94%

Total 2010 Natural Gas Customers (bar graph, page 8)

Company Name	Number of Customers
Missouri Gas Energy Co. (MO)	507,881
Philadelphia Gas Works Co. (PA)	513,943
National Fuel Gas Distr. Corp. (NY)	517,181
Iberdrola, S.A. (NY)	560,372
UGI Utilities, Inc. (PA)	579,154
MidAmerican Energy Company (IA,IL)	616,156
Laclede Gas Company (MO)	642,730
Baltimore Gas & Electric Co. (MD)	662,434
Northwest Natural Gas Co. (OR,WA)	670,896
Vectren Corporation (IN)	680,767
Puget Sound Energy, Inc. (WA)	750,811
NiSource Inc. (IN)	794,630
CenterPoint Energy Resources (MN)	801,402
Ameren Corp. (CILCO, CIPS and IP) (IL)	813,275
National Grid (MA)	850,281
Questar Gas Company (UT)	903,870
Integrys Energy Group, Inc. (IL)	977,006
Wisconsin Energy Corporation (WI)	1,060,224
Washington Gas Light (DC,MD,VA,WV)	1,075,994
Consolidated Edison, Inc. (NY)	1,190,910
East Ohio Gas Company (OH)	1,194,112
DTE Energy Company (MI)	1,231,696
Public Service Co. of Colorado (CO)	1,301,684
Columbia Gas of Ohio, Inc. (OH)	1,403,999
Public Service Electric & Gas Co. (NJ)	1,778,336
Consumers Energy Company (MI)	1,891,203
Enbridge Gas Distribution	1,926,294
Northern Illinois Gas Company (IL)	2,177,018
National Grid (NY)	2,336,912

2010 Residential Customers as % of Total Natural Gas Customers (bar graph, page 9)

Company Name	Residential % of Total
Consolidated Edison, Inc. (NY)	73%
Iberdrola, S.A. (NY)	74%
National Fuel Gas Distr. Corp. (NY)	76%
DTE Energy Company (MI)	78%
National Grid (NY)	79%
NiSource Inc. (IN)	81%
Washington Gas Light (DC,MD,VA,WV)	81%
Northern Illinois Gas Company (IL)	82%
Baltimore Gas & Electric Co. (MD)	82%
Consumers Energy Company (MI)	83%
Missouri Gas Energy Co. (MO)	87%
Integrys Energy Group, Inc. (IL)	88%
Public Service Electric & Gas Co. (NJ)	88%
UGI Utilities, Inc. (PA)	89%
Northwest Natural Gas Co. (OR,WA)	91%
MidAmerican Energy Company (IA,IL)	91%
National Grid (MA)	91%
Vectren Corporation (IN)	91%
Wisconsin Energy Corporation (WI)	91%
Ameren Corp. (CILCO, CIPS and IP) (IL)	92%
CenterPoint Energy Resources (MN)	92%
Public Service Co. of Colorado (CO)	92%
Enbridge Gas Distribution	92%
Columbia Gas of Ohio, Inc. (OH)	92%
East Ohio Gas Company (OH)	92%
Puget Sound Energy, Inc. (WA)	92%
Questar Gas Company (UT)	93%
Laclede Gas Company (MO)	93%
Philadelphia Gas Works Co. (PA)	94%

Total 2009 Natural Gas Volumes (bar graph, page 9)

Company Name	Total Volume (10^6 m^3)
SaskEnergy Inc. (Saskatchewan)	1,783
Philadelphia Gas Works Co. (PA)	2,005
Manitoba Hydro (Manitoba)	2,165
Missouri Gas Energy Co. (MO)	2,184
National Fuel Gas Distr. Corp. (NY)	2,465
Laclede Gas Company (MO)	2,571
Baltimore Gas & Electric Co. (MD)	2,853
Iberdrola, S.A. (NY)	2,986
Northwest Natural Gas Co. (OR,WA)	3,204
Puget Sound Energy, Inc. (WA)	3,214
Vectren Corporation (IN)	3,752
MidAmerican Energy Company (IA,IL)	3,894
National Grid (MA)	3,957
CenterPoint Energy Resources (MN)	4,204
UGI Utilities, Inc. (PA)	4,217
Ameren Corp. (CILCO, CIPS and IP) (IL)	4,457
DTE Energy Company (MI)	4,701
Questar Gas Company (UT)	4,778
Washington Gas Light (DC,MD,VA,WV)	4,884
Gaz Metro (Quebec)	5,130
Integrys Energy Group, Inc. (IL)	6,065
FortisBC (British Columbia)	6,137
ATCO (Alberta)	6,183
Wisconsin Energy Corporation (WI)	6,185
East Ohio Gas Company (OH)	6,578
Public Service Co. of Colorado (CO)	6,857
Columbia Gas of Ohio, Inc. (OH)	6,901
Consumers Energy Company (MI)	7,119
NiSource Inc. (IN)	7,272
Consolidated Edison, Inc. (NY)	8,250
Public Service Electric & Gas Co. (NJ)	8,809
Enbridge Gas Distribution	12,050
Union Gas Limited (Ontario)	12,849
National Grid (NY)	12,951
Northern Illinois Gas Company (IL)	13,478

2009 Residential Volumes as % of Total Natural Gas Volumes (bar graph, page 10)

Company Name	Residential % of Total
Gaz Metro (Quebec)	11%
NiSource Inc. (IN)	22%
Union Gas Limited (Ontario)	23%
Consolidated Edison, Inc. (NY)	25%
UGI Utilities, Inc. (PA)	28%
Manitoba Hydro (Manitoba)	30%
FortisBC (British Columbia)	32%
MidAmerican Energy Company (IA,IL)	33%
Wisconsin Energy Corporation (WI)	37%
Northwest Natural Gas Co. (OR,WA)	37%
Vectren Corporation (IN)	37%
National Grid (NY)	37%
Baltimore Gas & Electric Co. (MD)	38%
Ameren Corp. (CILCO, CIPS and IP) (IL)	38%
Public Service Co. of Colorado (CO)	39%
Iberdrola, S.A. (NY)	39%
Washington Gas Light (DC,MD,VA,WV)	39%
Enbridge Gas Distribution	39%
Questar Gas Company (UT)	41%
Northern Illinois Gas Company (IL)	42%
National Grid (MA)	44%
National Fuel Gas Distr. Corp. (NY)	45%
Columbia Gas of Ohio, Inc. (OH)	45%
Public Service Electric & Gas Co. (NJ)	45%
Missouri Gas Energy Co. (MO)	47%
CenterPoint Energy Resources (MN)	47%
ATCO (Alberta)	49%
East Ohio Gas Company (OH)	49%
Integrys Energy Group, Inc. (IL)	50%
Philadelphia Gas Works Co. (PA)	51%
Puget Sound Energy, Inc. (WA)	52%
SaskEnergy Inc. (Saskatchewan)	55%
Laclede Gas Company (MO)	56%
DTE Energy Company (MI)	62%
Consumers Energy Company (MI)	64%

Total 2009 Natural Gas Volumes per Customer (bar graph, page 11)

Company Name	Volumes (10^3 m^3) per Customer
DTE Energy Company (MI)	3.8
Consumers Energy Company (MI)	3.8
Philadelphia Gas Works Co. (PA)	3.9
Laclede Gas Company (MO)	4.1
Missouri Gas Energy Co. (MO)	4.3
Puget Sound Energy, Inc. (WA)	4.3
Baltimore Gas & Electric Co. (MD)	4.4
Washington Gas Light (DC,MD,VA,WV)	4.6
National Grid (MA)	4.7
National Fuel Gas Distr. Corp. (NY)	4.8
Northwest Natural Gas Co. (OR,WA)	4.8
Columbia Gas of Ohio, Inc. (OH)	4.9
Public Service Electric & Gas Co. (NJ)	5.0
SaskEnergy Inc. (Saskatchewan)	5.2
CenterPoint Energy Resources (MN)	5.3
Public Service Co. of Colorado (CO)	5.3
Iberdrola, S.A. (NY)	5.4
Questar Gas Company (UT)	5.4
Ameren Corp. (CILCO, CIPS and IP) (IL)	5.5
East Ohio Gas Company (OH)	5.5
Vectren Corporation (IN)	5.5
National Grid (NY)	5.6
Wisconsin Energy Corporation (WI)	5.9
ATCO (Alberta)	6.0
Integrys Energy Group, Inc. (IL)	6.2
Northern Illinois Gas Company (IL)	6.2
MidAmerican Energy Company (IA,IL)	6.3
Enbridge Gas Distribution	6.4
FortisBC (British Columbia)	6.6
Consolidated Edison, Inc. (NY)	7.0
UGI Utilities, Inc. (PA)	7.3
Manitoba Hydro (Manitoba)	8.3
NiSource Inc. (IN)	9.2
Union Gas Limited (Ontario)	9.7
Gaz Metro (Quebec)	28.7

Total 2010 Natural Gas Volumes (bar graph, page 10)

Company Name	Total Volume (10^6 m^3)
Philadelphia Gas Works Co. (PA)	2,001
Missouri Gas Energy Co. (MO)	2,203
National Fuel Gas Distr. Corp. (NY)	2,388
Laclede Gas Company (MO)	2,527
Baltimore Gas & Electric Co. (MD)	2,752
Iberdrola, S.A. (NY)	2,870
Puget Sound Energy, Inc. (WA)	2,966
Northwest Natural Gas Co. (OR,WA)	3,008
MidAmerican Energy Company (IA,IL)	3,846
Vectren Corporation (IN)	4,045
CenterPoint Energy Resources (MN)	4,060
DTE Energy Company (MI)	4,231
UGI Utilities, Inc. (PA)	4,578
Ameren Corp. (CILCO, CIPS and IP) (IL)	4,612
Questar Gas Company (UT)	4,803
Washington Gas Light (DC,MD,VA,WV)	5,167
National Grid (MA)	5,311
Integrys Energy Group, Inc. (IL)	5,729
Wisconsin Energy Corporation (WI)	5,962
Public Service Co. of Colorado (CO)	6,690
Columbia Gas of Ohio, Inc. (OH)	6,877
Consumers Energy Company (MI)	6,910
East Ohio Gas Company (OH)	7,119
Consolidated Edison, Inc. (NY)	7,662
NiSource Inc. (IN)	7,896
Public Service Electric & Gas Co. (NJ)	8,900
Enbridge Gas Distribution	12,208
Northern Illinois Gas Company (IL)	12,856
National Grid (NY)	13,459

2010 Residential Volumes as % of Total Natural Gas Volumes (bar graph, page 11)

Company Name	Residential % of Total
NiSource Inc. (IN)	19%
Consolidated Edison, Inc. (NY)	23%
UGI Utilities, Inc. (PA)	25%
National Grid (MA)	31%
MidAmerican Energy Company (IA,IL)	33%
National Grid (NY)	34%
Vectren Corporation (IN)	35%
Wisconsin Energy Corporation (WI)	35%
Northwest Natural Gas Co. (OR,WA)	35%
Enbridge Gas Distribution	36%
Ameren Corp. (CILCO, CIPS and IP) (IL)	37%
Washington Gas Light (DC,MD,VA,WV)	37%
Iberdrola, S.A. (NY)	37%
Baltimore Gas & Electric Co. (MD)	39%
Public Service Co. of Colorado (CO)	40%
Questar Gas Company (UT)	41%
Northern Illinois Gas Company (IL)	41%
Public Service Electric & Gas Co. (NJ)	42%
National Fuel Gas Distr. Corp. (NY)	43%
East Ohio Gas Company (OH)	44%
Columbia Gas of Ohio, Inc. (OH)	44%
CenterPoint Energy Resources (MN)	45%
Missouri Gas Energy Co. (MO)	47%
Integrys Energy Group, Inc. (IL)	49%
Puget Sound Energy, Inc. (WA)	50%
Philadelphia Gas Works Co. (PA)	51%
Laclede Gas Company (MO)	57%
DTE Energy Company (MI)	62%
Consumers Energy Company (MI)	62%

Total 2010 Natural Gas Volumes per Customer (bar graph, page 12)

Company Name	Volumes (10^3 m^3) per Customer
DTE Energy Company (MI)	3.4
Consumers Energy Company (MI)	3.7
Philadelphia Gas Works Co. (PA)	3.9
Laclede Gas Company (MO)	3.9
Puget Sound Energy, Inc. (WA)	4.0
Baltimore Gas & Electric Co. (MD)	4.2
Missouri Gas Energy Co. (MO)	4.3
Northwest Natural Gas Co. (OR,WA)	4.5
National Fuel Gas Distr. Corp. (NY)	4.6
Washington Gas Light (DC,MD,VA,WV)	4.8
Columbia Gas of Ohio, Inc. (OH)	4.9
Public Service Electric & Gas Co. (NJ)	5.0
CenterPoint Energy Resources (MN)	5.1
Iberdrola, S.A. (NY)	5.1
Public Service Co. of Colorado (CO)	5.1
Questar Gas Company (UT)	5.3
Wisconsin Energy Corporation (WI)	5.6
Ameren Corp. (CILCO, CIPS and IP) (IL)	5.7
National Grid (NY)	5.8
Integrys Energy Group, Inc. (IL)	5.9
Northern Illinois Gas Company (IL)	5.9
Vectren Corporation (IN)	5.9
East Ohio Gas Company (OH)	6.0
MidAmerican Energy Company (IA,IL)	6.2
National Grid (MA)	6.2
Enbridge Gas Distribution	6.3
Consolidated Edison, Inc. (NY)	6.4
UGI Utilities, Inc. (PA)	7.9
NiSource Inc. (IN)	9.9

2009 Natural Gas Customers per Kilometer of Distribution Main (bar graph, page 12)

Company Name	Customers per km
SaskEnergy Inc. (Saskatchewan)	5
Gaz Metro (Quebec)	16
Questar Gas Company (UT)	20
ATCO (Alberta)	27
Vectren Corporation (IN)	27
NiSource Inc. (IN)	30
Ameren Corp. (CILCO, CIPS and IP) (IL)	30
UGI Utilities, Inc. (PA)	31
Northwest Natural Gas Co. (OR,WA)	31
Wisconsin Energy Corporation (WI)	33
National Fuel Gas Distr. Corp. (NY)	33
Manitoba Hydro (Manitoba)	36
Union Gas Limited (Ontario)	37
MidAmerican Energy Company (IA,IL)	37
Iberdrola, S.A. (NY)	37
Missouri Gas Energy Co. (MO)	37
Public Service Co. of Colorado (CO)	38
CenterPoint Energy Resources (MN)	38
East Ohio Gas Company (OH)	38
FortisBC (British Columbia)	38
Puget Sound Energy, Inc. (WA)	39
DTE Energy Company (MI)	40
Northern Illinois Gas Company (IL)	41
Columbia Gas of Ohio, Inc. (OH)	44
Consumers Energy Company (MI)	44
Laclede Gas Company (MO)	47
National Grid (MA)	49
Washington Gas Light (DC,MD,VA,WV)	54
Enbridge Gas Distribution	55
Baltimore Gas & Electric Co. (MD)	59
Public Service Electric & Gas Co. (NJ)	63
National Grid (NY)	71
Integrys Energy Group, Inc. (IL)	95
Philadelphia Gas Works Co. (PA)	106
Consolidated Edison, Inc. (NY)	121

2009 Natural Gas Volumes per Kilometer of Distribution Main (bar graph, page 13)

Company Name	(10^6 m^3) per km
SaskEnergy Inc. (Saskatchewan)	0.03
Questar Gas Company (UT)	0.11
Northwest Natural Gas Co. (OR,WA)	0.15
Vectren Corporation (IN)	0.15
DTE Energy Company (MI)	0.15
Missouri Gas Energy Co. (MO)	0.16
National Fuel Gas Distr. Corp. (NY)	0.16
ATCO (Alberta)	0.16
Ameren Corp. (CILCO, CIPS and IP) (IL)	0.16
Puget Sound Energy, Inc. (WA)	0.17
Consumers Energy Company (MI)	0.17
Laclede Gas Company (MO)	0.19
Wisconsin Energy Corporation (WI)	0.20
Iberdrola, S.A. (NY)	0.20
CenterPoint Energy Resources (MN)	0.20
Public Service Co. of Colorado (CO)	0.20
East Ohio Gas Company (OH)	0.21
Columbia Gas of Ohio, Inc. (OH)	0.22
UGI Utilities, Inc. (PA)	0.23
National Grid (MA)	0.23
MidAmerican Energy Company (IA,IL)	0.23
Washington Gas Light (DC,MD,VA,WV)	0.25
FortisBC (British Columbia)	0.25
Northern Illinois Gas Company (IL)	0.25
Baltimore Gas & Electric Co. (MD)	0.26
NiSource Inc. (IN)	0.28
Manitoba Hydro (Manitoba)	0.30
Public Service Electric & Gas Co. (NJ)	0.31
Enbridge Gas Distribution	0.35
Union Gas Limited (Ontario)	0.35
National Grid (NY)	0.39
Philadelphia Gas Works Co. (PA)	0.41
Gaz Metro (Quebec)	0.46
Integrys Energy Group, Inc. (IL)	0.59
Consolidated Edison, Inc. (NY)	0.84

2010 Natural Gas Customers per Kilometer of Distribution Main (bar graph, page 13)

Company Name	Customers per km
Questar Gas Company (UT)	21
Vectren Corporation (IN)	27
Ameren Corp. (CILCO, CIPS and IP) (IL)	30
NiSource Inc. (IN)	30
UGI Utilities, Inc. (PA)	31
Northwest Natural Gas Co. (OR,WA)	31
Wisconsin Energy Corporation (WI)	33
National Fuel Gas Distr. Corp. (NY)	34
MidAmerican Energy Company (IA,IL)	37
Iberdrola, S.A. (NY)	37
Missouri Gas Energy Co. (MO)	37
Public Service Co. of Colorado (CO)	38
CenterPoint Energy Resources (MN)	38
East Ohio Gas Company (OH)	38
Puget Sound Energy, Inc. (WA)	39
DTE Energy Company (MI)	40
Northern Illinois Gas Company (IL)	41
Columbia Gas of Ohio, Inc. (OH)	44
Consumers Energy Company (MI)	45
Laclede Gas Company (MO)	47
National Grid (MA)	49
Washington Gas Light (DC,MD,VA,WV)	54
Enbridge Gas Distribution	56
Baltimore Gas & Electric Co. (MD)	59
Public Service Electric & Gas Co. (NJ)	63
National Grid (NY)	71
Integrys Energy Group, Inc. (IL)	93
Philadelphia Gas Works Co. (PA)	105
Consolidated Edison, Inc. (NY)	121

2010 Natural Gas Volumes per Kilometer of Distribution Main (bar graph, page 14)

Company Name	(10^6 m^3) per km
Questar Gas Company (UT)	0.11
DTE Energy Company (MI)	0.14
Northwest Natural Gas Co. (OR,WA)	0.14
Puget Sound Energy, Inc. (WA)	0.15
National Fuel Gas Distr. Corp. (NY)	0.16
Missouri Gas Energy Co. (MO)	0.16
Vectren Corporation (IN)	0.16
Consumers Energy Company (MI)	0.16
Ameren Corp. (CILCO, CIPS and IP) (IL)	0.17
Laclede Gas Company (MO)	0.19
Wisconsin Energy Corporation (WI)	0.19
Iberdrola, S.A. (NY)	0.19
CenterPoint Energy Resources (MN)	0.19
Public Service Co. of Colorado (CO)	0.19
Columbia Gas of Ohio, Inc. (OH)	0.22
East Ohio Gas Company (OH)	0.22
MidAmerican Energy Company (IA,IL)	0.23
Northern Illinois Gas Company (IL)	0.24
UGI Utilities, Inc. (PA)	0.24
Baltimore Gas & Electric Co. (MD)	0.25
Washington Gas Light (DC,MD,VA,WV)	0.26
NiSource Inc. (IN)	0.30
National Grid (MA)	0.30
Public Service Electric & Gas Co. (NJ)	0.31
Enbridge Gas Distribution	0.35
National Grid (NY)	0.41
Philadelphia Gas Works Co. (PA)	0.41
Integrys Energy Group, Inc. (IL)	0.55
Consolidated Edison, Inc. (NY)	0.78

Total 2009 Net Plant per Customer (bar graph, page 15)

Company Name	Total Net Plant per Cust. (Cdn$ per Cust)
NiSource Inc. (IN)	$358
CenterPoint Energy Resources (MN)	$907
Northern Illinois Gas Company (IL)	$958
Consumers Energy Company (MI)	$995
Wisconsin Energy Corporation (WI)	$1,004
Ameren Corp. (CILCO, CIPS and IP) (IL)	$1,086
Columbia Gas of Ohio, Inc. (OH)	$1,094
East Ohio Gas Company (OH)	$1,205
Public Service Co. of Colorado (CO)	$1,229
Questar Gas Company (UT)	$1,255
Vectren Corporation (IN)	$1,296
ATCO (Alberta)	$1,328
SaskEnergy Inc. (Saskatchewan)	$1,335
Baltimore Gas & Electric Co. (MD)	$1,447
Manitoba Hydro (Manitoba)	$1,489
DTE Energy Company (MI)	$1,497
Laclede Gas Company (MO)	$1,575
Philadelphia Gas Works Co. (PA)	$1,661
National Fuel Gas Distr. Corp. (NY)	$1,663
Iberdrola, S.A. (NY)	$1,801
Public Service Electric & Gas Co. (NJ)	$1,820
Enbridge Gas Distribution	$1,904
Washington Gas Light (DC,MD,VA,WV)	$2,009
Northwest Natural Gas Co. (OR,WA)	$2,108
Integrys Energy Group, Inc. (IL)	$2,114
National Grid (NY)	$2,564
Union Gas Limited (Ontario)	$2,596
FortisBC (British Columbia)	$2,646
Puget Sound Energy, Inc. (WA)	$2,690
Consolidated Edison, Inc. (NY)	$2,835
Gaz Metro (Quebec)	$8,458

Total 2010 Net Plant per Customer (bar graph, page 16)

Company Name	Total Net Plant per Cust. (Cdn$ per Cust)
NiSource Inc. (IN)	$253
CenterPoint Energy Resources (MN)	$843
Northern Illinois Gas Company (IL)	$860
Wisconsin Energy Corporation (WI)	$949
Consumers Energy Company (MI)	$976
Ameren Corp. (CILCO, CIPS and IP) (IL)	$1,044
Columbia Gas of Ohio, Inc. (OH)	$1,071
Vectren Corporation (IN)	$1,138
Questar Gas Company (UT)	$1,175
Public Service Co. of Colorado (CO)	$1,198
East Ohio Gas Company (OH)	$1,224
Baltimore Gas & Electric Co. (MD)	$1,364
DTE Energy Company (MI)	$1,392
Laclede Gas Company (MO)	$1,439
National Fuel Gas Distr. Corp. (NY)	$1,519
Philadelphia Gas Works Co. (PA)	$1,534
Iberdrola, S.A. (NY)	$1,631
Public Service Electric & Gas Co. (NJ)	$1,764
Washington Gas Light (DC,MD,VA,WV)	$1,844
Northwest Natural Gas Co. (OR,WA)	$1,897
Enbridge Gas Distribution	$1,914
Integrys Energy Group, Inc. (IL)	$2,041
National Grid (NY)	$2,407
Puget Sound Energy, Inc. (WA)	$2,465
Consolidated Edison, Inc. (NY)	$2,798

Total Net Plant per Customer (line graph, page 16)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Enbridge Gas Distribution (Cdn$/Cust)	$1,750	$1,689	$1,711	$1,700	$1,699	$1,736	$1,783	$1,795	$1,815	$1,904	$1,914
U.S. Peer Group (US$/Cust)	$1,060	$1,083	$1,116	$1,143	$1,167	$1,189	$1,220	$1,253	$1,302	$1,356	$1,409

Total 2009 Net Plant per Volume (bar graph, page 17)

Company Name	Total Net Plant per Volume (Cdn$ per 10^3 m^3)
NiSource Inc. (IN)	$39
Northern Illinois Gas Company (IL)	$154
Wisconsin Energy Corporation (WI)	$171
CenterPoint Energy Resources (MN)	$172
Manitoba Hydro (Manitoba)	$180
Ameren Corp. (CILCO, CIPS and IP) (IL)	$199
East Ohio Gas Company (OH)	$220
ATCO (Alberta)	$220
Columbia Gas of Ohio, Inc. (OH)	$222
Public Service Co. of Colorado (CO)	$232
Questar Gas Company (UT)	$234
Vectren Corporation (IN)	$234
SaskEnergy Inc. (Saskatchewan)	$256
Consumers Energy Company (MI)	$259
Union Gas Limited (Ontario)	$268
Gaz Metro (Quebec)	$295
Enbridge Gas Distribution	$298
Baltimore Gas & Electric Co. (MD)	$332
Iberdrola, S.A. (NY)	$336
Integrys Energy Group, Inc. (IL)	$342
National Fuel Gas Distr. Corp. (NY)	$348
Public Service Electric & Gas Co. (NJ)	$366
Laclede Gas Company (MO)	$387
DTE Energy Company (MI)	$396
FortisBC (British Columbia)	$402
Consolidated Edison, Inc. (NY)	$408
Philadelphia Gas Works Co. (PA)	$426
Washington Gas Light (DC,MD,VA,WV)	$439
Northwest Natural Gas Co. (OR,WA)	$439
National Grid (NY)	$460
Puget Sound Energy, Inc. (WA)	$625

Total 2010 Net Plant per Volume (bar graph, page 17)

Company Name	Total Net Plant per Volume (Cdn$ per 10^3 m^3)
NiSource Inc. (IN)	$25
Northern Illinois Gas Company (IL)	$146
CenterPoint Energy Resources (MN)	$166
Wisconsin Energy Corporation (WI)	$169
Ameren Corp. (CILCO, CIPS and IP) (IL)	$184
Vectren Corporation (IN)	$192
East Ohio Gas Company (OH)	$205
Columbia Gas of Ohio, Inc. (OH)	$219
Questar Gas Company (UT)	$221
Public Service Co. of Colorado (CO)	$233
Consumers Energy Company (MI)	$267
Enbridge Gas Distribution	$302
Iberdrola, S.A. (NY)	$319
Baltimore Gas & Electric Co. (MD)	$328
National Fuel Gas Distr. Corp. (NY)	$329
Integrys Energy Group, Inc. (IL)	$348
Public Service Electric & Gas Co. (NJ)	$352
Laclede Gas Company (MO)	$366
Washington Gas Light (DC,MD,VA,WV)	$384
Philadelphia Gas Works Co. (PA)	$394
DTE Energy Company (MI)	$405
National Grid (NY)	$418
Northwest Natural Gas Co. (OR,WA)	$423
Consolidated Edison, Inc. (NY)	$435
Puget Sound Energy, Inc. (WA)	$624

Total Net Plant per Volume (line graph, page 18)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Enbridge Gas Distribution (Cdn$/10^3 m^3)	$222	$219	$238	$218	$232	$246	$277	$271	$280	$298	$302
U.S. Peer Group (US$/10^3 m^3)	$170	$193	$198	$204	$222	$229	$252	$243	$251	$271	$289

Total 2009 Gas O&M Expenses per Customer (bar graph, page 19)

Company Name	Total Exp per Customer (Cdn$ per Cust)
Public Service Co. of Colorado (CO)	$150
Northern Illinois Gas Company (IL)	$157
Enbridge Gas Distribution	$178
MidAmerican Energy Company (IA,IL)	$182
FortisBC (British Columbia)	$198
CenterPoint Energy Resources (MN)	$202
ATCO (Alberta)	$206
Northwest Natural Gas Co. (OR,WA)	$215
Wisconsin Energy Corporation (WI)	$224
Missouri Gas Energy Co. (MO)	$224
Manitoba Hydro (Manitoba)	$225
Puget Sound Energy, Inc. (WA)	$230
Vectren Corporation (IN)	$237
Ameren Corp. (CILCO, CIPS and IP) (IL)	$240
Union Gas Limited (Ontario)	$240
Consumers Energy Company (MI)	$244
Baltimore Gas & Electric Co. (MD)	$268
Washington Gas Light (DC,MD,VA,WV)	$272
SaskEnergy Inc. (Saskatchewan)	$272
Columbia Gas of Ohio, Inc. (OH)	$275
Questar Gas Company (UT)	$275
Iberdrola, S.A. (NY)	$287
NiSource Inc. (IN)	$306
Public Service Electric & Gas Co. (NJ)	$309
Laclede Gas Company (MO)	$316
Consolidated Edison, Inc. (NY)	$323
East Ohio Gas Company (OH)	$334
National Grid (NY)	$345
UGI Utilities, Inc. (PA)	$346
DTE Energy Company (MI)	$378
National Grid (MA)	$399
National Fuel Gas Distr. Corp. (NY)	$443
Integrys Energy Group, Inc. (IL)	$451
Philadelphia Gas Works Co. (PA)	$537
Gaz Metro (Quebec)	$798

Total 2010 Gas O&M Expenses per Customer (bar graph, page 19)

Company Name	Total Exp per Customer (Cdn$ per Cust)
Public Service Co. of Colorado (CO)	$140
Northern Illinois Gas Company (IL)	$141
CenterPoint Energy Resources (MN)	$165
MidAmerican Energy Company (IA,IL)	$167
Northwest Natural Gas Co. (OR,WA)	$176
Enbridge Gas Distribution	$180
Puget Sound Energy, Inc. (WA)	$202
Ameren Corp. (CILCO, CIPS and IP) (IL)	$209
Vectren Corporation (IN)	$210
Consumers Energy Company (MI)	$218
Missouri Gas Energy Co. (MO)	$219
Baltimore Gas & Electric Co. (MD)	$233
Wisconsin Energy Corporation (WI)	$233
Columbia Gas of Ohio, Inc. (OH)	$236
Washington Gas Light (DC,MD,VA,WV)	$253
NiSource Inc. (IN)	$261
Questar Gas Company (UT)	$262
Public Service Electric & Gas Co. (NJ)	$263
Laclede Gas Company (MO)	$272
Iberdrola, S.A. (NY)	$274
UGI Utilities, Inc. (PA)	$290
National Grid (NY)	$325
DTE Energy Company (MI)	$337
National Grid (MA)	$339
Consolidated Edison, Inc. (NY)	$351
East Ohio Gas Company (OH)	$360
National Fuel Gas Distr. Corp. (NY)	$391
Integrys Energy Group, Inc. (IL)	$400
Philadelphia Gas Works Co. (PA)	$504

Total Gas O&M Expenses per Customer (line graph, page 20)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Enbridge Gas Distribution (Cdn$/Cust)	$159	$167	$157	$174	$177	$171	$175	$176	$173	$178	$180
U.S. Peer Group (US$/Cust)	$202	$198	$190	$207	$214	$227	$225	$237	$249	$255	$258

Total 2009 Gas O&M Expenses per Volume (bar graph, page 20)

Company Name	Total Exp per 10^3 m^3omer (Cdn$ per 10^3 m^3)
Union Gas Limited (Ontario)	$25
Northern Illinois Gas Company (IL)	$25
Manitoba Hydro (Manitoba)	$27
Gaz Metro (Quebec)	$28
Enbridge Gas Distribution	$28
Public Service Co. of Colorado (CO)	$28
MidAmerican Energy Company (IA,IL)	$29
FortisBC (British Columbia)	$30
NiSource Inc. (IN)	$33
ATCO (Alberta)	$34
Wisconsin Energy Corporation (WI)	$38
CenterPoint Energy Resources (MN)	$38
Vectren Corporation (IN)	$43
Ameren Corp. (CILCO, CIPS and IP) (IL)	$44
Northwest Natural Gas Co. (OR,WA)	$45
Consolidated Edison, Inc. (NY)	$47
UGI Utilities, Inc. (PA)	$47
Questar Gas Company (UT)	$51
Missouri Gas Energy Co. (MO)	$52
SaskEnergy Inc. (Saskatchewan)	$52
Puget Sound Energy, Inc. (WA)	$53
Iberdrola, S.A. (NY)	$53
Columbia Gas of Ohio, Inc. (OH)	$56
Washington Gas Light (DC,MD,VA,WV)	$59
East Ohio Gas Company (OH)	$61
Baltimore Gas & Electric Co. (MD)	$61
National Grid (NY)	$62
Public Service Electric & Gas Co. (NJ)	$62
Consumers Energy Company (MI)	$64
Integrys Energy Group, Inc. (IL)	$73
Laclede Gas Company (MO)	$78
National Grid (MA)	$85
National Fuel Gas Distr. Corp. (NY)	$93
DTE Energy Company (MI)	$100
Philadelphia Gas Works Co. (PA)	$138

Total 2010 Gas O&M Expenses per Volume (bar graph, page 21)

Company Name	Total Exp per 10^3 m^3omer (Cdn$ per 10^3 m^3)
Northern Illinois Gas Company (IL)	$24
NiSource Inc. (IN)	$26
MidAmerican Energy Company (IA,IL)	$27
Public Service Co. of Colorado (CO)	$27
Enbridge Gas Distribution	$28
CenterPoint Energy Resources (MN)	$33
Vectren Corporation (IN)	$35
UGI Utilities, Inc. (PA)	$37
Ameren Corp. (CILCO, CIPS and IP) (IL)	$37
Northwest Natural Gas Co. (OR,WA)	$39
Wisconsin Energy Corporation (WI)	$42
Columbia Gas of Ohio, Inc. (OH)	$48
Questar Gas Company (UT)	$49
Missouri Gas Energy Co. (MO)	$50
Puget Sound Energy, Inc. (WA)	$51
Public Service Electric & Gas Co. (NJ)	$53
Washington Gas Light (DC,MD,VA,WV)	$53
Iberdrola, S.A. (NY)	$54
National Grid (MA)	$54
Consolidated Edison, Inc. (NY)	$55
Baltimore Gas & Electric Co. (MD)	$56
National Grid (NY)	$56
Consumers Energy Company (MI)	$60
East Ohio Gas Company (OH)	$60
Integrys Energy Group, Inc. (IL)	$68
Laclede Gas Company (MO)	$69
National Fuel Gas Distr. Corp. (NY)	$85
DTE Energy Company (MI)	$98
Philadelphia Gas Works Co. (PA)	$129

Total Gas O&M Expenses per Volume (line graph, page 21)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Enbridge Gas Distribution (Cdn$/10^3 m^3)	$20	$22	$22	$22	$24	$24	$27	$27	$27	$28	$28
U.S. Peer Group (US$/10^3 m^3)	$32	$35	$33	$36	$40	$43	$46	$45	$47	$51	$51

Total 2009 Labour Costs (excl. Capitalized Amounts) per Customer (bar graph, page 22)

Company Name	(Cdn$/Cust)
Columbia Gas of Ohio, Inc. (OH)	$47.1
East Ohio Gas Company (OH)	$55.2
Enbridge Gas Distribution	$67.2
Public Service Co. of Colorado (CO)	$73.0
Questar Gas Company (UT)	$73.1
Vectren Corporation (IN)	$78.4
Northern Illinois Gas Company (IL)	$84.5
Puget Sound Energy, Inc. (WA)	$85.8
Wisconsin Energy Corporation (WI)	$89.7
Iberdrola, S.A. (NY)	$92.9
CenterPoint Energy Resources (MN)	$109.6
National Grid (NY)	$114.2
Ameren Corp. (CILCO, CIPS and IP) (IL)	$114.2
Baltimore Gas & Electric Co. (MD)	$116.7
Missouri Gas Energy Co. (MO)	$121.0
NiSource Inc. (IN)	$131.5
Washington Gas Light (DC,MD,VA,WV)	$132.1
Integrys Energy Group, Inc. (IL)	$134.9
Consumers Energy Company (MI)	$134.9
Union Gas Limited (Ontario)	$140.1
Northwest Natural Gas Co. (OR,WA)	$149.1
DTE Energy Company (MI)	$152.3
Public Service Electric & Gas Co. (NJ)	$158.3
National Fuel Gas Distr. Corp. (NY)	$170.2
Consolidated Edison, Inc. (NY)	$178.1
Laclede Gas Company (MO)	$212.0
SaskEnergy Inc. (Saskatchewan)	$216.5
Philadelphia Gas Works Co. (PA)	$545.1

Total 2009 Labour Costs (incl. Capitalized Amounts) per Customer (bar graph, page 23)

Company Name	(Cdn$/Cust)
Columbia Gas of Ohio, Inc. (OH)	$69.5
East Ohio Gas Company (OH)	$84.9
Public Service Co. of Colorado (CO)	$88.1
FortisBC (British Columbia)	$94.6
Northern Illinois Gas Company (IL)	$94.8
Enbridge Gas Distribution	$103.1
Questar Gas Company (UT)	$106.4
Vectren Corporation (IN)	$108.0
Wisconsin Energy Corporation (WI)	$110.2
Iberdrola, S.A. (NY)	$111.3
Puget Sound Energy, Inc. (WA)	$112.6
Missouri Gas Energy Co. (MO)	$128.3
CenterPoint Energy Resources (MN)	$131.2
Baltimore Gas & Electric Co. (MD)	$138.8
NiSource Inc. (IN)	$149.1
Ameren Corp. (CILCO, CIPS and IP) (IL)	$150.0
Washington Gas Light (DC,MD,VA,WV)	$150.9
Integrys Energy Group, Inc. (IL)	$152.8
National Grid (NY)	$164.2
Consumers Energy Company (MI)	$172.0
Union Gas Limited (Ontario)	$172.1
ATCO (Alberta)	$172.7
National Fuel Gas Distr. Corp. (NY)	$182.8
National Grid (MA)	$190.9
DTE Energy Company (MI)	$193.3
Northwest Natural Gas Co. (OR,WA)	$199.1
Public Service Electric & Gas Co. (NJ)	$208.9
Laclede Gas Company (MO)	$249.8
Consolidated Edison, Inc. (NY)	$263.0
Philadelphia Gas Works Co. (PA)	$585.2
Gaz Metro (Quebec)	$709.4

Total 2010 Labour Costs (excl. Capitalized Amounts) per Customer (bar graph, page 22)

Company Name	(Cdn$/Cust)
Columbia Gas of Ohio, Inc. (OH)	$42.2
East Ohio Gas Company (OH)	$55.5
Public Service Co. of Colorado (CO)	$65.8
Enbridge Gas Distribution	$65.9
Questar Gas Company (UT)	$67.2
Vectren Corporation (IN)	$68.4
Northern Illinois Gas Company (IL)	$73.8
Iberdrola, S.A. (NY)	$77.2
Puget Sound Energy, Inc. (WA)	$79.5
Wisconsin Energy Corporation (WI)	$79.6
CenterPoint Energy Resources (MN)	$93.1
Ameren Corp. (CILCO, CIPS and IP) (IL)	$102.8
National Grid (NY)	$106.9
NiSource Inc. (IN)	$109.2
Baltimore Gas & Electric Co. (MD)	$110.2
Missouri Gas Energy Co. (MO)	$119.8
Consumers Energy Company (MI)	$120.7
Northwest Natural Gas Co. (OR,WA)	$128.5
Integrys Energy Group, Inc. (IL)	$132.4
Washington Gas Light (DC,MD,VA,WV)	$133.6
Public Service Electric & Gas Co. (NJ)	$136.0
DTE Energy Company (MI)	$146.2
National Fuel Gas Distr. Corp. (NY)	$160.5
Consolidated Edison, Inc. (NY)	$173.4
Laclede Gas Company (MO)	$185.7
Philadelphia Gas Works Co. (PA)	$385.8

Total 2010 Labour Costs (incl. Capitalized Amounts) per Customer (bar graph, page 24)

Company Name	(Cdn$/Cust)
Columbia Gas of Ohio, Inc. (OH)	$63.0
Public Service Co. of Colorado (CO)	$79.7
East Ohio Gas Company (OH)	$82.3
Northern Illinois Gas Company (IL)	$83.7
Iberdrola, S.A. (NY)	$92.3
Wisconsin Energy Corporation (WI)	$98.3
Vectren Corporation (IN)	$98.3
Questar Gas Company (UT)	$100.9
Puget Sound Energy, Inc. (WA)	$101.7
Enbridge Gas Distribution	$103.3
CenterPoint Energy Resources (MN)	$114.5
Missouri Gas Energy Co. (MO)	$125.5
NiSource Inc. (IN)	$126.7
Baltimore Gas & Electric Co. (MD)	$130.0
Ameren Corp. (CILCO, CIPS and IP) (IL)	$133.3
Washington Gas Light (DC,MD,VA,WV)	$150.1
National Grid (NY)	$152.3
Consumers Energy Company (MI)	$153.7
Integrys Energy Group, Inc. (IL)	$153.9
National Fuel Gas Distr. Corp. (NY)	$172.4
Northwest Natural Gas Co. (OR,WA)	$175.4
DTE Energy Company (MI)	$181.2
Public Service Electric & Gas Co. (NJ)	$188.1
National Grid (MA)	$210.1
Laclede Gas Company (MO)	$220.1
Consolidated Edison, Inc. (NY)	$247.0
Philadelphia Gas Works Co. (PA)	$407.4

Total Labour Costs (excl. Capitalized Amounts) per Customer (line graph, page 23)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Enbridge Gas Distribution (Cdn$/Cust)	$49	$52	$54	$58	$54	$52	$59	$66	$65	$67	$66
U.S. Peer Group (US$/Cust)	$90	$84	$85	$100	$103	$106	$106	$108	$106	$117	$115

Total Labour Costs (incl. Capitalized Amounts) per Customer (line graph, page 24)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Enbridge Gas Distribution (Cdn$/Cust)	$79	$73	$74	$77	$81	$86	$93	$101	$102	$103	$103
U.S. Peer Group (US$/Cust)	$115	$107	$111	$126	$127	$128	$129	$132	$132	$145	$143

Total 2009 Labour Costs (excl. Capitalized Amounts) per Employee (bar graph, page 25)

Company Name	(Cdn$000/Empl)
Puget Sound Energy, Inc. (WA)	22.5
NiSource Inc. (IN)	38.0
East Ohio Gas Company (OH)	40.6
Questar Gas Company (UT)	54.6
Vectren Corporation (IN)	60.5
Columbia Gas of Ohio, Inc. (OH)	64.5
Enbridge Gas Distribution	66.4
CenterPoint Energy Resources (MN)	67.2
Laclede Gas Company (MO)	76.6
Northern Illinois Gas Company (IL)	82.8
Union Gas Limited (Ontario)	85.2
Consolidated Edison, Inc. (NY)	85.5
National Fuel Gas Distr. Corp. (NY)	86.9
SaskEnergy Inc. (Saskatchewan)	89.8
Public Service Electric & Gas Co. (NJ)	92.8
Northwest Natural Gas Co. (OR,WA)	93.8
National Grid (NY)	95.1
Consumers Energy Company (MI)	99.8
Ameren Corp. (CILCO, CIPS and IP) (IL)	101.3
Iberdrola, S.A. (NY)	104.2
Integrys Energy Group, Inc. (IL)	105.3
Washington Gas Light (DC,MD,VA,WV)	106.6
DTE Energy Company (MI)	122.9
Philadelphia Gas Works Co. (PA)	163.8

Total 2010 Labour Costs (excl. Capitalized Amounts) per Employee (bar graph, page 26)

Company Name	(Cdn$000/Empl)
Puget Sound Energy, Inc. (WA)	21.3
NiSource Inc. (IN)	31.5
East Ohio Gas Company (OH)	42.3
Vectren Corporation (IN)	52.2
CenterPoint Energy Resources (MN)	56.5
Columbia Gas of Ohio, Inc. (OH)	57.0
Enbridge Gas Distribution	63.7
Questar Gas Company (UT)	66.0
Laclede Gas Company (MO)	71.1
Northern Illinois Gas Company (IL)	73.8
Northwest Natural Gas Co. (OR,WA)	83.8
National Fuel Gas Distr. Corp. (NY)	83.8
Consolidated Edison, Inc. (NY)	85.4
National Grid (NY)	88.9
Public Service Electric & Gas Co. (NJ)	92.4
Ameren Corp. (CILCO, CIPS and IP) (IL)	92.7
Consumers Energy Company (MI)	96.7
Integrys Energy Group, Inc. (IL)	100.8
Iberdrola, S.A. (NY)	101.1
Washington Gas Light (DC,MD,VA,WV)	111.6
Philadelphia Gas Works Co. (PA)	117.1
DTE Energy Company (MI)	118.4

Total Labour Costs (excl. Capitalized Amounts) per Employee (line graph, page 26)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Enbridge Gas Distribution (Cdn$/Empl)	$44	$51	$53	$54	$51	$45	$54	$60	$63	$66	$64
U.S. Peer Group (US$/Empl)	$74	$45	$46	$56	$59	$61	$65	$69	$68	$74	$76

Total 2009 Labour Costs (incl. Capitalized Amounts) per Employee (bar graph, page 27)

Company Name	(Cdn$000/Empl)
Puget Sound Energy, Inc. (WA)	29.5
NiSource Inc. (IN)	43.0
East Ohio Gas Company (OH)	62.4
FortisBC (British Columbia)	75.9
Questar Gas Company (UT)	79.5
CenterPoint Energy Resources (MN)	80.4
ATCO (Alberta)	83.3
Vectren Corporation (IN)	83.3
Laclede Gas Company (MO)	90.3
Northern Illinois Gas Company (IL)	92.9
National Fuel Gas Distr. Corp. (NY)	93.3
Columbia Gas of Ohio, Inc. (OH)	95.2
Gaz Metro (Quebec)	96.9
Enbridge Gas Distribution	101.9
Union Gas Limited (Ontario)	104.7
Integrys Energy Group, Inc. (IL)	119.3
Washington Gas Light (DC,MD,VA,WV)	121.8
Public Service Electric & Gas Co. (NJ)	122.5
Iberdrola, S.A. (NY)	124.8
Northwest Natural Gas Co. (OR,WA)	125.3
Consolidated Edison, Inc. (NY)	126.3
Consumers Energy Company (MI)	127.2
Ameren Corp. (CILCO, CIPS and IP) (IL)	133.0
National Grid (NY)	136.7
National Grid (MA)	138.1
DTE Energy Company (MI)	156.1
Philadelphia Gas Works Co. (PA)	175.9

Total 2010 Labour Costs (incl. Capitalized Amounts) per Employee (bar graph, page 27)

Company Name	(Cdn$000/Empl)
Puget Sound Energy, Inc. (WA)	27.2
NiSource Inc. (IN)	36.6
East Ohio Gas Company (OH)	62.9
CenterPoint Energy Resources (MN)	69.5
Vectren Corporation (IN)	75.1
Northern Illinois Gas Company (IL)	83.6
Laclede Gas Company (MO)	84.3
Columbia Gas of Ohio, Inc. (OH)	85.0
National Fuel Gas Distr. Corp. (NY)	90.1
Questar Gas Company (UT)	99.1
Enbridge Gas Distribution	99.8
Northwest Natural Gas Co. (OR,WA)	114.4
Integrys Energy Group, Inc. (IL)	117.1
Ameren Corp. (CILCO, CIPS and IP) (IL)	120.2
Iberdrola, S.A. (NY)	120.8
Consolidated Edison, Inc. (NY)	121.7
Consumers Energy Company (MI)	123.2
Philadelphia Gas Works Co. (PA)	123.6
Washington Gas Light (DC,MD,VA,WV)	125.3
National Grid (NY)	126.7
Public Service Electric & Gas Co. (NJ)	127.8
DTE Energy Company (MI)	146.7
National Grid (MA)	152.8

Total Labour Costs (incl. Capitalized Amounts) per Employee (line graph, page 28)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Enbridge Gas Distribution (Cdn$/Empl)	$71	$72	$73	$73	$76	$75	$85	$92	$99	$102	$100
U.S. Peer Group (US$/Empl)	$92	$58	$61	$71	$73	$76	$81	$88	$88	$94	$99

Total 2009 Natural Gas Customers per Employee (bar graph, page 28)

Company Name	Customers per Employee
Gaz Metro (Quebec)	137
Puget Sound Energy, Inc. (WA)	262
NiSource Inc. (IN)	289
Philadelphia Gas Works Co. (PA)	301
Laclede Gas Company (MO)	362
MidAmerican Energy Company (IA,IL)	382
Manitoba Hydro (Manitoba)	392
SaskEnergy Inc. (Saskatchewan)	415
UGI Utilities, Inc. (PA)	425
Consolidated Edison, Inc. (NY)	480
ATCO (Alberta)	482
National Fuel Gas Distr. Corp. (NY)	511
Public Service Electric & Gas Co. (NJ)	587
Union Gas Limited (Ontario)	608
CenterPoint Energy Resources (MN)	613
Northwest Natural Gas Co. (OR,WA)	629
National Grid (MA)	724
East Ohio Gas Company (OH)	735
Consumers Energy Company (MI)	740
Questar Gas Company (UT)	747
Vectren Corporation (IN)	772
Integrys Energy Group, Inc. (IL)	781
FortisBC (British Columbia)	802
Washington Gas Light (DC,MD,VA,WV)	807
DTE Energy Company (MI)	807
National Grid (NY)	832
Ameren Corp. (CILCO, CIPS and IP) (IL)	887
Northern Illinois Gas Company (IL)	980
Enbridge Gas Distribution	988
Iberdrola, S.A. (NY)	1,121
Columbia Gas of Ohio, Inc. (OH)	1,370

Total 2010 Natural Gas Customers per Employee (bar graph, page 29)

Company Name	Customers per Employee
Puget Sound Energy, Inc. (WA)	268
NiSource Inc. (IN)	289
Philadelphia Gas Works Co. (PA)	303
Laclede Gas Company (MO)	383
MidAmerican Energy Company (IA,IL)	410
UGI Utilities, Inc. (PA)	435
Consolidated Edison, Inc. (NY)	493
National Fuel Gas Distr. Corp. (NY)	522
CenterPoint Energy Resources (MN)	607
Northwest Natural Gas Co. (OR,WA)	652
Public Service Electric & Gas Co. (NJ)	679
National Grid (MA)	727
Integrys Energy Group, Inc. (IL)	761
East Ohio Gas Company (OH)	763
Vectren Corporation (IN)	764
Consumers Energy Company (MI)	802
DTE Energy Company (MI)	810
National Grid (NY)	832
Washington Gas Light (DC,MD,VA,WV)	835
Ameren Corp. (CILCO, CIPS and IP) (IL)	902
Enbridge Gas Distribution	966
Questar Gas Company (UT)	982
Northern Illinois Gas Company (IL)	999
Iberdrola, S.A. (NY)	1,309
Columbia Gas of Ohio, Inc. (OH)	1,350

Total Natural Gas Customers per Employee (line graph, page 29)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Enbridge Gas Distribution (Cust/Empl)	$902	$987	$984	$941	$941	$878	$911	$911	$973	$988	$966
U.S. Peer Group (Cust/Empl)	$738	$549	$600	$625	$652	$614	$651	$680	$680	$673	$703

BOARD STAFF INTERROGATORY #20

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 8

CEA indicates that only 2009 data was collected for the Canadian utilities in the peer group. Does CEA believe that robust benchmarking comparisons can be developed using only a single year's worth of data? Please explain.

RESPONSE

Ideally, Concentric would have preferred to have included multiple years of data for the Canadian utilities in the benchmarking study; however, Concentric is not aware of a comprehensive source where the necessary data for Canadian utilities is compiled. Concentric believes the benefits of comparing Enbridge to other Canadian utilities, even for only one year, outweigh the drawbacks of not including any Canadian utilities.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #21

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 9

a) Did CEA express the data for the US and Canadian companies in terms of a common currency?

b) If so, was this currency US dollars or Canadian dollars?

c) Please identify the choice of the exchange rates used by CEA; in particular, identify:

   i. Whether the selected exchange rates in a given year were average values of the US$:C$ exchange rate for the year, purchasing power parity values of the US$:C$ exchange rate for the year, or a different measure.
   ii. Provide data on the value of the exchange rate(s) used in each year of the sample.

RESPONSE

a) As explained in footnote 5, page 15, the bar charts are expressed in Canadian dollars, while the line graphs are expressed in own-country U.S. and Canadian dollars (i.e., U.S. company data is expressed in U.S. dollars and Enbridge data is expressed in Canadian dollars).

b) Please see the response to part a) above.

c) i) The exchange rates were sourced from the Bank of Canada: Financial Markets Department, Year Average of Exchange Rates. According to that publication, the annual exchange rates are a 251 day average of “nominal quotations based on official parities or market rates in terms of United States dollars, converted into Canadian dollars around noon Ottawa time.”

Witnesses M. Bartos
J. Coyne
J. Simpson
Concentric

ii) The annual exchange rates used to produce the bar graphs in the analysis are provided in the table below:

2009	2010
1.14197729	1.02993904

Witnesses M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #22

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 10

Please provide data on the share of residential customers of total customers, for all utilities in the sample and for all sample years.

RESPONSE

Data for the share of residential customers of total customers for each company is contained in the response to Board Staff Interrogatory #19, which can be found at Exhibit I, Tab O3, Schedule 1.19, Attachment B, page 1.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #23

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 10

Please provide all information and empirical research to support CEA's view that there are "additional capital and operating expenses associated with serving a larger proportion of smaller customers." Is one implication of this statement that there are lower capital and operating expenses associated with serving a larger proportion of larger (*i.e.,* large commercial and industrial) customers? Please explain.

RESPONSE

The quoted statement was intended to state that "Enbridge may experience higher costs per volume than utilities with fewer residential customers due to the additional capital and operating expenses per volume associated with serving a larger proportion of smaller customers." As revised, this view is based on Concentric's experience in consulting for and working at gas distribution companies. Concentric did not review any documents or empirical research to support that statement.

As a general overview, the cost per volume[1] to serve small use customers is greater than the cost per volume to serve larger customers. As a direct result, the tariffed rates that are charged to residential and small non-residential customer classes are greater than the tariffed rates charged to other customer classes.

In Concentric's experience, costs per volume for residential and small non-residential are greater than costs per volume for larger customers as a result of (a) Customer

[1] As used in this response, "cost" and "cost per volume" include distribution costs, and do not include gas costs or production costs.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

Accounts expenses[2], (b) rate base associated with meters and services; (c) O&M expense associated with meters and services; and (d) some incidental costs, such as meter reading expense and billing expense that are roughly equal on a "per customer" basis for all customers, independent of size, and therefore are greater on a per volume basis for small customers than for larger customers.

[2] Customer Accounts expenses include customer records and collection expenses, uncollectible accounts, and related supervisory expense. For the typical utility, much of Customer Accounts expense is related to residential customer activities.

BOARD STAFF INTERROGATORY #24

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 13

CEA writes that "Enbridge is in the top quartile in terms of natural gas volumes per largest volume per customer when compared against U.S. utilities."
Please provide a complete list of specific gas distribution OM&A costs that are, in CEA's opinion, significantly related to the changes in a distributor's gas delivery volumes. Please explain the sources of this relationship between changes in delivery volumes and changes in costs for each specified component of OM&A costs.

RESPONSE

Exhibit A2, Tab 1, Schedule 2, page 13, does not include any statement concerning a relationship between gas distribution OM&A costs and changes in a distributor's gas delivery volumes. It is Concentric's opinion that few, if any, categories of gas distribution OM&A costs are directly related to year-to-year changes in a distributor's gas delivery volumes.[1]

However, it is also Concentric's opinion that annual OM&A expenses per volume of gas deliveries for a group of gas distribution companies is an appropriate measure of the relative efficiency of those gas distribution companies in that year. The relative efficiency of Enbridge and 30 peer group US and Canadian gas distribution companies in 2009 and 2010 as measured by O&M expenses per volume is shown Exhibit A2, Tab 1, Schedule 2, Pages 22 and 23. In addition, a general upward trend in gas distribution O&M per volume for Enbridge and for the US peer group is shown on Exhibit A2, Tab 1,

[1] Over the long run, a gas distribution company's real OM&A costs are related to a number of factors, including number of customers, composition of those customers, peak demand, design day demand, and annual throughput/demand, which may all be strongly correlated with that distributor's gas delivery volumes.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

Schedule 2, page 23; that upward trend is partly caused by a general downward trend volume per customer for Enbridge and the US peer group.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #25

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?
Ref: Ex A2/Tab 1/Sch 2/Page 16

CEA writes that "overall, Enbridge is above average in terms of size and density as compared to the peer group, but is comfortably within the range of peer group results, indicating that the peer group is appropriate for benchmarking."

a) Would CEA's opinion on whether Enbridge "is comfortably within the range of peer group results" be changed if the peer group was based on individual operating subsidiary gas distributors instead of "companies" created by aggregating the operating subsidiaries of a parent company operating in a single state? Please explain.

b) Does CEA's opinion imply that a peer group would *not* be appropriate for benchmarking for a given distributor if that distributor was not "comfortably within the range of peer group results" with respect to the size of operations? Please explain.

RESPONSE

a) No. Concentric's conclusion is based on a comparison of seven measures of size and density, where Enbridge ranks from 3rd to 20th, depending on the measure. In all but one measure (Residential Volumes as % of Total Volumes), Enbridge is in the top quartile, but in all cases at least two peer companies are larger. Concentric has not made these same comparisons with disaggregated data for in-state operations for the same holding company because we believe it is inappropriate to do so (just as we would not disaggregate Enbridge data into its three service territories), but we observe that in every measure there would be at least one larger company in all seven categories. The rationale for inclusion of Enbridge in this peer group would not change, as we conclude that the benefits of a sufficiently large peer group outweigh the loss of important data with a more limiting screen.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

b) Not necessarily. Size is but one of the factors that we determined was important to use as criteria in developing the sample group. We began our analysis by selecting companies in the gas distribution business, and then further applied a weather screen and a size screen to create a peer group that in Concentric's opinion is representative of companies with EGD's operating profile.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #26

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 16

CEA writes that "benchmarking analysis is predicated on comparing the subject company to a sufficiently large group of comparison companies." Please provide all academic or other published studies that CEA is aware of that supports this opinion.

RESPONSE

Concentric did not base this statement on a specific academic study; it is well accepted in statistics that larger sample sizes provide greater statistical confidence than smaller sample sizes for a given population. See for example, Larsen, R.J. and Marx, M.L, "An Introduction to Mathematical Statistics and Its Applications, Third Edition," (2001), p. 330-331: "Larger values of *n* will, of course, yield estimates having greater precision, but more observations also demand greater expenditures of time and money."

This principle also extends to benchmarking; it is desirable to have a larger group of comparison companies against which to compare the subject company, assuming the companies are similar and necessary data is available. Based on Concentric's experience, it is common for utility benchmarking studies to include 20-40 companies in the base sample group.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #27

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 16

CEA writes that "from a cost expectations standpoint, Enbridge's scale and customer density attributes would lead us to expect the company to operate at the upper end of the efficiency range. This is, however, somewhat mitigated by its larger concentration of residential customers."

a) Does CEA believe that, "from a cost expectations standpoint," the unit costs expected for two equally sized gas distributors in the same State (with all other business conditions assumed to be equal) would be equal to, less than, or greater than, the unit costs of a notional company that was constructed by aggregating the data of these two companies together. Please explain.

b) Why does CEA believe that larger scale and a more dense customer service territory are likely to put a gas distributor "at the upper end of the efficiency range"? Please explain.

c) Why does CEA believe that the impact of Enbridge's scale and customer density is only "somewhat mitigated by its larger concentration of residential customers"? Please explain.

d) More generally, what is the empirical basis for CEA's opinion on the relative quantitative impact that *any* individual business condition variable has on Enbridge's OM&A cost performance compared with the quantitative impact of any other business condition variable? Please explain in detail.

RESPONSE

a) Additional information concerning the conditions faced by these hypothetical gas distribution companies is necessary for Concentric to respond to the question as

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

written. For example, if the "two equally sized gas distributors in the same State (with all other business conditions assumed to be equal)" are subsidiaries of the same parent company, Concentric would expect that the operations of the two companies would be substantially integrated and consolidated, even if the service territories of the two gas distribution companies were not contiguous to each other. In that case, if the shared costs associated with the consolidated operations of these two companies was allocated equally to both of the companies, Concentric would expect that the unit costs of these two equally sized gas distributors would be equal to the unit costs of a single notional company that was the combination of the two separate companies.

b) As used in the cited sentence, "efficiency" could be measured by overall costs per distribution volume or per customer. Thus, scale affects overall costs per distribution volume or per customer because, other things equal, certain categories of costs such as (1) A&G expenses and (2) supervisory expenses in operations areas do not increase in proportion to increases in scale. That is, a large gas distribution company is likely to have lower A&G and supervisory costs per volume or customer.[1]

   The density of a gas distribution company's customer service territory as measured by customers per mile of distribution main affects overall costs per distribution volume or per customer because, other things equal, mains-related costs[2] per customer or volume are lower for high-density gas distribution companies.

c) Gas distribution companies with larger concentration of residential customers generally have: (1) additional operating expenses related to Customer Accounts expenses that are associated with serving residential customers and (2) additional operating costs related to underground LNG and LP storage and production facilities and underground storage facilities located in the distribution company's service territory.[3] In Concentric's opinion, the effects of scale and customer

---

[1] Although difficult to quantify, it is generally believed that a large distribution company has better bargaining power to obtain favorable terms from vendors, which results in lower expenses and capital costs, other things equal.

[2] Mains-related costs include return, depreciation, and taxes associated with distribution Mains plant in service and rate base and distribution mains operation and maintenance expense.

[3] These production facilities are required to serve peak season demand, which is associated with space heating loads. Space heating load represents a larger proportion of residential demand than non-residential demand.

density would generally outweigh the effects of the concentration of residential customers on a gas distribution company's overall costs per distribution volume or per customer. For that reason, the impact of Enbridge's scale and customer density is somewhat – but not completely - mitigated by its larger concentration of residential customers.

d) In general, Concentric's opinions concerning the factors that impact the OM&A cost performance of Enbridge or any gas distribution company are based on Concentric's experience with consulting projects for a number of Canadian and US gas distribution companies; in addition, Concentric consultants have held manager and executive level positions with gas distribution companies.

As explained at Exhibit A2, Tab 1, Schedule 2, page 4, the criteria that were used to determine the peer group for the Industry Benchmarking study were designed (1) to ensure that the companies in the peer group had similar operating conditions to Enbridge and (2) to allow for a peer group with a sufficient number of companies to provide a reasonably broad perspective.

Lastly, in Concentric's experience, efforts to quantify the impact of business conditions on gas distribution OM&A cost performance using statistical analyses generally have limited applicability because data that accurately measure all business conditions that might impact gas distribution OM&A cost performance is not available, and not readily comparable across companies.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #28

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 17

CEA writes "consistent with its high residential customer profile, Enbridge ranks tenth highest in terms of total net plant per customer in 2009..."

a) In CEA's opinion, does it generally take more or less plant to serve a commercial customer than a residential customer? Please explain.

b) In CEA's opinion, does it generally take more or less plant to serve an industrial customer than a residential customer? Please explain.

RESPONSE

a) and b)
It is Concentric's view that it generally takes less plant to serve a residential customer than a commercial or industrial customer. It should be noted that there are a number of factors that affect the relative levels of plant to serve residential customers compared to commercial or industrial customers. In general, the overall net plant per customer for a gas distribution company would be affected by such factors as (a) the mix of customers (residential, commercial, industrial, and other); (b) customer density (customers per distance of distribution main), (c) age of the plant: (d) the mix of materials for services and mains (steel, plastic, cast iron); (e) population density in the service territory (urban, suburban, rural); (f) composition of construction crews (utility union, utility non-union, contractor union, contractor non-union); and (g) other factors. Based on Enbridge's mix of customers, customer density and mix of materials, Enbridge could be expected to rank relatively low in terms of net plant per customer compared to the other 2009 and

Witness: M. Bartos
J. Coyne
J. Simpson
Concentric

2010 comparison companies. [1] Of the remaining factors, population density seems to have a significant effect on the rank of distribution companies in terms of net plant per customer. In addition to Enbridge, the highest ranked distribution companies in the comparison group, ranked by net plant per customer, include companies that serve very large urban areas such as New York City, Philadelphia, northern New Jersey, Chicago, Long Island, and Washington DC.

[1] The Total Net Plant per Customer graphs on Ex A2/Tab 1/Sch 2/Pages 17 and 18 rank comparison group companies from lowest (NiSource Inc. (IN)) to highest (Gaz Metro (Quebec)) Net Plant per customer. Thus, based on Enbridge's mix of customers, customer density and mix of materials, Enbridge's 2009 and 2010 net plant per customer could be expected to be relatively low compared to the other 2009 and 2010 comparison group companies, other things being equal.

BOARD STAFF INTERROGATORY #29

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Page 25

CEA writes that Enbridge "ranks 10th lowest (in labour costs per customer) compared to the U.S, peer group. This shift is attributable to aforementioned exchange rate differential."

a) Please identify where the CEA report discusses the "aforementioned exchange rate differential."

b) Please explain the impact of this exchange rate differential on Enbridge's estimated labour costs per customer, relative to the US peer group

RESPONSE

a) The aforementioned exchange rate differential is discussed in footnote 5, page 15 of Exhibit A2, Tab 1, Schedule 29.

b) As shown on the line graph on page 24, both Enbridge and the US peer group's labour cost per customer (including capitalized amounts) were approximately constant in 2009 and 2010 when measured in own-country dollars. Enbridge's labour cost per customer (including capitalized amounts) was approximately $103 in both 2009 and 2010, measured in Canadian dollars. The US peer group average labour cost per customer (including capitalized amounts) was approximately $145 in 2009 and $143 in 2010, measured in US dollars. However, when the US peer group costs are converted into Canadian dollars for the bar charts, the results are no longer almost constant for 2009 and 2010. Due to the 1.14 exchange rate in 2009, the US peer group average labour cost per customer (including capitalized amounts) in Canadian dollars is $165 in 2009 and is $148 in 2010 with an exchange rate of 1.03. This exchange rate differential creates the impression that the relative position of Enbridge's labor cost per customer (including capitalized amounts) compared to the US peer group changed between 2009 and 2010 as it went from 5th to 10th when

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

all data is expressed in Canadian dollars, while the values in own-country dollars did not change substantially.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #30

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Pages 26-27

Please explain how Enbridge's labour cost of approximately $65,000 per employee can be lower than the average in the peer group even though it operates in two of the most expensive metropolitan areas in North America in terms of overall cost of living. Is this an indicator that the exchange rates used by CEA to express all monetary values in a common currency are distorting the OM&A benchmarking comparisons? Please explain.

RESPONSE

Concentric has not conducted analysis of the factors leading to Enbridge's labor costs in relation to its peers. The number cited in the question is labor cost per employee, excluding capitalized labor. The data reported on page 27 that includes capitalized labor is similar to the US average. This is still noteworthy given the relatively high cost of living in Enbridge's metropolitan areas.

No, this is not attributable to differences in currency exchange rates. Compared to Canadian companies, Enbridge's labor costs (excluding capitalized amounts) are lower than Union's in 2009 (see p. 25), and fall between Union's and Gaz Metro's (including capitalized amounts), but all three companies are above Fortis BC as shown on page 27. Expressed in either US or Canadian dollars, EGD is closer to the average of the US peer group in 2010, including capitalized amounts. The benchmarking comparisons are reinforced by the use of both Canadian and US companies, and comparison in the respective currencies.

Witnesses: M. Bartos
J. Coyne
J. Simpson
Concentric

BOARD STAFF INTERROGATORY #31

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: Ex A2/Tab 1/Sch 2/Pages 32-33

a) Did Enbridge participate in any benchmarking studies that identify specific "best practices" with respect to investment practices, or in optimizing the tradeoffs between distribution maintenance and replacement of gas distribution facilities? If so, was EGD itself ever identified as having the "best practice" in any of these areas? If so, please identify all such areas.

b) Did Enbridge adjust its own operations to incorporate or move towards "best practice" in any area where Enbridge's capitalization practices, or assessment of the tradeoffs between maintenance and capital replacement, were not deemed to be best practice? If not, please explain why.

RESPONSE

a) EGD discusses benchmarking studies in which it participated in response to Board Staff Interrogatory #7, filed at Exhibit I, Tab O3, Schedule 1.7. None of these benchmarking studies are specifically focused on best practices with respect to investment practices, although one of the studies deals with asset management practices (Asset Renewal Study).

b) Not applicable.

Witnesses: R. Fischer
M. Lister

BOARD STAFF INTERROGATORY #1

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Reference: Energy Probe Interrogatory F.1
Line 18 of Exhibits E3, Tab 1, Schedule 1, E4, Tab 1, Schedule 1 and E5, Tab 1, Schedule 1
Line 16 of Exhibits F3, Tab 1, Schedule 1, F4, Tab 1, Schedule 1 and F5, Tab 1, Schedule 1
Exhibit B, Tab 1, Schedule 2 in each of the following proceedings:
EB-2009-0055; EB-2010-0042; EB-2011-0008; EB-2012-0055
Exhibit J2.4 in EB-2011-0277
Union Gas Exhibit J.O-4-14-1 in EB-2011-0210

Throughout the evidence filed by EGD, elements of the proposed 2013 revenue requirement are compared to elements of the 2007 Board approved revenue requirement, as well as to actual expenditures in years prior to 2013.

In order to enable us to evaluate the appropriateness of the revenue requirement and revenue deficiency amounts EGD asks the Board to approve for 2013, and, in particular, whether gains achieved under incentive regulation are reflected in EGD's proposed 2013 revenue requirement, what we seek is a spreadsheet presentation that starts with the elements of the Board approved 2007 revenue requirement and then tracks the causes of the revenue requirement sufficiencies or deficiencies achieved year-by-year from 2007 to 2012 inclusive so that all of this information can be considered alongside the elements of the proposed revenue requirement for 2013.

Attachment 1 to Union Gas Limited's ("Union") response to a CME Interrogatory in its Rebasing case (copy attached) depicts the format of the initial spreadsheet presentation we seek.

To be clear, we are seeking a presentation by EGD of its actual revenue sufficiency/deficiency amounts in each of the years 2007 to 2012 inclusive based on the approved benchmark Return on Equity ("ROE") for each of those years under the

Witnesses: L. Au
K. Culbert
S. Kancharla
D. Kelly
R. Lei
M. Lister

Incentive Regulation Mechanism ("IRM") Agreement. The ROE that EGD uses as the "Approved" Equity Return in its revenue sufficiency/deficiency presentations for 2011 and 2012 in Exhibits E and F at Tabs 3, 4 and 5; as well as in its presentations in its Earnings Sharing Mechanism ("ESM") calculations for 2008 to 2012 inclusive at Exhibit B, Tab 1, Schedule 2 in each of the proceedings described in the above reference is that benchmark return plus the 100 basis points of ROE deadband to which EGD is entitled under the ESM in the IRM Plan.

In these circumstances, it appears that the "Gross Sufficiency" amounts that EGD presented in Exhibit J2.4 in the EB-2011-0277 proceeding of $11.2M for 2008, $38.6M for 2009, $34.7M for 2010, and $28.1M for 2011 may be understated. We are unclear as to whether these amounts represent the Gross Sufficiency derived from use of the benchmark ROE's for each of those years as the measure of the "Approved" ROE, or a lower Gross Sufficiency that results from using the benchmark ROE in each of those years, plus the 100 basis points of earnings sharing deadband as the "Approved" ROE. The 100 basis points deadband is not a component of "Approved" ROE. It is a component of the ESM.

Having regard to the foregoing, would EGD please provide the following information:

(a) Clarification of whether the Gross Sufficiency for 2008, 2009, 2010 and 2011 presented in materials filed in its ESM proceedings for each of those years reflects the benchmark ROE in each of those years as shown in line 41 of Exhibit B, Tab 1, Schedule 2 in each of those proceedings of:

(i) 8.66% for 2008;

(ii) 8.31% for 2009;

(iii) 8.37% for 2010;

(iv) 7.94% for 2011; and

(v) 7.52% for 2012 (as shown in Exhibit M1, Tab 1, Schedule 1, para.9);

(b) If the Gross Sufficiency amounts presented by EGD in Exhibit J2.4 in EB-2011-0277 do not reflect the benchmark ROE's described above, then please provide the Gross Sufficiency amounts for each of the years 2008 to 2011 inclusive and for 2012 estimated that derive from the use of the benchmark ROE for each of those years;

Witnesses: L. Au
K. Culbert
S. Kancharla
D. Kelly
R. Lei
M. Lister

(c) A summary schedule in spreadsheet format that starts with a column containing each of the line items to be provided in EGD's response to Energy Probe Interrogatory F.1 requesting a presentation in a format similar to that provided by Union in Exhibit A2, Tab 6, Schedule 2 of EB-2011-0210, followed by columns containing the information for actual years 2007 to 2012 inclusive, followed by the 2013 column requested in Energy Probe Interrogatory F.1. The format of this presentation should be similar to Attachment 1 to Union's response to CME Interrogatory Exhibit J.O-4-14-1 in EB-2011-0210;

(d) For each of the columns 2007 actual to 2012 estimated actual, please provide the following additional information in a revenue deficiency/sufficiency format, including a brief description, by line item, of the cost for:

(i) 2007 Actuals being less than 2007 Board Approved elements of the revenue requirement presentation;

(ii) 2008 Actuals differing from 2007 Actuals;

(iii) 2009 Actuals differing from 2008 Actuals;

(iv) 2010 Actuals differing from 2009 Actuals;

(v) 2011 Actuals differing from 2010 Actuals;

(vi) 2012 Estimated Actuals differing from 2011 Actuals; and

(vii) 2013 Elements of Revenue Requirement differing from 2012 Estimated Actuals.

(e) For each of the line item explanations in each year provided in response to the previous question, please identify the portion of each line item that represents an efficiency or productivity gain compared to the previous year and whether that productivity or efficiency gain continues into the following year;

(f) For each of the line item explanations in each year to be provided above, please identify items of gain that were neither efficiency nor productivity gains, and describe the factors that gave rise to savings that were neither productivity nor efficiency related such as the following:

Witnesses: L. Au
K. Culbert
S. Kancharla
D. Kelly
R. Lei
M. Lister

(i) An initial under-forecast of revenues; and/or

(ii) An initial over-forecast of expenses.

(g) For each of the years 2007 to 2012 inclusive, please provide a summary presentation identifying the major causes of the revenue sufficiencies achieved in each of those years. For example, if the gross revenue sufficiencies for 2009 and 2010 are $38.6M and $34.7M as shown in Exhibit J2.4 in EB-2011-0277, and not some higher number, then what we are interested in is a statement summarizing the major causes for each of those revenue sufficiency amounts in each of those years and as well for years 2007, 2008, 2011 and 2012;

(h) In the summaries of the major causes for the revenue deficiencies in each year, please indicate the extent to which the drivers of the sufficiency in each year are sustainable in 2013.

RESPONSE

Please see response to CME Interrogatory #1filed at Exhibit I, Issue F2, Schedule 4.1.

Witnesses: L. Au
K. Culbert
S. Kancharla
D. Kelly
R. Lei
M. Lister

CCC INTERROGATORY #1

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: (A2/T1/S1

The evidence states that through the course of the IR term Enbridge evaluated the way it goes about its business in an effort to find as many productivity and efficiency gains as possible. Please provide any internal reports or correspondence which relate to potential productivity initiatives during the IR term. Please include any correspondence with staff regarding productivity during the IR term.

RESPONSE

Please see the response to CCC Interrogatory #2, filed at Exhibit I, Tab O3, Schedule 5.2 for a presentation of activities that resulted in cost reductions during the IR plan.

Witnesses: R. Fischer
M. Lister
S. Kancharla

CCC INTERROGATORY #2

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: A2/T1/S1/p. 8

The evidence states that as a result of Enbridge's cost of service rebasing in 2013, the benefits of the productivity gains achieved during the IR term will be passed on to ratepayers. Please list all of these "gains" and the associated savings, by year. For each item please identify where it is reflected in the cost of service evidence.

RESPONSE

Productivity gains during the Incentive Regulation (IR) term have been achieved through the active management of cost increases and by process improvements and projects that have contributed to earnings sharing for the benefit of both ratepayers and shareholders.

The benefits of productivity gains during the IR term have come from a variety of sources. Specifically, the Company managed cost increases that were materially different from the allowed rate increases during the term of the plan, undertook process improvements and projects to enhance productivity, and generated earnings sharing for the benefit of both ratepayers and shareholders.

Though the quantum of efficiencies achieved are difficult to measure precisely, clearly they were achieved and demonstrated by existence of a productivity factor in the IR formula (the X-Factor) and the generation of earnings sharing with ratepayers. Combined with generally low GDPIPI FDD inflation, these contributed to distribution rate increases significantly less than the rate of inflation. In addition, EGD continued to add customers at a rate approaching 2% per year.

The Benchmarking Study prepared for EGD, filed as Exhibit A2, Tab 1, Schedule 2, states at pages 18,19 and 22 that:

> *"Enbridge was in the lowest quartile in terms of gas O&M per customer for both 2009 and 2010 and the lowest gas O&M expense per customer compared to the Canadian peer group"*
>
> *"Over the 2003 to 2010 time period, Enbridge's O&M expenses per customer metric has remained steady at an average of approximately $176 per customer, whereas the U.S,. peer group average has grown steadily since 2002"*
>
> *"In terms of labour costs, Enbridge has the lowest labour costs per customer metric in 2009 and the fourth lowest in 2010 compared to the peer group overall. Compared to the Canadian peer group, Enbridge has the lowest labour costs per customer…"*

The benchmarking data demonstrates that EGD has historically been an industry leader in terms of operating efficiently and managing its O&M costs. Further efforts were pursued during the IR period to improve efficiency.

This is demonstrated by the fact that even though the IR formula included an X Factor productivity offset – building in an expectation by the regulator that a minimum level of efficiencies need to be realized before even the allowed return can be earned by the Company – EGD was able to achieve earnings sharing with ratepayers each year, confirming that additional cost savings and efficiencies were realized through effective, sustainable cost management.

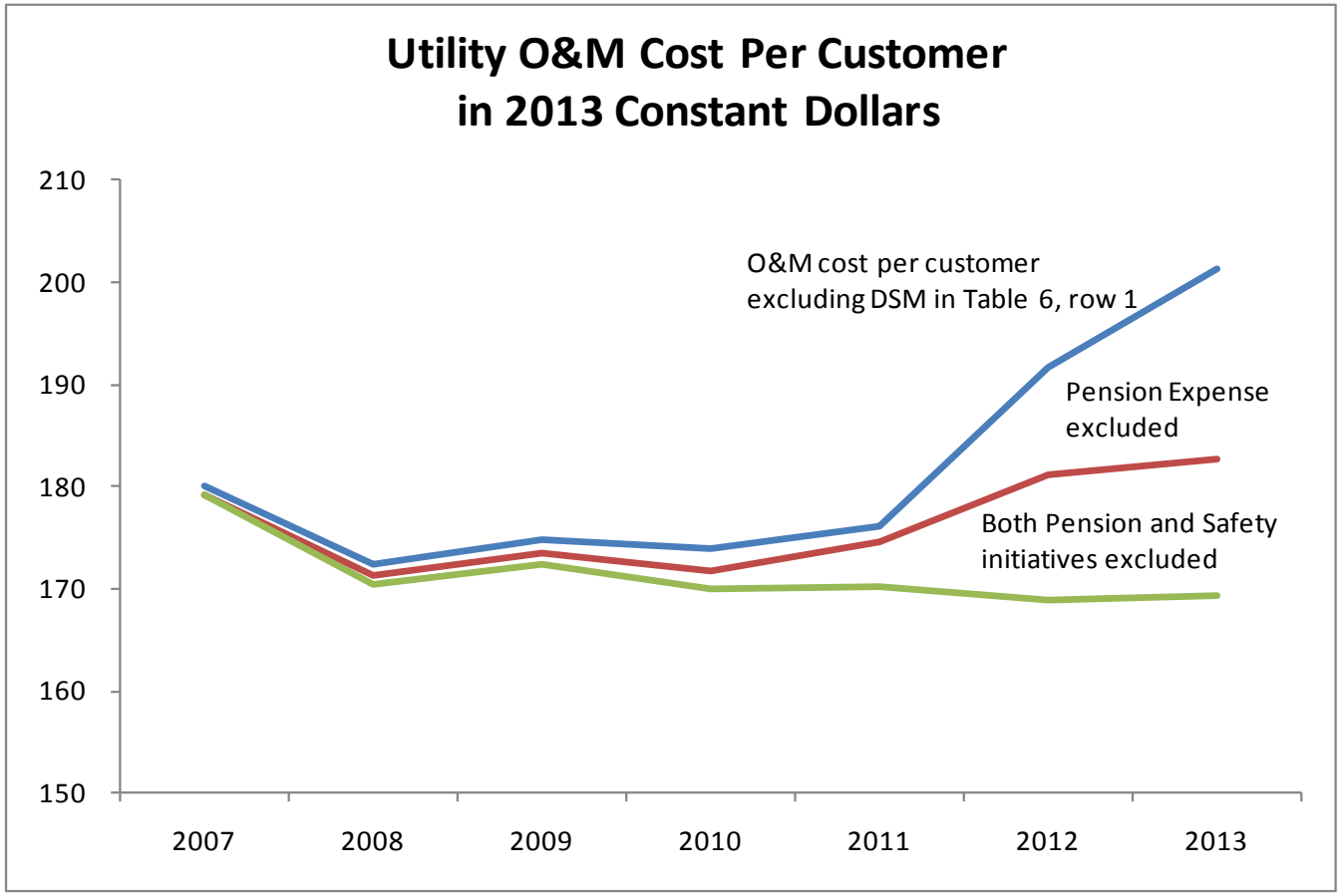
Cost Management

The table and graph below summarize Utility O&M cost per customer, with and without pension and incremental safety initiative expenses. Pension and new safety initiative expenses being incurred by EGD, particularly in 2012 and 2013, are incremental, non-discretionary costs associated with adherence to legislative directives, evolving industry standards, and the maintenance of a safe, reliable distribution system. These expenditures are a break from historical norms. The table and graph demonstrate that O&M costs, excluding incremental pension expense and safety initiatives have decreased by 5.5% from 2007 to 2013. In the result, inflation-adjusted O&M costs have decreased over the time period 2007-2013, largely as a result of productivity gains achieved by the Company. Further detail is provided in the response to Board Staff Interrogatory #6, filed at Exhibit I, Tab D1, Schedule 1.1.

Table 1
Utility O&M Cost Per Customer
in 2013 Constant Dollars

Line No.		Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Estimate 2012	Budget 2013	2013 vs. 2007
1.	Utility O&M cost per customer*	$180.03	$172.30	$174.91	$173.86	$176.18	$191.73	$201.23	11.8%
2.	Pension expense excluded	179.13	171.29	173.47	171.70	174.48	181.20	182.78	2.0%
3.	Pension expense and safety initiative excluded	179.13	170.33	172.50	169.95	170.14	168.92	169.33	-5.5%

* DSM costs are excluded



Witness: R. Fischer
S. Kancharla
M. Lister

Productivity-Enhancing Processes & Projects

During the IR period, EGD focused on productivity enhancements through the ongoing improvement of existing processes and the development and implementation of new ones. Key process improvements and specific projects undertaken during the IR period are discussed below.

It should be noted that process improvements which enhanced the Company's decision making ability, and as a result improved efficiency, are difficult to quantify precisely. Many of the cost savings or efficiencies can only be viewed against costs that would have been incurred in the absence of implementing these processes and projects. To attempt to monetize the tangible benefits associated with these process changes would require a significant amount of effort and estimations dependant upon a host of assumptions. Accordingly, EGD has not attempted to track or quantify the benefits associated with these processes.

Asset Management

(Ref: D1, T20, S1) Asset Management is a systematic process of planning, designing, operating, maintaining and retiring physical assets cost-effectively. It combines engineering principles with sound business practices and economic theory, and it provides tools to facilitate a more organized, logical approach to decision-making. Employing asset management techniques, the Company has created a 10-Year Asset Plan, setting out its requirements for Distribution Assets during that period.

The Asset Plan will:

- Align asset-related activities with the organization's key priorities (e.g. safety, reliability, efficiency, profitability, etc.)
- Provide inputs to the organization's planning and budgeting processes
- Provide a basis for substantiating financial requirements
- Meet regulatory requirements

EGD anticipates that its Asset Plan will be useful and of interest to a number of internal and external stakeholders. The Asset Plan will give context to forecast distribution system capital costs for a given year. It will provide guidance in respect of expected future needs and spending and it will outline the utility prioritization of system spending requirements over a period of ten years. This process will generate future annual savings and cost avoidance by enhancing decision making and the effective and efficient prioritization of expenditures. For example, by improving the Company's ability to anticipate when repair or replacement is required, the number of incidents, shut downs, and emergency repairs are reduced.

Witness: R. Fischer
S. Kancharla
M. Lister

Evolution of Capital Management

Prior to the development of EGD's new Asset Management system, priorities for capital spending were established by individual departments based on a variety of considerations such as feasibility criteria for adding new customers, traditional cost/benefit analysis for opportunities such as the deployment of new technology, the need to address specific safety and reliability issues such as cast iron replacement, the ongoing requirements of sustaining the distribution system such as station upgrades, and providing for ongoing needs such as facilities, fleet and equipment, etc. These capital requirements were reviewed and consolidated as part of the overall annual budgeting process.

The primary difference with using the Asset Management approach is a more explicit incorporation of risk considerations into the prioritization process which was implemented during the IR term. At the beginning of IR, EGD developed a prioritization process that facilitated a rough ranking of capital projects based on their estimated costs, expected benefits and risk considerations. The process used should be viewed as a decision support tool that attempts to value and compare competing projects for the purpose of ranking them, not as a precise monetary valuation of each project.

In applying this approach over successive years, there has been a learning curve where multiple adjustments have been made to the process in order to improve the efficiency and effectiveness of the overall process. A key positive outcome has been increased financial discipline applied in the identification and definition of projects.

A key challenge has been making effective capital decisions across asset classes by reviewing capital requirements for only one budget cycle. As the Company progressed towards the end of the IR term, it faced emerging challenges common to many utilities and the industry in North America. With the risks associated with an aging infrastructure, safety and integrity have gained even more relevance when prioritizing capital projects. These challenges have required further evaluation of EGD's capital spending and priority setting process.

In response, the Company felt that it was important to consider capital investment requirements over multiple years, as this provides a better perspective on business and customer impacts. This learning process contributed to the development of the Asset Plan, which is an important component of any Asset Management system. The Asset Plan has used a ten year planning horizon to establish the Company's distribution asset spending priorities in a manner which attempts to address system needs while being mindful of ratepayer impacts.

EGD's capital prioritization process will continue to evolve as the Company learns from its own experience and from industry best practices. For example, it is anticipated the

Asset Plan will evolve to include storage assets in future iterations. The approach will help provide management with the rigor and discipline to select the combination of projects that will ensure safety, reliability and customer satisfaction along with financial performance.

Included below is a summary of few projects undertaken throughout the IR period which generated efficiency and productivity gains. These projects were informed by the process mentioned above. The descriptions below summarize the basic need for the project and, where reasonable, the estimated benefits the project was intended to generate.

1. CIS/Customer Care

(Ref: D1, T12, S1 & 2, p38) The customer care / CIS arrangements make up a large portion of the Company's annual O&M expenditure ($89.4 million in 2013, ~20%). As part of its contract arrangements with EGD, Accenture agreed to provide its services at a predetermined cost through to the end of 2018. The CIS/Customer Care Settlement Agreement, which was negotiated with a large number of Stakeholders, specifically acknowledges that the Accenture contract includes appropriate efficiencies and performance measures and that the cost consequences of the contracts are reasonable. This is an example of a project for which the precise valuation of the efficiencies would be hard to quantify and yet it is apparent that there is acceptance that the efficiencies exist.

2. TC Module

(Ref: D1, T15, S1, p8) Between 2005 and 2012, EGD has been, and continues to, exchange all 20,000 of its bulk meters, replacing them with electronic modules. After the exchange, O&M savings are realized from the updated meters which will no longer need to be physically exchanged every 7 years. Additional savings will also arise by reason of the expected lower maintenance that the new meters will require.

3. Capital Management System

(Ref: B1, T4, S1, p2) The new capital management system provides more efficient financial reporting capabilities and financial controls by operating in a more automated online environment. The new system conserves time, money, and data storage while providing management with the same relevant and accurate financial reporting information.

4. KVTR Leanburn Upgrade

(Ref: B1, T2, S2, line 112) The Leanburn project reduces emissions and noise associated with the storage compression engine. The upgraded engine operates smoother and more efficiently while producing a significant decline in emissions.

5. IT Helpdesk

(Ref: D1, T16, S1, p3) After 7 years with IBM, the EGD IT Help Desk was moved in-house in December of 2009. Help Desk operations are now managed by EGD and staffed with EGD Contractors. As a result, estimated annual savings for the years 2013 through 2015 are $220,000 per year.

6. RMSI

In 2009 the Company entered into a contract for the off-shore provision of drafting and records processing. Through the contracting of these services the Company was able to ensure that high quality service levels were maintained and savings of approximately $500,000 per year.

7. RAVE

(Ref: D1, T16, S1, p4) The RAVE Data Warehouse application has several benefits such as the ability to enhance the month-end process to quantify billing adjustments, and prepare the Weather Variance Account calculation under Incentive Regulation for conducting normalization on individual customer accounts. The application saves costs by avoiding having to fix or redo critical reports and saves time managing the generation of the reports.

8. eDacs

(Ref: D1, T16, S1, p2) Switching from an aging eDacs network to Telus Mike Radios offered the same coverage, but significant cost reductions to O&M. Estimated annual savings are $700,000 and the estimated cost of $15.5 million required to replace/upgrade the existing network has also been avoided.

9. Well Casing Replacements

(Ref: D1, T15, S1, p8) Replacing well heads increases the useful life of a well, thus avoiding the need to drill a new well. The $300,000 cost of a well casing replacement is significantly more cost effective than the $1,000,000 it would cost to drill a new well.

10. Well Acidization

Acidization revitalizes the gas flow capability of wells that have been damaged by deposit of solids and precipitates during injection/withdrawal of gas. The process extends the useful life of a well and avoids the necessity to drill a new well.

11. IT Contract Renegotiations (Wireless, Xerox)

(Ref: D1, T16, S1, p3) IT completed a RFQ process in 2010 to review the pricing of the X86 servers between competing vendors. This allowed the Company to renegotiate with the vendor of its X86 server generating annual savings of $115,000.

In addition, IT also renegotiated EGD's telephone services with Bell and Rogers and achieved total savings of $1M (over a 3 year period).

12. Integrated Productivity Suite Project

The objective of this project was to provide employees with an improved ability to securely find and share information from anywhere, anytime, utilizing consistent, intuitive and effective solutions. This involved a change from Lotus Notes and acquisition and implementation of the Microsoft suite of products (Exchange, Sharepoint, OCS, Office/Vista). This project resulted in avoided O&M costs of Notes mail annual maintenance of $159K/year and avoided capital costs of Notes mail upgrade of $500k in 2010.

13. TelePresence Project

The TelePresence system facilitates live face-to-face communication over the network. It allows for meaningful collaboration without the need to leave the office thereby reducing travel time and expenses, and helps employees meet, share content and consult with experts through a personalized service.

The use of TelePresence for meetings, training etc resulted in avoided travel costs of approximately $1.2M (2009- $253K, 2010-$460K, 2011-$490K) which has been reflected in the 2013 Budget.

14. Technical Training Facility

(Ref: D1, T18, S1, p2) The Company formerly used several facilities in different geographic locations for training and development. These facilities are being consolidated into one multi-purpose facility which will include Construction & Warehouse, Operations, the VPC Engineering Materials Evaluation Centre, and Technical training. The site includes a one acre "Streetscape" for training on real life

simulations. The economic benefits of consolidating three functions into one facility were found to be more cost effective than addressing these functions independently.

15. Alliston Pressure Evaluation

(Ref: B1, T2, S2, line 24) A new pipeline is required to reinforce the Alliston Distribution system. Through network optimization and pressure elevation, the project and capital spend was able to be postponed by 2 years. The postponement also allowed for a detailed study of the growth in the area to be conducted and thus better prepare the Company for the reinforcement.

16. Oshawa ILI Retrofits

(Ref: B1, T2, S2, p3) In 2010 and 2011, retrofits were completed on the pipeline system in Oshawa to facilitate pigging operations. A Comprehensive system analysis was able to reduce expenses by leveraging the existing system and avoiding the cost of expensive stopple and bypass fittings.

17. Extended Alliance Agreement

(Ref: D1, T15, S1, p7) The Extended Alliance agreement contains a built in productivity factor for the company's contracted construction work. This is material given the significant amount of mains added since 2007. The contractors that are subject to this embedded productivity gain include Aecon, Linkline and Lakeside Gas.

CCC INTERROGATORY #3

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: A2/T1/S2

Please provide the terms of reference for the Concentric Study and any instructions provided to Concentric. Was the work subject to an RFP? If not, why not? What are the costs of the study and how are they being recovered?

RESPONSE

An RFP was issued to several potential candidate consultants in late 2010. At the time the RFP was issued, EGD envisioned a single hearing that would include both a Cost of Service application and an Incentive Regulation (IR) application.

The key deliverables of the RFP were directed at assisting EGD with a methodology for its next IR plan, and included a review of EGD's performance in its first IR term, cost performance benchmarking, and advice related to research data on regulatory trends in other jurisdictions.

Concentric was the successful proponent for this task. Since the time when the RFP was issued, EGD made a decision to split the applications. Understanding that the Company's performance during the IR term would be an issue in this case, EGD decided to present the benchmarking results from the work undertaken by Concentric. It is anticipated that additional work from Concentric will be presented with a full IR application sometime after a final draft rate order has been issued with respect to this Cost of Service application.

There are no discrete terms of reference related to Concentric's benchmarking study.

Witnesses: J. Coyne
J. Lieberman
Concentric

EGD intends to have the costs for the Concentric work apportioned between 2013 and 2014 as appropriate (i.e. benchmarking and 2013 application costs versus incentive regulation application costs). Costs will be included in the Ontario Hearing Cost Variance Account (OHCVA) for the relevant years. At this time, Concentric's costs related to the benchmarking report are approximately $300,000.

Witnesses: J. Coyne
J. Lieberman
Concentric

CCC INTERROGATORY #4

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: A2/T1/S3

Please provide the terms of reference for the PSE Productivity study. Was the work subject to an RFP process? If not, why not? What are the costs of the study and how are they being recovered?

RESPONSE

The terms of reference for the agreement with Power System Engineering (PSE) are attached to this interrogatory. The work was not subject to a formal RFP process, but rather was commissioned as a result of discussions with PSE after the initiation of the Preliminary Assessment of Incentive Regulation Plans of the Natural Gas Utilities (EB-2011-0052) by the Ontario Energy Board.

Costs accumulated to date are $32,459.22.

EGD has included the costs for the PSE work in the 2013 Ontario Hearing Cost Variance Account ("OHCVA"), but those costs may be moved to the 2014 OHCVA if it turns out that the 2014 proceeding is the venue in which the Pacific Economics Group report is the most relevant.

Witnesses: R. Fischer
M. Lister

the power to help you succeed.

Professional Services Proposal for

Enbridge Gas Distribution

Proposal for Review and Assessment of PEG Report and Strategic Advisory Services

June 29, 2011

Contact: Steven A. Fenrick
1532 W. Broadway
Madison, WI 53713
Direct: 608-268-3549
Mobile: 608-334-5994
Fax: 608-222-9378
Email: fenricks@powersystem.org
Web Site: www.powersystem.org

Power System Engineering, Inc.

PSE Power System Engineering, Inc.

June 24, 2011

Norm Ryckman & Michael Lister
Enbridge Gas Distribution

Subject: Proposal for Review and Assessment of PEG Report and Strategic Advisory Services

Dear Norm and Michael:

We appreciate our previous discussions on ways PSE can assist Enbridge Gas Distribution (EGD). Based on our notes from these conversations, we have outlined the two main areas where PSE may contribute to the regulatory efforts of EGD. These are:

1. Performing a thorough review and assessment of the anticipated PEG report regarding the OEB's initiative for a preliminary assessment of incentive regulation. This review will include ensuring PEG calculations are consistent, accurate, and fairly conducted. This review will also involve exploring comparable but improved methods and datasets over those employed by PEG. The PEG rationale for shifting away from the traditional incentive regulation paradigm of using industry productivity trends (rather than the customized estimates PEG likely will propose) will be part of this examination.

   An exact scope for this work will be agreed on in future discussions with EGD and Concentric. High level scope items that PSE believes may hold value for EGD include:

   - Prior to the PEG report being released, construct a dataset similar to the anticipated PEG dataset and begin testing for improved methodologies and the rationale for customized versus industry TFP trends.

   - Prior to or immediately after the release of the PEG report, construct an alternative dataset that will contain more observations than the anticipated PEG dataset. The PEG methodologies and rationales for customized TFP trends can then be tested, along with possible improvements to the PEG methodologies.

   - Subsequent to the PEG report being released, review and assess the methodology and results found in the report. Advice on possible future research items that may benefit EGD will be offered.

   - Subsequent to the PEG report being released, request data and information from PEG and then ensure all calculations are consistent, accurate, and fairly conducted. Test alternative methodologies on the PEG data.

2. Providing strategic advice to EGD and their consultant regarding EGD's formulation of its 2011 rate filing. PSE will participate in scheduled phone calls and be available, to the extent possible, to both EGD and Concentric when requested. PSE will help EGD better navigate the 2011 rate filing and help mitigate its exposure to risk.

   Other than the regularly scheduled and periodic strategy calls, an exact scope for this work will be agreed on in future discussions with EGD and Concentric. High level scope items that PSE believes may hold value for EGD include:

   - Conducting an econometric benchmarking analysis to determine EGD's exposure to risk related to possible future research by PEG in this area.
   - Providing advice regarding the PEG methodologies and results and how this research and/or technical advancements to it may support the EGD 2011 rate filing.
   - Providing other research items, as requested, relevant to the 2011 rate filing. For example, precedents in other jurisdictions regarding TFP calculation methods (industry or customized) may prove useful.

We are certainly prepared to make adjustments if you feel this proposal includes, excludes, or misinterprets any relevant aspect of EGD's needs. For this reason, we would appreciate feedback so that we can fully meet your technical, scheduling, and budgetary expectations.

We are excited about the possibility of working with you on this project. You will find our team to be professional, experienced, and dedicated to quality work delivered on schedule. We hope we will be able to begin working with you soon.

Sincerely,

Steve Fenrick

Steve Fenrick
Leader, Benchmarking and Economic Studies

Table of Contents

1 Introduction 1
1.1 PSE's Understanding of EGD's Situation 1
1.2 Relevant PSE Experience 2

2 Proposed Scope and Hourly Rates 4
2.1 PEG Review and Assessment 4
2.2 Strategic Advice to EGD Regarding 2011 Rate Filing 5

3 Team Description 6

1 Introduction

1.1 PSE's Understanding of EGD's Situation

Enbridge Gas Distribution (EGD) is currently regulated based on a revenue-per-customer cap mechanism. This is a type of incentive regulation plan due to the external nature of the allowed annual revenue escalations. Annual allowed revenue requirements are calculated mainly through a pre-set formula which incorporates economy-wide inflationary measurements and customer counts.[1] The current adjustment formula for the distribution revenue requirement in each year of the incentive regulation plan is:

Where:

DRR = the distribution revenue requirement
t = the rate year
C = the average number of customers
P = the inflation coefficient
I = the inflation index
Y = pass throughs at cost of service
Z = exogenous factors

Of particular importance in the above adjustment formula is the means by which the previous years' revenue requirement is escalated. Essentially the escalation is accomplished through multiplying the previous year's revenue requirement by the customer growth ratio (C_t/C_{t-1}) and an adjusted economy-wide inflation factor. Within this inflation factor is an implicit adjustment for items such as expected productivity, industry input price differentials, and a stretch factor. These items are referred to as the "X-factor." The X-factor in the above formula is equal to (I-*P*I*). The P variable represents the inflation coefficient and varies by year during the current rate plan; in 2011 it is equal to 0.5. Thus, in 2011, the X-factor is equal to half the rate of inflation.

Productivity and cost benchmarking research can help inform the regulatory community regarding what a reasonable X-factor would be (applicable to both a revenue cap or price cap structure). ***In most other jurisdictions, productivity (TFP and PFP) trends for incentive regulation plans have been based on industry average trends of a recent time period.*** Cost benchmarking is typically used to inform the stretch factor term. If cost efficiency is identified as strong, then a case can be made for a reduced or eliminated stretch factor. There is precedent for this in Ontario as power distributors have their stretch factors set annually based on both peer group and econometric benchmarking results.

The OEB's consultant on this matter (PEG) constructed methodologies using "customized" measures of TFP in 2007 and will likely produce a report detailing similar methods for the OEB in the current proceeding. These customized measures of TFP will probably attempt to either

[1] The inflation rate used in the current IR plan is based on the Canadian GDP IPI (FDD).

decompose TFP into its main components (technology change, realization of scale economies, efficiency shifts), or construct a peer group on the basis of available scale economies and/or cluster analysis.

The historical reality of declining average gas use per customer is also an important issue. If revenue is not adequately de-linked from volumetric sales, EGD's margins will decline with sales volume. This stems from the fact that revenues are substantially derived based on volume charges, whereas, costs are primarily driven by customer growth and, in fact, are largely fixed.

1.2 Relevant PSE Experience

Mr. Fenrick has been an expert witness involving performance evaluations and productivity trends, and regularly assists utility managers across North America by evaluating productivity trends and cost performance. In the last two years, he has been the lead consultant for the OEB for cost benchmarking updates of 3rd Generation IR for electric distributors. In the latest report on the subject, he detailed the recent OM&A partial factor productivity trends of the industry.

Before coming to PSE, Mr. Fenrick held the position of Senior Economist at PEG. During his eight-year tenure at PEG, he regularly conducted or supervised empirical research on numerous incentive regulation and benchmarking projects. In 2007, Mr. Fenrick led the data processing, program coding, and calculation methods used to determine the PEG recommendations on Enbridge and Union's productivity trends, input price differentials, and average use trends for the current incentive regulation plan.

This work employed two methods of calculating capital cost (COS and GD) and two methods of calculating customized TFP trends (econometric and peer group). Mr. Fenrick is very familiar with the inner workings of all of these methods and how best to apply them to construct a reasonable and fair projection for Enbridge's new rate plan. Mr. Fenrick and other PSE staff are intimately familiar with the software and coding operations used by PEG. This will enable a cost effective and thorough review of the PEG methods and calculations.

Mr. Fenrick is also an expert in econometric cost benchmarking. He regularly works with CEOs of energy utilities in applying benchmarking methods to improve both operations as well as finances. He has co-authored numerous reports on the topic, been an expert witness, and led the Ontario Energy Board's power distribution benchmarking efforts for the last two years. As stated earlier, cost benchmarking can play a prominent role in designing stretch factors. Recent research by Mr. Fenrick has also shown that cost efficiency scores derived from econometric benchmarking exercises tend to impact expected TFP trends. For example, a strong econometric benchmarking score could facilitate the elimination of the stretch factor but also the reduction of a TFP or PFP projection.

Dr. Getachew recently joined the PSE team. Dr. Getachew conducted all of the econometrics work necessary for the development of the productivity trend analysis and average use adjustments in 2007 during her tenure at PEG. She has authored a number of journal articles on the topic of productivity and refereed several articles for the Journal of Productivity Analysis. Both Dr. Getachew and Mr. Fenrick were co-authors on the 2007 report to the Ontario Energy Board entitled, "Rate Adjustment Indexes for Ontario's Natural Gas Utilities." Both also co-

authored a journal article dealing with the declining average use issue within the gas distribution industry.

The PSE team also includes Mr. Ivanov and Mr. Macke. Mr. Ivanov has submitted testimony on average use weather normalization techniques for utilities. Mr. Macke has conducted over one hundred rate and cost of service studies and has been an expert witness on matters concerning utility revenue requirement, cost of service, and rate design.

The PSE team will enable EGD to realize a successful project outcome on each of the four scope areas cited in this proposal. PSE prides itself on listening to client needs and providing professional work on schedule. Our team has the knowledge and expertise required to execute productivity trend and average use trend analyses, econometric benchmarking, and offer a critique of the PEG research based on solid economic logic.

2 Proposed Scope and Hourly Rates

As requested, PSE has formatted our proposal to include a task list for the two major scope areas (described in more detail within this section):

1. Perform thorough review and assessment of PEG Report
2. Strategic advice regarding 2011 rate filing

The following table provides the hourly billing rates of the personnel we anticipate working on this project.

PSE Employee	Hourly Rate
Steve Fenrick	
Lullit Getachew	
Chris Ivanov	
Rich Macke	
Jeff Smith	
Jennifer Lamb	
Cynthia Studner	

PSE estimates the project costs to be $35,000. In the case it becomes evident that the project costs will exceed this amount, PSE will notify EGD and seek approval to extend the budgeted amount before proceeding with further work.

2.1 PEG Review and Assessment

This scope item includes performing a thorough review and assessment of the anticipated PEG report regarding the OEB's initiative for a preliminary assessment of incentive regulation. This review will include ensuring PEG calculations are consistent, accurate, and fairly conducted. This review will also involve exploring comparable but improved methods and datasets over those employed by PEG. The PEG rationale for shifting from the traditional incentive regulation paradigm of using industry productivity trends (rather than the customized estimates PEG likely will propose) will be part of this examination.

An exact scope for this work will be agreed on in future discussions with EGD and Concentric. High level scope items that PSE believes may hold value for EGD include:

- Prior to the PEG report being released, construct a dataset similar to the anticipated PEG dataset and begin testing for improved methodologies and the rationale for customized versus industry TFP trends.
- Prior to or immediately after the release of the PEG report, construct an alternative dataset that will contain more observations than the anticipated PEG dataset. The PEG methodologies and rationales for customized TFP trends can then be tested, along with possible improvements to the PEG methodologies.

- Subsequent to the PEG report being released, review and assess the methodology and results found in the report. Advice on possible future research items that may benefit EGD will be offered.

- Subsequent to the PEG report being released, request data and information from PEG and then ensure all calculations are consistent, accurate, and fairly conducted. Test alternative methodologies on the PEG data.

2.2 Strategic Advice to EGD Regarding 2011 Rate Filing

This scope item includes providing strategic advice to EGD and their consultant regarding EGD's formulation of its 2011 rate filing. PSE will participate in scheduled phone calls and be available, to the extent possible, to both EGD and Concentric when requested. PSE will help EGD better navigate the 2011 rate filing and help mitigate its exposure to risk.

Other than the regularly scheduled and periodic strategy calls, an exact scope for this work will be agreed on in future discussions with EGD and Concentric. High level scope items that PSE believes may hold value for EGD include:

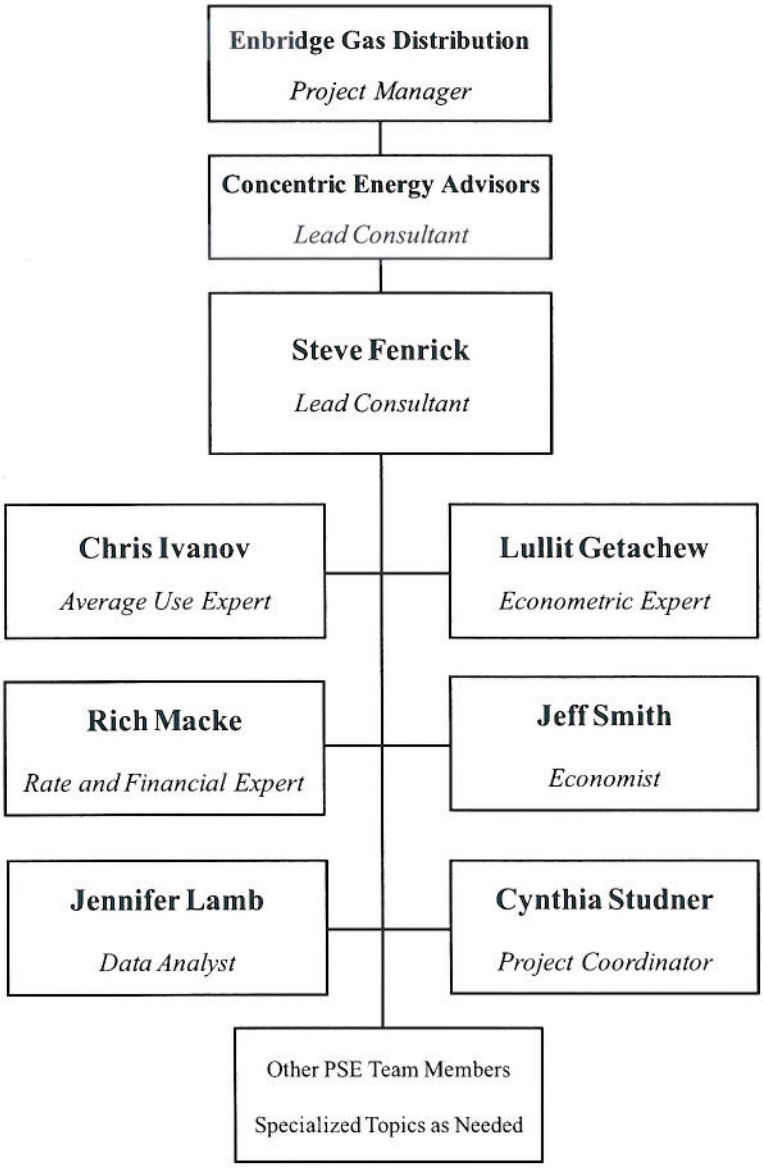
- Conducting an econometric benchmarking analysis to determine EGD's exposure to risk related to possible future research by PEG in this area.

- Providing advice regarding the PEG methodologies and results and how this research and/or technical advancements to it may support the EGD 2011 rate filing.

- Providing other research items, as requested, relevant to the 2011 rate filing. For example, precedents in other jurisdictions regarding TFP calculation methods (industry or customized) may prove useful.

3 Team Description

PSE offers EGD a project team with strong credentials in productivity trend calculations, designing incentive regulation plan parameters, evaluating cost performance, estimating average use trends, and numerous other issues within the energy utility industry. The PSE team will be managed by Steve Fenrick with key support from Lullit Getachew, Chris Ivanov, and Rich Macke. Support staff will include Jeff Smith, Jennifer Lamb, Cynthia Studner, and other PSE team members as needed.



Offered below are short bios of the project team.

Steven A. Fenrick *(Leader – Benchmarking and Economic Studies, Madison, WI)*

Mr. Fenrick has over a decade of experience in helping utilities design incentive regulation plans, calculate productivity trends, and benchmark and evaluate cost performance. He leads PSE's benchmarking and productivity analysis practice area for both management improvement efforts and regulatory support. Mr. Fenrick has testified on the topic of benchmarking and productivity trends and has led dozens of studies involving hundreds of utilities. One of these involves the Ontario Energy Board where he was the lead consultant in the OEB's efforts to benchmark 77 electric utilities in 2010 and 2011. He has authored numerous reports submitted in regulatory filings regarding benchmarking, incentive regulation, and revenue decoupling. He will be the key speaker at an upcoming EUCI conference in Denver, Colorado regarding productivity trend calculations and performance benchmarking of utilities.

Lullit Getachew, PhD (*Senior Economist, Madison, WI)*

Dr. Getachew has extensive experience in conducting research in support of incentive regulation plans for energy utilities. She has written a number of academic journal articles on benchmarking and performance evaluation. She has also prepared studies and reports for performance-based regulation of transmission and distribution energy businesses, undertaken total and operation cost benchmarking, prepared reports for rate settlements, and marketed flexibility in rate designs. Dr. Getachew earned a doctorate in economics from Rice University, a Master of Arts in Law and Diplomacy from the Fletcher School at Tufts University, and a Bachelor of Arts, with Magna Cum Laude, from Mount Holyoke College.

Christopher G. Ivanov *(Senior Economist, Madison, WI)*

Mr. Ivanov earned a Master of Science in Applied Economics, and a Bachelor of Arts degree in Economics and International Affairs from Marquette University in Milwaukee, Wisconsin. In addition, he also has Masters of Business Administration with a focus in finance and management. He has broad experience in preparing regulatory filings, economic analyses, and budget projections for individual utilities. Currently, he focuses on assisting several utilities with demand side management, load forecasting, end-use load shape studies, residential end-use surveys and development of small area forecasts to support long range distribution plans. Mr. Ivanov supports PSE's benchmarking efforts using his database skills and analytical expertise.

Richard J. Macke *(Vice President - Rates and Financial Planning, PSE, Minneapolis, MN)*

Mr. Macke has a Master's of Business Administration degree from the University of Minnesota's Carlson School of Management at Minneapolis, Minnesota. He has expertise in numerous areas of energy utility finance, including revenue requirement development, cost of service studies, rate design, dynamic pricing, large load rates and contracts, and financial forecasting and planning. In addition, he has experience in providing litigation support, expert testimony and advising clients on issues of merger and acquisition and service territory disputes/resolution. Mr. Macke is a Vice President at PSE and leads the Rates and Financial Planning practice.

Jeff Smith *(Economist, Madison, WI)*

Mr. Smith earned his Master of Science Degree in Applied Economics from Marquette University in Milwaukee in the spring of 2008. Since that time, Mr. Smith has been an economist

in the utilities industry and has worked on benchmarking, incentive regulation, revenue decoupling, and DSM projects. He has vast experience in database development and preparation.

Jennifer N. Lamb *(Energy Data Analyst, Madison, WI)*

Ms. Lamb has a BA degree in Speech and Hearing Sciences from the University of California, Santa Barbara. She works as an Energy Data Analyst for consumer surveys, utility forecasting, demand-side management, energy efficiency, carbon footprint studies, and other special projects.

Cynthia M. Studner *(Project Coordinator, Madison, WI)*

Ms. Studner has a BA in English and a MFA degree in Creative Writing from George Mason University at Fairfax, Virginia. She works as a Project Coordinator for Communications Infrastructure, and Economics and Market Research practice areas of PSE. Cynthia has provided project coordination on dozens of technology assessments, AMI, and Load Management projects.

CCC INTERROGATORY #5

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Ref: A2/T1/S3

Please explain Enbridge's position regarding the conclusions set out in the PSE Productivity study. Does Enbridge adopt the recommendations? How does this study impact the relief Enbridge is seeking in this case?

RESPONSE

The PSE study does not impact the relief that EGD is seeking in this case, rather, the PSE report was filed as EGD's response to the Pacific Economics Group Research (PEGR) report issued as part of the Preliminary Assessment of Incentive Regulation of Natural Gas Utilities (EB-2011-0052). The PSE study was filed in this case to be available in the event that other parties rely on the PEG report in this proceeding.

Witnesses: R. Fischer
M. Lister

VECC INTERROGATORY #1

INTERROGATORY

O - Other Issues
Issue O3: Are sustainable productivity and efficiency gains achieved under incentive regulation appropriately reflected in Enbridge's Cost of Service estimates?

Reference: Exhibit A2 Tab 1 Schedule 3 -Analytical Review of the September 2011 PEGR Report

a) Has EGD received a copy of the PEGR reply to the PSE Report? If so please provide a copy.

b) If not indicate the status based on discussions with either Board Staff or PEGR.

c) Please update Tables 15 and 22 in the PEGR report to reflect 2011 data.

RESPONSE

a) EGD has not received a copy of any PEGR reply to the PSE report.

b) EGD is not aware of, and has not had any discussions with Board Staff about, a PEGR reply to the PSE report.

c) The PEG report has not been filed in EGD's Cost of Service application. Table 15 of the PEGR report is titled, "Productivity Results" and represents PEGR's assessment of productivity results for EGD and Union. EGD is not able to update this table. Table 22 of the PEGR report is titled, TFP "Backcasts" for EGD and Union. Again, it is based on PEGR's assessment, and EGD is not able to update this table.

Witnesses: R. Fischer
PSE

CCC INTERROGATORY #1

INTERROGATORY

O - Other Issues
Issue O4: Are Enbridge's Conditions of Service (i.e. customer service policies including security deposits, late payment penalty, etc.) compatible with Board directives?

Ref: A1/T14/S1 and S2

Please provide a complete list of all of the changes EGD has made to its Conditions of Service since 2007. To the extent any charges have changed, please explain the basis for the change. Are the charges all cost based? If not why not?

RESPONSE

In September 2010, the Ontario Energy Board ("Board") initiated a Consultation on Customer Service Standards for Natural Gas Distributors, including customer service standards for low-income customers. On June 29, 2011, based on feedback received from Natural Gas Distributors and stakeholders, the Board issued a Notice of Proposal to amend the Gas Distribution Access Rule ("GDAR") related to customer service standards. At that time the proposed in force date for all changes was August 31, 2011. As per section 8.2.1, the Company had to publish its Customer Service Policies. The Company chose to amend its Conditions of Service by adding a section for its Customer Service Policies and the Conditions of Service was published on the Company's website on September 30, 2011. A copy of the Conditions of Service that was published at that time is attached as Appendix A. There were no other substantive changes made to the Conditions of Service since 2007.

On October 14, 2011, the Board issued its final amendments to GDAR related to customer service standards for all residential customers. As per the Notice of Proposal, the in force date for the amendments proposed by the Company was April 30, 2012. The Company delivered all of its suggested changes, including publishing its updated Customer Service Policies by April 30, 2012. The revised Conditions of Service is attached as Appendix B.

Any costs presented in the Conditions of Service are based on Rider G charges that are approved by the Board and included in the Rate Handbook, which is presented at

Witnesses: T. Ferguson
K. Lakatos-Hayward
S. McGill
M. Torriano

Exhibit H2, Tab 6, Schedule 1, pages 60-61. The exception to this would be the charge for security deposits, which is consistent with the Customer Service Rules that were reviewed by the Board and the charges associated with credit card payments. The credit card payment fee, as noted in the Conditions of Service, is a Credit Card Convenience fee that is paid directly to the Company's Credit Card Service Provider. This fee was renegotiated in 2010 and the resulting fee was lowered from $8.50 for a $350 credit card payment to $2.85 for a $150 credit card payment.

Witnesses: T. Ferguson
K. Lakatos-Hayward
S. McGill
M. Torriano

ENBRIDGE GAS DISTRIBUTION INC.

CONDITIONS OF SERVICE

SEPTEMBER 30, 2011

Contents

Preface 3
1. Enbridge Franchise Area and Gas Distribution Services 4
2. Gas Distribution Services 5
   2.1. Gas Supply and Delivery 5
   2.2. Gas supply and/or delivery under more than one rate schedule 5
   2.3. Interruptions in Gas Distribution and/or Supply 5
   2.4. Force Majeure 5
3. Rate Schedule 5
   3.1. Changes in Rate Schedules 5
4. Initiation of Service 6
   4.1. Main Extensions 6
   4.2. Service Installations 6
   4.3. Location of Meter and Service Regulators 6
   4.4. Alterations 7
   4.5. Customer Responsibilities regarding Building Piping Appliances & Equipment 7
   4.6. Inspections of New Installations 7
5. Maintenance of Service 8
   5.1. Turning Off and Turning on Gas Supply 8
   5.2. Meter Exchange and Testing 8
6. Customer Service 9
   6.1. Setting up an Enbridge Account 9
   6.2. Meter Reading 9
   6.3. Security Deposits 9
   6.4. Bill Issuance and Payment 10
   6.5. Correction of Billing Errors 13
   6.6. Discontinuance of Gas Supply or Delivery 13
   6.7. Arrears Management Programs 14
   6.8. Allocation of Payments between gas and non-gas charges 14
   6.9. Management of Customer Accounts 15
   6.10. Our Customer Service Process 15

Appendix A – Definition of Terms 16

Preface

As Canada's largest natural gas distribution company, Enbridge Gas Distribution ("Enbridge") has been providing natural gas services in a safe and reliable manner for more than 160 years, and currently provides service to approximately 1.9 million homes and businesses.

These Conditions of Service describe in summary form Enbridge's operating practices and policies, and are provided as part of our commitment to providing our customers with safe and reliable gas services.

We reserve the right to modify the contents of the Conditions of Service at any time. These Conditions of Service are meant as guidelines and do not supersede any terms and conditions agreed to in our contracts for gas supply with you.

1. Enbridge Franchise Area and Gas Distribution Services

The following is a list of cities and towns that Enbridge provides distributions services to.

Eastern Region

Admaston
Alfred & Plantagenet
Arnprior
Beckwith
Brockville
Carleton Place
Casselman
Champlain
Clarence-Rockland
Deep River
Drummond-North Elmsley
Elizabethtown-Kitley
Hawkesbury
Horton
Laurentian Hills
Laurentian Valley
Leeds and Grenville
McNab-Braeside
Merrickville-Wolford
Mississippi Mills
Montague
North Glengarry
North Grenville
North Stormont
Ottawa
Pembroke
Perth
Petawawa
Renfrew
Rideau Lakes
Russell
Smiths Falls
South Glengarry
Tay Valley
The Nation
Whitewater Region

Central Region

Adjala
Ajax
Amaranth
Asphodel-Norwood
Athens
Aurora
Barrie
Bradford-West Gwillimbury
Brampton
Brighton
Brock
Caledon
Cavan Monaghan
Clarington
Clearview
Collingwood
Douro-Dummer
Dufferin
Durham
East Garafraxa
East Gwillimbury
East Luther Grand Valley
Erin
Essa
Georgina
Grey Highlands
Havelock Belmont Methuen
Innisfil
Kawartha Lakes
King
Markham
Melancthon
Midland
Mississauga
Mono
Mulmur
New Tecumseh
Newmarket
Orangeville
Oshawa
Otonabee S- Monaghan
Penetanguishene
Peterborough
Pickering
Richmond Hill
Scugog
Severn
Shelburne
Smith-Ennismore-Lakefield
Southgate
Springwater
Tay
Tiny
Toronto
Trent Hills
Uxbridge
Vaughan
Wasaga Beach
Wellington
Whitby
Whitchurch

Niagara Region

Fort Erie
Grimsby
Lincoln
Niagara Falls
Niagara-on-the-Lake
Pelham
Port Colburne
St. Catharines
Thorold
Wainfleet
Welland
West Lincoln

2. Gas Distribution Services

2.1. Gas Supply and Delivery

Gas will be delivered and/or supplied to our customers within our franchise area subject to these Conditions of Service and to the provisions of Enbridge's rate schedules, under the following circumstances:

- there is sufficient supply of gas;
- there is sufficient capacity in Enbridge's distribution system; and,
- the supplying and/or delivering of gas is economically feasible.

2.2. Gas supply and/or delivery under more than one rate schedule

Gas may be supplied and/or delivered under more than one rate:

- Provided the customer meets all the applicability requirements of each rate schedule as approved by the Ontario Energy Board. Gas supplied and/or delivered under each rate schedule will normally be metered separately but may be taken through one meter provided:
    - Enbridge and the customer agree in writing upon a formula for determining the supply and/or delivery service that the customer will purchase under each rate schedule.

2.3. Interruptions in Gas Distribution and/or Supply

Customers may be required to curtail or discontinue the use of gas if the supply of gas is jeopardized by any of the following:

- in the event of actual or threatened shortage of gas due to circumstances beyond the control of Enbridge; or,
- when curtailment or restriction is ordered by any government or agency having jurisdiction.

Enbridge shall not be liable for any loss of production, nor for any damages whatsoever due to curtailment or discontinuance, nor because of the length of advance notice given to customers regarding curtailment or discontinuance.

2.4. Force Majeure

Customers of Enbridge shall not have any claim against Enbridge for damages sustained as a result of the interruption or cessation of gas deliveries caused by force majeure which include:

- acts of God, the elements;
- labour disputes, strikes, lockouts;
- fires, accidents;
- the breakage or repair of pipelines or machinery;
- depletion or shortage of gas supply;
- order of any legislative body or duly constituted authority; or,
- any other cause or contingencies beyond the control of Enbridge.

3. Rate Schedule

3.1. Changes in Rate Schedules

In the event the Ontario Energy Board amends the rate schedules of Enbridge, the amended price or amended terms and conditions shall apply to services provided under the rate schedules after the effective date established by the Ontario Energy Board.

4. Initiation of Service

4.1. Main Extensions

Enbridge will extend its gas main within its franchise area to serve new customers when it is feasible to do so. Enbridge will look at the following when determining feasibility:

- the number of potential new customers within the next five years;
- the amount of natural gas to be used; and,
- the cost of extending the gas main.

If the cost of the extension is not economically feasible, the applicant/s will be required to pay a contribution in aid of construction. Enbridge will determine the contribution amount and communication will be provided to the applicant/s in writing.

4.2. Service Installations

Enbridge reserves the right to designate the location at which the service will enter a building. The normal point of entry will be through the wall nearest to the gas supply. Where no additional cost is involved, the service may be installed to accommodate requirements of the applicant for service.

For residential service, Enbridge will usually install a service at no charge to the applicant, provided the service installed is 20 metres in length measured from the property line to a point of delivery up to 2 metres beyond the front building wall. For residential and non residential service, the cost of the service in excess of the cost of a normal residential service of 20 metres in length, and any length exceeding 2 metres beyond the front building wall, may be charged to the applicant.

Where an applicant for gas service requests an installation on property that is not owned by the customer such as road allowance, municipal or neighboring property, land rights (in the form of an easement) from the property owner will be required for the installation and maintenance of all necessary gas lines and equipment.

Enbridge will try to restore property to the approximate condition in which it was found before starting our operations. This includes property that is excavated or may be disrupted during laying, constructing, repairing or removing our facilities.

4.3. Location of Meter and Service Regulators

Enbridge shall supply each customer with a meter of a size and type that will adequately measure the gas supplied. Enbridge shall:

4.3.1. Make every effort to install meters and service regulators so as to be at all times accessible for inspection, reading, testing, maintaining and exchanging.

4.3.2. Not install meters in locations prohibited by law. The following locations are specifically prohibited:

- under combustible stairways;
- unventilated areas;
- inaccessible areas; or,
- within 90 cm (3 feet) of a source of ignition.

4.3.3. Install all meters outside the building to which gas is supplied except in rare circumstances where it is not practical.

4.3.4. Provide protection where outside meters and regulators are installed in locations that do not afford reasonable protection from damage.

Anyone who is not an authorized agent of Enbridge shall not be permitted to connect or disconnect our meters or regulators, nor shall any piping be connected to or disconnected from Enbridge's facilities except by representatives of Enbridge.

Customers are responsible, subject to the provisions of paragraph 4.3.4, for protecting all metering and regulating equipment necessary for the supply of gas and for keeping it accessible at all times.

4.4. Alterations

Alterations or service relocation requests will be dealt with as follows:

- The cost of work done to relocate existing equipment solely for the convenience of the customer will be charged to the customer.
- The undepreciated cost of any equipment abandoned as a result of relocation for the customer's convenience, or replacing equipment to increase their capacity to accommodate a customer's increased requirements, may be charged to the customer.

4.5. Customer Responsibilities regarding Building Piping Appliances & Equipment

As an applicant for service, a customer shall:

- at their own expense install, all piping, controls, safety devices, and other attachments necessary from the meter to the equipment or appliances served;
- ensure the building piping, appliances, and equipment are installed in accordance with regulations made under the authority of statutes passed by the Province of Ontario establishing the requirements for the installations of such facilities; and,
- be responsible for maintaining all building piping, appliances and equipment in a good and safe condition. Such maintenance will be at the customer's own expense.

If there is a leakage or escape of gas on a customer's premise, the customer is required to notify Enbridge immediately by calling our Emergency number at 1-866-763-5427.

Enbridge shall not be liable to the customer for any damages. The customer shall indemnify Enbridge from and against all loss, costs, damages, injury, or expense associated with any injury or damage to persons or property arising, either directly or indirectly, from or incidental to the escape of gas or products of combustion of gas from building piping, venting systems or appliances on the customer's side of the point of delivery.

For the purpose of inspecting or repairing or of altering or disconnecting any service pipe within or outside the building, the customer shall ensure that free access is permitted to Enbridge at all reasonable times, and upon reasonable notice given and request made, to all parts of every building or other premises to which gas is supplied.

4.6. Inspections of New Installations

All inspections shall conform to the Technical Standards and Safety Act and regulations made under the Act. All new installations of supply piping, gas appliances and installations will be inspected prior

to gas being introduced to a building in accordance with the requirements of the Technical Standards and Safety Act and the regulations made under the Act. If the inspection reveals that repairs or adjustments are required, the customer will be advised and repairs or adjustments will need to be corrected prior to the gas being turned on.

5. Maintenance of Service

5.1. Turning Off and Turning on Gas Supply

In an emergency, the gas supply to appliances may be turned off in the interest of safety. Only a qualified person holding an appropriate certificate from the Regulatory Authority having jurisdiction may turn on the supply of gas to appliances which have been turned off.

Except in the case of a notification of a hazard, the turning on and off of the gas supply for purposes of installing, servicing, removing or repairing gas appliances may only be done by a person certified to perform this work by the Regulatory Authority having jurisdiction.

5.2. Meter Exchange and Testing

5.2.1. Meter Exchange

Under Government of Canada regulations (Section 12 of the Electricity and Gas Inspection Act), Enbridge is required to periodically exchange gas meters for government inspection.

To complete the meter exchange, we will shut off the gas supply to your existing meter, replace it with a new meter and then relight and inspect all of your natural gas equipment.
There is no charge for this service. If we are required to exchange your meter we will contact you via letter or telephone. Please call the number provided at the time of contact to make an appointment. The inspector who comes to your property will carry valid Enbridge photo ID and you may ask to see it before providing access.

5.2.2. Meter Testing

Should a meter fail to register the amount of gas used, consumption shall be estimated by Enbridge and supply and/or delivery charges shall be paid for by the customer in accordance with such estimate.

Should a customer dispute the accuracy of a meter, an application for a Government Inspection of the meter in accordance with the Electricity and Gas Inspection Act may be made. If, after the test, the meter is found to register with an error greater than that permitted by regulations, such error shall be held to have existed for a period of three months or from the date on which the meter was last sealed if the said sealing took place within three calendar months of the request. In the event of the meter being more than three months past due for re-verification, Enbridge or the customer, as the case may be, is entitled to the amount represented by the full error of the meter from the date on which it should have been re-verified. All costs involved in effecting this test shall be borne by the party against whom the decision is given.

In the event of an erroneous connection or incorrect use of an apparatus, the error shall be deemed to have existed from the time of connection.

In the event it can be, through records, determined when an error occurred, the bill will be retroactive to that time.

6. Customer Service

For the purposes of this section, “customer” means a residential customer (referred to as “you” in this section).

In accordance with Enbridge’s submission to Ontario Energy Board regarding Gas Distribution Access Rule customer service standards for natural gas distributors, Enbridge will be revising its policies and practices and amending its Conditions of Service by September 30, 2012.

6.1. Setting up an Enbridge Account

Whether you are a first time customer to Enbridge or moving from an existing Enbridge account, you should notify us before taking possession of a new home. On our website you will find information on how to submit a “First Time Customer” form or a Move request or you can call the Enbridge Call Centre at 1-877-362-7434.

As an Enbridge customer you will be expected to comply with the Conditions of Service and will be obliged to pay for all gas supplied and/or delivered to your premises. These Conditions of Service will remain in effect until Enbridge has accepted and completed your request for termination or until we have processed your move request.

6.2. Meter Reading

Enbridge reads your meter every other month and will estimate your consumption based on your historical gas usage in between readings. If Enbridge’s representative is unable to read the meter, a bill will be issued based on an estimated reading. If Enbridge has been unable to read a meter during normal working hours, arrangements will be made to obtain a reading at the customer’s convenience. You can also submit your own meter reading using the Submit Meter Reading Form on our website or alternatively, you can call the Enbridge Call Centre at 1-800-268-5442.

6.3. Security Deposits

Security deposits are collected to secure payment for future charges in the event of a customer not paying their bill. To protect against losses, Enbridge reserves the right to request a security deposit from its customers as a condition of supplying gas service. A security deposit may be required if you are a first time Enbridge customer, or if you have not been able to maintain a good payment history.

All new residential customers are subject to a security deposit, unless they meet one of the waiver criteria outlined below. If you are required to pay a security deposit an amount of $250.00 will be charged on your next gas bill. Payment of the security deposit is required by the Late Payment Effective Date on the bill.

Enbridge will waive your security deposit requirement if you meet any of the following criteria:

- If you have moved and your previous account is in good standing;
- If you choose to sign up for our Pre-Authorized Payment Plan; or
- If you can provide a reference letter from another utility in Canada dated within the past 60 days.

Enbridge will review all security deposits on a monthly basis from the date the deposit is fully paid. If you have paid a security deposit, it will be refunded once you have demonstrated good payment history for a period of 24 months. Your security deposit will be returned with interest as a credit on your next gas bill. If you choose to have the amount refunded, you can call the Enbridge Call Centre at 1-877-362-7434 and a refund cheque will be issued.

Good payment history is maintained unless you have experienced any of the following:

- Receipt of a disconnection notice from Enbridge;
- A payment you provided to Enbridge has been returned for insufficient funds; or
- Your gas has been turned off due to non-payment.

Interest earned on your security deposit will be paid upon return of all or any part of the security deposit or at the time you close your account, whichever comes first. Simple interest will be earned on all security deposits except those held for a total of six months or less. The interest rate applicable to security deposits in any year will be established quarterly and will be based upon the Ontario Energy Board prescribed interest rates. Interest is calculated retroactively to the date the security deposit was received.

Security deposits are not to be considered as prepayments for future charges.

6.4. Bill Issuance and Payment

6.4.1. Your Monthly Bill

Enbridge charges you the following charges on a monthly basis:

- **Monthly Customer Charge**
  Enbridge has a minimum charge per gas meter to help recover a portion of the fixed costs that the company incurs to keep the system ready for customer use at all times. These fixed costs (such as 24-hour emergency service, meter reading, pipeline maintenance and customer support services) do not vary with the amount of gas used.

- **Transportation to Enbridge**
  This charge is for the cost of transporting natural gas to distribution facilities in Ontario, including tolls.

- **Delivery to You**
  Once natural gas is received by Enbridge, these are the costs to safely and reliably deliver natural gas to our customers.

- **Gas Supply Charge**
  The charge for natural gas itself varies with the amount of gas used by each of our customers. You can choose to have your gas supplied by Enbridge Gas Distribution or an independent marketer. The rates that Enbridge charges for gas used are regulated by the Ontario Energy Board.

There are other charges that may appear on your bill from time to time based on events that occur with your account. These include:

- **New Account Charge**
  If you open a new account with Enbridge, the first bill will include a one time service charge of $25.00, to help cover the costs of setting up the account, taking a meter reading and related work.

- **Late Payment Effective Date/Late Payment Charge**
  Enbridge charges are due when the bill is received, which is considered to be three days after the date the bill is rendered. Customers are provided a period of 17 days to make a payment before a Late Payment Charge is applied to their account.

  When payment in full of the Enbridge invoice is not received on or before the “Late Payment Effective Date” on the bill, a late payment charge will be incurred on the next

bill. A charge of 1.5% per month (19.56% effectively per annum) on all of the unpaid charges, including all applicable federal and provincial taxes, will be applied to the account.

Late payment charges are not applied to security deposits amounts owing.

- **Adjustments**
  Your bill may show adjustments to charges from time to time when there is a correction made on your account.

For more information on the charges that appear on your bill, visit the Understanding Your Bill section on our website.

6.4.2. Charges from Other Companies

The Enbridge Billing Service allows other energy companies to include their charges on the Enbridge bill. If you have purchased a product or service from a participating company, the charges would appear in the section called “Charges From Other Companies” on your Enbridge bill.

This service helps make paying bills more convenient for you. You receive one bill and make one monthly payment to Enbridge Gas Distribution. This service also helps to keep rates low by sharing costs with other billers.

6.4.3. Billing from a licensed energy marketer

If you buy your natural gas supply from a licensed energy broker, your gas supply charges, along with the name of the licensed energy broker will appear in the 'Charges For Gas' section of your Enbridge bill.

6.4.4. Billing Options

- **Paperless Billing** eBill

Enbridge offers customers an environmentally friendly and secure bill delivery option in the form of a paperless bill. You can view and store up to 24 months of bills electronically through this service.

- **Budget Billing Plan**

The Enbridge Budget Billing Plan (BBP) provides all residential gas heating customers the convenience of paying equal amounts throughout the year and avoiding higher bills in winter months. Using your prior year’s gas usage, Enbridge forecasts the amount of gas you will use and applies the current gas price to determine your monthly BBP installment.
The BBP season runs from September to July each year. In July, Budget Billing Plans are reviewed and reconciled and customers are billed or credited a BBP Final Adjustment that represents the difference between the charges for gas actually used from the time you join the plan and the monthly BBP installments billed to date. In the month of August, you are billed for the actual gas used in the month. The new plan then starts again in September.

Should a credit balance result after the annual reconciliation, the amount will be credited to your account and will appear on your July bill. If you choose to have the amount refunded, you can call the Enbridge Call Centre at 1-877-362-7434 and a refund cheque will be issued.

Should a chargeable balance result after the annual reconciliation, the amount will be charged to your account and will appear on your July bill. In the event that the BBP Final Adjustment charge is higher than expected, you may choose to call the Enbridge Call Centre at 1-877-362-7434 and one of our Customer Service Representatives will work with you to determine suitable payment arrangements.

At a minimum, one mid-season BBP review will occur usually at the beginning of the next calendar year. The mid-season review will recalculate your monthly BBP installment to ensure accuracy as weather, usage and rate changes could affect the actual charges for gas you use. After the mid-season review, the new monthly installment amount will be billed on your next bill and a bill message will explain that there was a review of your monthly BBP installment. **Customers are encouraged to monitor their BBP details (actual gas charges billed to date versus BBP installments billed to date) and may request a review at any time.**

A number of factors can create a variance in the plan. Significant changes in weather, gas prices, change in gas marketers, or gas use in the home, such as installing a new natural gas appliance, can create a difference between actual gas costs and installment amounts.

First time gas customers are automatically assigned to the BBP unless they request otherwise.

6.4.5.Payment Options

- **Pre-Authorized Payment**

Enbridge also offers a Pre-Authorized Payment Plan. Signing up for the Pre-Authorized Payment Plan will allow your amount due to be automatically withdrawn from your bank account on the day before the Late Payment Effective Date.

- **Other payment options include:**

  - Online or in person at a financial institution

  - Telephone Banking

  - Credit Card
    For a Credit Card Convenience fee of $2.85 for every $150 charge paid to our Credit Card Service Provider, you may use a valid credit card to make a payment.

  - Western Union
    For customers with overdue amounts that are at or nearing disconnection for non-payment, you may choose to make a payment for a fee through Western Union.

  - Standard Mail
    You can send a cheque or money order (no cash please), along with the bottom tear-off portion of your bill, to:

    Enbridge
    P.O. Box 644
    Toronto, ON M1K 5H1

    Please make your cheque payable to "Enbridge" and write your account number on the front.

- Pay in Person
  You may also drop your payment off at one of our payment drop boxes located in the following locations 24 hours a day:
  (Please note: for your security, we cannot accept cash at these offices.)

  VPC Office
  500 Consumers Road
  North York, Ontario

  Ottawa Office
  400 Coventry Road
  Ottawa, Ontario

  Thorold Office
  3401 Schmon Parkway
  Thorold, Ontario

6.5. Correction of Billing Errors

Retroactive billing ensures that all gas consumption and other Enbridge charges, not billed previously, are billed correctly to the customer. Retroactive billing can be the result of either a customer error or a company error. When a customer has been billed incorrectly, retroactive billing is required.

Where billing errors, either through company or customer error, have resulted in overbilling, the customer will be credited with the amount erroneously billed for a period not exceeding six years.

Where billing errors have resulted in underbilling, the customer shall be charged with the amount erroneously not billed for a period not exceeding:

- two (2) years, in the case of a company error affecting a residential customer.
- six (6) years, in the case of a residential customer error

If you have been underbilled, Enbridge will work with you to determine a suitable payment arrangement.

6.6. Discontinuance of Gas Supply or Delivery

6.6.1. Customer Initiated Discontinuance

A customer will continue to be bound by these Conditions of Service and will be obliged to pay for all gas supplied and/or delivered to the premises along with any other monthly charges applicable including late payment penalties until Enbridge has terminated the supply of gas following the acceptance of a request for termination from the customer.

6.6.2. Emergency or Safety related Discontinuance

Enbridge may discontinue gas supply and/or delivery to any customer for any of the following reasons:

- for use of gas for any purpose other than that described in the service application, gas supply contract, or rate schedule;
- in case Enbridge, is refused access for any lawful purposes to the premises to which gas is supplied and/or delivered;

- when Enbridge property on a customer's premises is in any manner tampered with, damaged, or destroyed;
- when Enbridge has reason to believe that an unsafe condition exists on the premises or may develop from a continuation of gas supply and/or delivery;
- when a gas installation contravenes the provisions of the Technical Standards and Safety Act, associated regulations, or any other applicable enactment; or
- when there is evidence of gas theft.

Discontinuance of gas supply and/or delivery for any of the reasons set out in paragraph 6.6.2 shall result in a disconnection charge payable by the Customer.

6.6.3. Discontinuance of Service for Non-payment

Enbridge charges are due when the bill is received, which is considered to be three days after the date the bill is rendered. If, for any reason, you are unable to make full payment you are encouraged to contact Enbridge to make suitable payment arrangements. Customers can call the Enbridge Call Centre at 1-877-362-7434.

If the bill is not paid in full and you have not contacted Enbridge to make payment arrangements, under the Public Utilities Act, Enbridge has the right to discontinue gas service. Prior to discontinuance of gas service Enbridge will provide a minimum 48 hours notice in writing along with a call to advise when the disconnection will occur.

If you are seeking payment assistance through a registered charity, government agency, social service agency or a third party, you must provide consent to Enbridge to provide details of your account to these third parties. Enbridge will place any disconnection or collections actions on hold and will work with the third party to obtain payment to avoid disconnection of your gas service.

If your meter has been turned off for non-payment, when payment in full is received by Enbridge including any disconnection charges and security deposit, Enbridge will reconnect your gas meter within 48 hours.

6.7. Arrears Management Programs

Enbridge has different arrears management programs available to customers who are unable to pay their entire bill. Enbridge works with customers depending on their individual circumstances to come up with a mutually agreeable payment arrangement. Customers requiring assistance are encouraged to call the Enbridge Call Centre at 1-877-362-7434 to discuss options.

In the event that you are having difficulty paying your bill, emergency financial assistance is also available. The Ontario Energy Board has initiated the Low Income Energy Assistance Program which operates similar to our Winter Warmth Program and provides financial assistance to families in need. You can choose to apply for financial assistance through various community agencies. Disconnection of gas service is always a last resort.

6.8. Allocation of Payments between gas and non-gas charges

Payments are applied to your gas bill charges based upon the oldest billed amounts being paid first. In the event that payment is insufficient to cover all charges invoiced in a month, payments will be allocated to non-gas charges first, unless otherwise notified of a dispute. Any charges that remain outstanding past the late payment effective date will incur a late payment charge as mentioned in the Bill issuance and Payment section.

6.9. Management of Customer Accounts

Enbridge is committed to providing excellent service and to ensuring that relationships with customers are conducted with integrity and in a responsible, fair, honest and ethical manner. Consistent with these objectives Enbridge maintains high standards of confidentiality with respect to the personal information in its possession. Any personal information related to a customer's account will only be shared with the party named on the account or any third party designated by the customer. To provide consent for another person or a third party to discuss your account details with Enbridge, you must contact our Enbridge Call Centre at 1-877-362-7434 to advise us of your permission to discuss your account with these parties.

In a landlord tenant situation Enbridge will follow directions recorded on the account when gas service was initially established.

6.10. Our Customer Service Process

Step 1: Call the Enbridge Call Centre at 1-877-362-7434
Enbridge customer service representatives (CSRs) are trained to help answer your questions.

Step 2: Ask to Speak to a Supervisor
If you feel that your questions are not being fully addressed by the CSR, please ask to speak to a supervisor. They'll try to work with you to resolve your issue.

Step 3: Contact the Enbridge Customer Ombud
If you've spoken to a CSR and a supervisor and are not completely satisfied with the solution provided, the supervisor will offer to elevate your concern to the Enbridge Customer Ombud's office.

For complete information regarding our dispute resolution process, please visit the Enbridge website: https://www.enbridgegas.com/contact-us/

APPENDIX A

DEFINITION OF TERMS

British thermal unit – means the amount of heat required to raise the temperature of one pound of distilled water from 60° Fahrenheit to 61° Fahrenheit.

Building piping – includes pipe, whether indoors, outdoors, exposed or buried, which brings gas from the "point of delivery" to each point of utilization including plugged or capped gas valves.

Cubic metre - A standard cubic metre of gas is the volume of gas contained in a one cubic metre at a temperature of 15 degrees Celsius and at an absolute pressure of 101.325 kilopascals ("kPa"). 10^3m^3 equals 1,000 cubic metres.

Curtailment - An interruption in an Applicant's gas supply at a Terminal Location resulting from compliance with a request or an order by the Company to discontinue or curtail the use of gas.

Customer – means any person, persons, company or corporation responsible for purchasing gas through Enbridge's meter.

Gas – natural gas or its equivalent containing not less than the heating value specified from time to time in Enbridge's rate schedules.

Gas appliance – means any device approved by the appropriate governmental authority which uses gas as a fuel or as a raw material.

Joule - A measurement of heat.

Late payment effective date – means the date late payment charges will be added to your bill if full payment has not been received.

Late payment charge – means a charge which is imposed when full payment of the gas bill is not made by the "late payment effective date".

Meter – means a device approved by the appropriate governmental authority and installed to measure the volume of gas delivered to the customer.

Month or monthly – means, for the purposes of calculating customers' accounts, a period of approximately 30 days.

Point of delivery – means that point at which gas leaves Enbridge's metering and regulating facilities and is delivered to you or, if there are no such facilities, Enbridge's shut-off valve.

Property line – means that line which delineates the boundary between one property and the next immediately adjacent property whether it is public or private.

Rate schedule – means one of a set of schedules filed by Enbridge with and approved by the Ontario Energy Board that specifies rates, applicability, character of service, terms and conditions of service and the effective date.

Service – means the pipe or tubing and associated fittings which transmits gas from the pipeline to the meter inlet connection. Where unmetered gas is provided, the service shall be deemed to terminate at the shut-off valve located closest to the building entry, immediately inside the building wall. Where gas pressure regulation is necessary, the service regulator shall form part of the service.

Standard conditions – Temperature of 60°F and 15°C for Imperial and S.I. respectively. Pressure of 14.73 pounds per square inch absolute (psia) and 101.325 kilopascals absolute (kPa) for Imperial and SI respectively. Water vapour content less than 7 pounds per million cubic feet and 100 milligrams per cubic metre for Imperial and SI respectively.

ENBRIDGE GAS DISTRIBUTION INC.

CONDITIONS OF SERVICE

APRIL 1, 2012

Revision History

Version #	Date of Revision	Description *(e.g. "First Draft", "Final Approval Copy")*
1.0		First Draft
2.0	2011/12/30	Section 6.1 Setting Up an Enbridge Account to include the requirement to provide Enbridge with 3 days advance notice of a move. If notification is not received Enbridge will only retroactively adjust the account for a maximum of 30 days from the date notification is received. This will be implemented starting Jan 1 2012. Section 6.3 Security Deposits to revise the good payment history period for return of a security deposit from 24 to 12 months. This will be effective from Jan 2012. Section 6.5 Correction of Billing errors to restrict the period of correction for over or under billing to two years. This will be implemented starting Jan 1 2012. Section 6.9 Management of Customer Accounts originally stated "In a landlord tenant situation Enbridge will follow directions recorded on the account when gas service was initially established". The phrase "when gas service was initially established" has been removed to allow for updated directions to be received from a Landlord.
3.0	2012/03/30	Section 6 now gives a short description of accounts that are classified as Commercial for reference Section 6.1 Setting Up an Enbridge Account removed reference to when these conditions remain in effect Section 6.2 Meter Reading informs customers that they must give access to Enbridge to read the meter at least one per 12 months Section 6.6.3 Discontinuance of Service for Non Payment to inform customers that the Disconnection notice now includes the dates between which the gas service can be disconnected and payment options for avoiding disconnection. This was effective from Jan 2012 Section 6.7 Arrears Management Programs to inform customers of the cancellation of installment plan letter. This was effective from Jan 2012. Also to advise customers working with a Social Assistance agency that they will be give 21 days to secure emergency financial assistance before additional Collections action will be taken. This was effective from Jan 2012. Section 6.9 Management of Customer Accounts to inform Landlords of the new process of recording Landlord directions for the properties they own/manage. This was effective March 2012.

Contents

Preface 4
1. Enbridge Franchise Area and Gas Distribution Services 5
2. Gas Distribution Services 6
   2.1. Gas Supply and Delivery 6
   2.2. Gas supply and/or delivery under more than one rate schedule 6
   2.3. Interruptions in Gas Distribution and/or Supply 6
   2.4. Force Majeure 6
3. Rate Schedule 7
   3.1. Changes in Rate Schedules 7
4. Initiation of Service 7
   4.1. Main Extensions 7
   4.2. Service Installations 7
   4.3. Location of Meter and Service Regulators 8
   4.4. Alterations 8
   4.5. Customer Responsibilities regarding Building Piping Appliances & Equipment 8
   4.6. Inspections of New Installations 9
5. Maintenance of Service 9
   5.1. Turning Off and Turning on Gas Supply 9
   5.2. Meter Exchange and Testing 9
6. Customer Service 10
   6.1. Setting up an Enbridge Account 10
   6.2. Meter Reading 10
   6.3. Security Deposits 10
   6.4. Bill Issuance and Payment 11
   6.5. Correction of Billing Errors 14
   6.6. Discontinuance of Gas Supply or Delivery 15
   6.7. Arrears Management Programs 16
   6.8. Allocation of Payments between gas and non-gas charges 16
   6.9. Management of Customer Accounts 16
   6.10. Our Customer Service Process 17

Appendix A – Definition of Terms 18

Preface

As Canada's largest natural gas distribution company, Enbridge Gas Distribution Inc. ("Enbridge") has been providing natural gas services in a safe and reliable manner for more than 160 years, and currently provides service to approximately 1.9 million homes and businesses.

These Conditions of Service describe in summary form Enbridge's operating practices and policies, and are provided as part of our commitment to providing our customers with safe and reliable gas services.

We reserve the right to modify the contents of the Conditions of Service at any time. These Conditions of Service are meant as guidelines and do not supersede any terms and conditions set out in Enbridge's Rate Handbook, or agreed to in our contracts for gas supply with you.

1. Enbridge Franchise Area and Gas Distribution Services

The following is a current list of cities and towns to which Enbridge provides distribution services.

Eastern Region

Admaston
Alfred & Plantagenet
Arnprior
Beckwith
Brockville
Carleton Place
Casselman
Champlain
Clarence-Rockland
Deep River
Drummond-North Elmsley
Elizabethtown-Kitley
Hawkesbury
Horton
Laurentian Hills
Laurentian Valley
Leeds and Grenville
McNab-Braeside
Merrickville-Wolford
Mississippi Mills
Montague
North Glengarry
North Grenville
North Stormont
Ottawa
Pembroke
Perth
Petawawa
Renfrew
Rideau Lakes
Russell
Smiths Falls
South Glengarry
Tay Valley
The Nation
Whitewater Region

Central Region

Adjala
Ajax
Amaranth
Asphodel-Norwood
Athens
Aurora
Barrie
Bradford-West Gwillimbury
Brampton
Brighton
Brock
Caledon
Cavan Monaghan
Clarington
Clearview
Collingwood
Douro-Dummer
Dufferin
Durham
East Garafraxa
East Gwillimbury
East Luther Grand Valley
Erin
Essa
Georgina
Grey Highlands
Havelock Belmont Methuen
Innisfil
Kawartha Lakes
King
Markham
Melancthon
Midland
Mississauga
Mono
Mulmur
New Tecumseh
Newmarket
Orangeville
Oshawa
Otonabee S- Monaghan
Penetanguishene
Peterborough
Pickering
Richmond Hill
Scugog
Severn
Shelburne
Smith-Ennismore-Lakefield
Southgate
Springwater
Tay
Tiny
Toronto
Trent Hills
Uxbridge
Vaughan
Wasaga Beach
Wellington
Whitby
Whitchurch

Niagara Region

Fort Erie
Grimsby
Lincoln
Niagara Falls
Niagara-on-the-Lake
Pelham
Port Colburne
St. Catharines
Thorold
Wainfleet
Welland
West Lincoln

2. Gas Distribution Services

2.1. Gas Supply and Delivery

Gas will be delivered and/or supplied to our customers within our franchise area subject to these Conditions of Service and to the provisions of Enbridge's rate schedules, under the following circumstances:

- there is sufficient supply of gas;
- there is sufficient capacity in Enbridge's distribution system; and,
- the supplying and/or delivering of gas is economically feasible.

2.2. Gas supply and/or delivery under more than one rate schedule

Gas may be supplied and/or delivered under more than one rate:

- Provided the customer meets all the applicability requirements of each rate schedule as approved by the Ontario Energy Board. Gas supplied and/or delivered under each rate schedule will normally be metered separately but may be taken through one meter provided:
    - Enbridge and the customer agree in writing upon a formula for determining the supply and/or delivery service that the customer will purchase under each rate schedule.

2.3. Interruptions in Gas Distribution and/or Supply

Customers may be required to curtail or discontinue the use of gas if the supply of gas is jeopardized by any of the following:

- in the event of actual or threatened shortage of gas due to circumstances beyond the control of Enbridge;
- when curtailment or restriction is ordered by any government or agency having jurisdiction; or
- for any force majeure event (described below).

Enbridge shall not be liable for any loss of production, nor for any damages whatsoever due to such curtailment or discontinuance. Enbridge may also interrupt service from time to time for repair and maintenance of facilities. Except in the case of an emergency, Enbridge will provide affected customers with reasonable notice of such interruption.

2.4. Force Majeure

Customers of Enbridge shall not have any claim against Enbridge for damages sustained as a result of the interruption or cessation of gas deliveries caused by force majeure which include:

- acts of God, the elements;
- labour disputes, strikes, lockouts;
- fires, accidents;
- the breakage or repair of pipelines or machinery;
- curtailment by an upstream gas transporter;
- depletion or shortage of gas supply;
- order of any legislative body or duly constituted authority; or
- any other cause or contingencies beyond the control of Enbridge.

3. Rate Schedule

3.1. Changes in Rate Schedules

In the event the Ontario Energy Board amends the rate schedules of Enbridge, the amended price or amended terms and conditions shall apply to services provided under the rate schedules after the effective date established by the Ontario Energy Board.

4. Initiation of Service

4.1. Main Extensions

Enbridge will extend its gas main within its franchise area to serve new customers when it is feasible, in accordance with Enbridge's feasibility policy and procedures, to do so. Enbridge will look at the following when determining feasibility:

- the number of potential new customers within the next five years;
- the amount of natural gas to be used; and,
- the cost of extending the gas main.

If the cost of the extension is not economically feasible, the applicant/s will be required to pay a contribution in aid of construction. Enbridge will determine the contribution amount and communication will be provided to the applicant/s in writing.

4.2. Service Installations

Enbridge reserves the right to designate the location at which the service will enter a building. The normal point of entry will be through the wall nearest to the gas supply. Where no additional cost is involved, the service may be installed to accommodate requirements of the applicant for service in Enbridge's discretion.

For residential service, Enbridge will usually install a service at no charge to the applicant, provided the service installed is 20 metres in length measured from the property line to a point of delivery up to 2 metres beyond the front building wall. For residential and non residential service, the cost of the service in excess of the cost of a normal residential service of 20 metres in length, and any length exceeding 2 metres beyond the front building wall, may be charged to the applicant.

In the event the customer does not use natural gas within six months of installation of a new gas service, the customer will pay Enbridge's costs for such installation.

Where an applicant for gas service requests an installation on property that is not owned by the customer such as road allowance, municipal or neighboring property, land rights (in the form of an easement) from the property owner will be required for the installation and maintenance of all necessary gas lines and equipment.

Enbridge will try to restore property to the approximate condition in which it was found before starting our operations. This includes property that is excavated or may be disrupted during laying, constructing, repairing or removing our facilities.

4.3. Location of Meter and Service Regulators

Enbridge shall supply each customer with a meter of a size and type that will adequately measure the gas supplied. Enbridge shall:

4.3.1. Make every effort to install meters and service regulators so as to be at all times accessible for inspection, reading, testing, maintaining and exchanging.

4.3.2. Not install meters in locations prohibited by law. The following locations are specifically prohibited:
- under combustible stairways;
- unventilated areas;
- inaccessible areas; or,
- within 90 cm (3 feet) of a source of ignition.

4.3.3. Install all meters outside the building to which gas is supplied except in rare circumstances where it is not practical.

4.3.4. Provide protection where outside meters and regulators are installed in locations that do not afford reasonable protection from damage.

Anyone who is not an authorized agent of Enbridge shall not be permitted to connect or disconnect our meters or regulators, nor shall any piping be connected to or disconnected from Enbridge's facilities except by representatives of Enbridge.

Customers are responsible, subject to the provisions of paragraph 4.3.4, for protecting all metering and regulating equipment necessary for the supply of gas and for keeping it accessible at all times.

4.4. Alterations

Alterations or service relocation requests will be dealt with as follows:

- The cost of work done to relocate existing equipment solely for the convenience of the customer will be charged to the customer.
- The undepreciated cost of any equipment abandoned as a result of relocation for the customer's convenience, or replacing equipment to increase their capacity to accommodate a customer's increased requirements, may be charged to the customer.

4.5. Customer Responsibilities regarding Building Piping Appliances & Equipment

As an applicant for service, a customer shall:

- at their own expense install, all piping, controls, safety devices, and other attachments necessary from the meter to the equipment or appliances served;
- ensure the building piping, appliances, and equipment are installed in accordance with regulations made under the authority of statutes passed by the Province of Ontario establishing the requirements for the installations of such facilities; and,
- be responsible for maintaining all building piping, appliances and equipment in a good and safe condition. Such maintenance will be at the customer's own expense.

If there is a leakage or escape of gas on a customer's premise, the customer is required to notify Enbridge immediately by calling our emergency number at 1-866-763-5427.

Enbridge shall not be liable to the customer for any damages. The customer shall indemnify Enbridge from and against all loss, costs, damages, injury, or expense associated with any injury or damage to persons or property arising, either directly or indirectly, from or incidental to the escape of gas or products of combustion of gas from building piping, venting systems or appliances on the customer's side of the point of delivery.

For the purpose of inspecting or repairing or of altering or disconnecting any service pipe within or outside the building, the customer shall ensure that free access is permitted to Enbridge at all reasonable times, and upon reasonable notice given and request made, to all parts of every building or other premises to which gas is supplied.

4.6. Inspections of New Installations

All inspections shall conform to the Technical Standards and Safety Act and regulations. Also, all new installations of supply piping, gas appliances and installations will be inspected prior to gas being introduced to a building in accordance with the Technical Standards and Safety Act and regulations. If the inspection reveals that repairs or adjustments are required, the customer will be advised and repairs or adjustments will need to be corrected prior to the gas being turned on.

5. Maintenance of Service

5.1. Turning Off and Turning on Gas Supply

In an emergency, the gas supply to appliances may be turned off in the interest of safety. Only a qualified person holding an appropriate certificate from the regulatory authority having jurisdiction may turn on the supply of gas to appliances which have been turned off.

Except in the case of a notification of a hazard, the turning on and off of the gas supply for purposes of installing, servicing, removing or repairing gas appliances may only be done by a person certified to perform this work by the regulatory authority having jurisdiction.

5.2. Meter Exchange and Testing

5.2.1. Meter Exchange

Under Government of Canada regulations (Section 12 of the Electricity and Gas Inspection Act), Enbridge is required to periodically exchange gas meters for government inspection.

To complete the meter exchange, we will shut off the gas supply to your existing meter, replace it with a new meter and then relight and inspect all of your natural gas equipment.
There is no charge for this service. If we are required to exchange your meter we will contact you via letter or telephone. Please call the number provided at the time of contact to make an appointment. The inspector who comes to your property will carry valid Enbridge photo ID and you may ask to see it before providing access.

5.2.2. Meter Testing

Should a meter fail to register the amount of gas used, consumption shall be estimated by Enbridge and supply and/or delivery charges shall be paid for by the customer in accordance with such estimate.

Should a customer dispute the accuracy of a meter, an application for a Government Inspection of the meter in accordance with the Electricity and Gas Inspection Act may be made. If, after the test, the meter is found to register with an error greater than that permitted by regulations, such error shall be held to have existed for a period of three months or from the date on which the meter was last sealed if the said sealing took place within three calendar months of the request. In the event of the meter being more than three months past due for re-verification, Enbridge or the customer, as the case may be, is entitled to the amount represented by the full error of the meter from the date on which it should have been re-verified. All costs involved in effecting this test shall be borne by the party against whom the decision is given.

In the event of an erroneous connection or incorrect use of an apparatus, the error shall be deemed to have existed from the time of connection.

In the event it can be, through records, determined when an error occurred, the bill will be retroactive to that time.

6. Customer Service for Residential Customers

For the purposes of this section, “customer” means a residential customer (referred to as “you” in this section).

Any property from which a business is being operated is classed as a Commercial account and this section would not apply.

6.1. Setting up an Enbridge Account

Whether you are a first time customer to Enbridge or moving from an existing Enbridge account, you should notify us before taking possession of a new home. Enbridge requires at least 3 business days (including Saturdays) advance notice of a move. If advance notice is not given Enbridge will only retroactively adjust the account for a maximum of 30 days from the date notification is received.

On our website you will find information on how to submit a “First Time Customer” form or a Move request or you can call the Enbridge Call Centre at 1-877-362-7434.

As an Enbridge customer you will be expected to comply with the terms and conditions for natural gas service and will be obliged to pay for all gas supplied and/or delivered to your premises.

6.2. Meter Reading

Enbridge reads your meter every other month and will estimate your consumption based on your historical gas usage in between readings. Customers must provide access to the Company or its’ agent for meter reading purposes at least once every twelve (12) months. If Enbridge’s representative is unable to read the meter, a bill will be issued based on an estimated reading. If Enbridge has been unable to read a meter during normal working hours, arrangements will be made to obtain a reading at the customer’s convenience. You can also submit your own meter reading using the Submit Meter Reading Form on our website or alternatively, you can call the Enbridge Call Centre at 1-800-268-5442.

6.3. Security Deposits

Security deposits are collected to secure payment for future charges in the event of a customer not paying their bill. To protect against losses, Enbridge reserves the right to request a security deposit from its customers as a condition of supplying gas service. A security deposit may be required if you are a first time Enbridge customer, or if you have not been able to maintain a good payment history.

All new residential customers are subject to a security deposit, unless they meet one of the waiver criteria outlined below. If you are required to pay a security deposit an amount of $250.00 will be charged on your next gas bill. Payment of the security deposit is required by the Late Payment Effective Date on the bill.

Enbridge will waive your security deposit requirement if you meet any of the following criteria:

- If you have moved and your previous account is in good standing;
- If you choose to sign up for our Pre-Authorized Payment Plan; or
- If you can provide a reference letter from another utility in Canada dated within the past 60 days.

Enbridge will review all security deposits on a monthly basis from the date the deposit is fully paid. If you have paid a security deposit, it will be refunded once you have demonstrated good payment history for a period of 12 months. Your security deposit will be returned with interest as a credit on your next gas bill. If you choose to have the amount refunded, you can call the Enbridge Call Centre at 1-877-362-7434 and a refund cheque will be issued.

Good payment history is maintained unless you have experienced any of the following:

- Receipt of a disconnection notice from Enbridge;
- A payment you provided to Enbridge has been returned for insufficient funds; or
- Your gas has been turned off due to non-payment.

Interest earned on your security deposit will be paid upon return of all or any part of the security deposit or at the time you close your account, whichever comes first. Simple interest will be earned on all security deposits except those held for a total of six months or less. The interest rate applicable to security deposits in any year will be established quarterly and will be based upon the Ontario Energy Board prescribed interest rates. Interest is calculated retroactively to the date the security deposit was received.

Security deposits are not to be considered as prepayments for future charges.

6.4. Bill Issuance and Payment

6.4.1. Your Monthly Bill

Enbridge charges you the following charges on a monthly basis:

- **Monthly Customer Charge**
  Enbridge has a minimum charge per gas meter to help recover a portion of the fixed costs that the company incurs to keep the system ready for customer use at all times. These fixed costs (such as 24-hour emergency service, meter reading, pipeline maintenance and customer support services) do not vary with the amount of gas used.

- **Transportation to Enbridge**
  This charge is for the cost of transporting natural gas to distribution facilities in Ontario, including tolls.

- **Delivery to You**
  Once natural gas is received by Enbridge, these are the costs to safely and reliably deliver natural gas to our customers.

- **Gas Supply Charge**

The charge for natural gas itself varies with the amount of gas used by each of our customers. You can choose to have your gas supplied by Enbridge Gas Distribution or an independent marketer. The rates that Enbridge charges for gas used are regulated by the Ontario Energy Board.

There are other charges that may appear on your bill from time to time based on events that occur with your account. These include:

- **New Account Charge**
  If you open a new account with Enbridge, the first bill will include a one time service charge of $25.00, to help cover the costs of setting up the account, taking a meter reading and related work.

- **Late Payment Effective Date/Late Payment Charge**
  Enbridge charges are due when the bill is received, which is considered to be three days after the date the bill is rendered. Customers are provided a period of 17 days to make a payment before a Late Payment Charge is applied to their account.

  When payment in full of the Enbridge invoice is not received on or before the “Late Payment Effective Date” on the bill, a late payment charge will be incurred on the next bill. A charge of 1.5% per month (19.56% effectively per annum) on all of the unpaid charges, including all applicable federal and provincial taxes, will be applied to the account.

  Late payment charges are not applied to security deposits amounts owing.

- **Adjustments**
  Your bill may show adjustments to charges from time to time when there is a correction made on your account.

For more information on the charges that appear on your bill, visit the Understanding Your Bill section on our website.

6.4.2. Charges from Other Companies

The Enbridge Billing Service allows other energy companies to include their charges on the Enbridge bill. If you have purchased a product or service from a participating company, the charges would appear in the section called “Charges From Other Companies” on your Enbridge bill.

This service helps make paying bills more convenient for you. You receive one bill and make one monthly payment to Enbridge Gas Distribution. This service also helps to keep rates low by sharing costs with other billers.

6.4.3. Billing from a licensed energy marketer

If you buy your natural gas supply from a licensed energy broker, your gas supply charges, along with the name of the licensed energy broker will appear in the 'Charges For Gas' section of your Enbridge bill.

6.4.4. Billing Options

- **Paperless Billing** 

Enbridge offers customers an environmentally friendly and secure bill delivery option in the form of a paperless bill. You can view and store up to 24 months of bills electronically through this service.

- **Budget Billing Plan**

The Enbridge Budget Billing Plan (BBP) provides all residential gas heating customers the convenience of paying equal amounts throughout the year and avoiding higher bills in winter months. Using your prior year's gas usage, Enbridge forecasts the amount of gas you will use and applies the current gas price to determine your monthly BBP installment.
The BBP season runs from September to July each year. In July, Budget Billing Plans are reviewed and reconciled and customers are billed or credited a BBP Final Adjustment that represents the difference between the charges for gas actually used from the time you join the plan and the monthly BBP installments billed to date. In the month of August, you are billed for the actual gas used in the month. The new plan then starts again in September.

Should a credit balance result after the annual reconciliation, the amount will be credited to your account and will appear on your July bill. If you choose to have the amount refunded, you can call the Enbridge Call Centre at 1-877-362-7434 and a refund cheque will be issued.

Should a chargeable balance result after the annual reconciliation, the amount will be charged to your account and will appear on your July bill. In the event that the BBP Final Adjustment charge is higher than expected, you may choose to call the Enbridge Call Centre at 1-877-362-7434 and one of our Customer Service Representatives will work with you to determine suitable payment arrangements.

At a minimum, one mid-season BBP review will occur usually at the beginning of the next calendar year. The mid-season review will recalculate your monthly BBP installment to ensure accuracy as weather, usage and rate changes could affect the actual charges for gas you use. After the mid-season review, the new monthly installment amount will be billed on your next bill and a bill message will explain that there was a review of your monthly BBP installment. **Customers are encouraged to monitor their BBP details (actual gas charges billed to date versus BBP installments billed to date) and may request a review at any time.**

A number of factors can create a variance in the plan. Significant changes in weather, gas prices, change in gas marketers, or gas use in the home, such as installing a new natural gas appliance, can create a difference between actual gas costs and installment amounts.

First time gas customers are automatically assigned to the BBP unless they request otherwise.

6.4.5. Payment Options

- **Pre-Authorized Payment**

Enbridge also offers a Pre-Authorized Payment Plan. Signing up for the Pre-Authorized Payment Plan will allow your amount due to be automatically withdrawn from your bank account on the day before the Late Payment Effective Date.

- **Other payment options include:**

  - Online or in person at a financial institution

  - Telephone Banking

  - Credit Card
    For a Credit Card Convenience fee of $2.85 for every $150 charge paid to our Credit Card Service Provider, you may use a valid credit card to make a payment.

  - Western Union
    For customers with overdue amounts that are at or nearing disconnection for non-payment, you may choose to make a payment for a fee through Western Union.

  - Standard Mail
    You can send a cheque or money order (no cash please), along with the bottom tear-off portion of your bill, to:

    Enbridge
    P.O. Box 644
    Toronto, ON M1K 5H1

    Please make your cheque payable to "Enbridge" and write your account number on the front.

  - Pay in Person
    You may also drop your payment off at one of our payment drop boxes located in the following locations 24 hours a day:
    (Please note: for your security, we cannot accept cash at these offices.)

    VPC Office
    500 Consumers Road
    North York, Ontario

    Ottawa Office
    400 Coventry Road
    Ottawa, Ontario

    Thorold Office
    3401 Schmon Parkway
    Thorold, Ontario

6.5. Correction of Billing Errors

Retroactive billing ensures that all gas consumption and other Enbridge charges, not billed previously, are billed correctly to the customer. Retroactive billing can be the result of either a customer error or a company error. When a customer has been billed incorrectly, retroactive billing is required.

Where billing errors, either through company or customer error, have resulted in either under or overbilling, the customer will be charged or credited with the amount erroneously billed for a period not exceeding two years.

If you have been underbilled, Enbridge will work with you to determine a suitable payment arrangement.

6.6. Discontinuance of Gas Supply or Delivery

6.6.1. Customer Initiated Discontinuance

A customer will continue to be bound by these Conditions of Service and will be obliged to pay for all gas supplied and/or delivered to the premises along with any other monthly charges applicable including late payment penalties until Enbridge has terminated the supply of gas following the acceptance of a request for termination from the customer.

6.6.2. Emergency or Safety related Discontinuance

In addition to service interruption for maintenance and force majeure events, Enbridge may discontinue gas supply and/or delivery to any customer for any of the following reasons:

- for use of gas for any purpose other than that described in the service application, gas supply contract, or rate schedule;
- in case Enbridge, is refused access for any lawful purposes to the premises to which gas is supplied and/or delivered;
- when Enbridge property on a customer's premises is in any manner tampered with, damaged, or destroyed;
- when Enbridge has reason to believe that an unsafe condition exists on the premises or may develop from a continuation of gas supply and/or delivery;
- when a gas installation contravenes the provisions of the Technical Standards and Safety Act, associated regulations, or any other applicable enactment; or
- when there is evidence of gas theft.

Discontinuance of gas supply and/or delivery for any of the reasons set out in paragraph 6.6.2 shall result in a disconnection charge payable by the Customer.

6.6.3. Discontinuance of Service for Non-payment

Enbridge charges are due when the bill is received, which is considered to be three days after the date the bill is rendered. If, for any reason, you are unable to make full payment you are encouraged to contact Enbridge to make suitable payment arrangements. Customers can call the Enbridge Call Centre at 1-877-362-7434.

If the bill is not paid in full and you have not contacted Enbridge to make payment arrangements, under the Public Utilities Act, Enbridge has the right to discontinue gas service. Prior to discontinuance of gas service Enbridge will provide a minimum 48 hours notice in writing along with a call to advise when the disconnection will occur. The written notice includes the dates between which the gas service can be disconnected and payment options for avoiding disconnection.

If you are seeking payment assistance through a registered charity, government agency, social service agency or a third party, you must provide consent to Enbridge to provide details of your account to these third parties. Enbridge will place any disconnection or collections actions on hold and will work with the third party to obtain payment to avoid disconnection of your gas service.

If your meter has been turned off for non-payment, when payment in full is received by Enbridge including any disconnection charges and security deposit, Enbridge will reconnect your gas meter within 48 hours.

6.7. Arrears Management Programs

Enbridge has different arrears management programs available to customers who are unable to pay their entire bill. Enbridge works with customers depending on their individual circumstances to come up with a mutually agreeable payment arrangement. Customers requiring assistance are encouraged to call the Enbridge Call Centre at 1-877-362-7434 to discuss options.

Customers who miss making a payment as part of their payment arrangement will be sent a letter giving notice of the missed payment and the date on which their current arrangement will be cancelled.

In the event that you are having difficulty paying your bill, emergency financial assistance is also available. The Ontario Energy Board has initiated the Low Income Energy Assistance Program which operates similar to our Winter Warmth Program and provides financial assistance to families in need. You can choose to apply for financial assistance through various community agencies. Customers who are working with a social assistance agency will be given 21 days to secure emergency financial assistance before additional collection action will be taken for non-payment. Disconnection of gas service is always a last resort.

6.8. Allocation of Payments between gas and non-gas charges

Payments are applied to your gas bill charges based upon the oldest billed amounts being paid first. In the event that payment is insufficient to cover all charges invoiced in a month, payments will be allocated to non-gas charges first, unless otherwise notified of a dispute. Any charges that remain outstanding past the late payment effective date will incur a late payment charge as mentioned in the Bill issuance and Payment section.

6.9. Management of Customer Accounts

Enbridge is committed to providing excellent service and to ensuring that relationships with customers are conducted with integrity and in a responsible, fair, honest and ethical manner. Consistent with these objectives Enbridge maintains high standards of confidentiality with respect to the personal information in its possession. Any personal information related to a customer's account will only be shared with the party named on the account or any third party designated by the customer. To provide consent for another person or a third party to discuss your account details with Enbridge, you must contact our Enbridge Call Centre at 1-877-362-7434 to advise us of your permission to discuss your account with these parties.

Enbridge has improved processes for recording Landlord directions on how to manage accounts in between tenants. We can record the following directions:

- Always lock the account between tenants. This requires a written release to be signed by the Landlord accepting full responsibility for any damages caused by not having heat available during the winter season
- Lock the account in summer and move the account to the Landlord's name in winter
- Move the account into the Landlord's name in between tenants
- Always leave the account in the Landlord's name
- Move out the tenant only

6.10. Our Customer Service Process

Step 1: Call the Enbridge Call Centre at 1-877-362-7434
Enbridge customer service representatives (CSRs) are trained to help answer your questions.

Step 2: Ask to Speak to a Supervisor
If you feel that your questions are not being fully addressed by the CSR, please ask to speak to a supervisor. They'll try to work with you to resolve your issue.

Step 3: Contact the Enbridge Customer Ombud
If you've spoken to a CSR and a supervisor and are not completely satisfied with the solution provided, the supervisor will offer to elevate your concern to the Enbridge Customer Ombud's office.

For complete information regarding our dispute resolution process, please visit the Enbridge website: https://www.enbridgegas.com/contact-us/

APPENDIX A

DEFINITION OF TERMS

British thermal unit – means the amount of heat required to raise the temperature of one pound of distilled water from 60° Fahrenheit to 61° Fahrenheit.

Building piping – includes pipe, whether indoors, outdoors, exposed or buried, which brings gas from the "point of delivery" to each point of utilization including plugged or capped gas valves.

Cubic metre - A standard cubic metre of gas is the volume of gas contained in a one cubic metre at a temperature of 15 degrees Celsius and at an absolute pressure of 101.325 kilopascals ("kPa"). $10^3 m^3$ equals 1,000 cubic metres.

Curtailment - An interruption in an Applicant's gas supply at a Terminal Location resulting from compliance with a request or an order by the Company to discontinue or curtail the use of gas.

Customer – means any person, persons, company or corporation responsible for purchasing gas through Enbridge's meter.

Gas – natural gas or its equivalent containing not less than the heating value specified from time to time in Enbridge's rate schedules.

Gas appliance – means any device approved by the appropriate governmental authority which uses gas as a fuel or as a raw material.

Joule - A measurement of heat.

Late payment effective date – means the date late payment charges will be added to your bill if full payment has not been received.

Late payment charge – means a charge which is imposed when full payment of the gas bill is not made by the "late payment effective date".

Meter – means a device approved by the appropriate governmental authority and installed to measure the volume of gas delivered to the customer.

Month or monthly – means, for the purposes of calculating customers' accounts, a period of approximately 30 days.

Point of delivery – means that point at which gas leaves Enbridge's metering and regulating facilities and is delivered to you or, if there are no such facilities, Enbridge's shut-off valve.

Property line – means that line which delineates the boundary between one property and the next immediately adjacent property whether it is public or private.

Rate schedule – means one of a set of schedules filed by Enbridge with and approved by the Ontario Energy Board that specifies rates, applicability, character of service, terms and conditions of service and the effective date.

Service – means the pipe or tubing and associated fittings which transmits gas from the pipeline to the meter inlet connection. Where unmetered gas is provided, the service shall be deemed to terminate at the shut-off valve located closest to the building entry, immediately inside the building wall. Where gas pressure regulation is necessary, the service regulator shall form part of the service.

Standard conditions – Temperature of 60°F and 15°C for Imperial and S.I. respectively. Pressure of 14.73 pounds per square inch absolute (psia) and 101.325 kilopascals absolute (kPa) for Imperial and SI respectively. Water vapour content less than 7 pounds per million cubic feet and 100 milligrams per cubic metre for Imperial and SI respectively.

CCC INTERROGATORY #2

INTERROGATORY

O - Other Issues
Issue O4: Are Enbridge's Conditions of Service (i.e. customer service policies including security deposits, late payment penalty, etc.) compatible with Board directives?

Ref: A1/T14/S2/p.p. 2-4

Please provide the current Rider G setting out existing Service Charges.

RESPONSE

Please refer to evidence filed at Exhibit H2, Tab 6, Schedule 1, pages 60 to 61 of the Rate Handbook. There are no proposed changes for 2013.

Witnesses: T. Ferguson
K. Lakatos-Hayward
S. McGill
M. Torriano

BOARD STAFF INTERROGATORY #1

INTERROGATORY

O - Other Issues
Issue O5: Have all impacts of the conversion of regulatory and financial accounting from CGAAP to USGAAP been identified, and reflected in the appropriate manner in the application, the revenue requirement for the Test Year, and the proposed rates?

Ref: Response to Board Staff Interrogatory #2 Ex. I/Sch 1.2/p1

As per the response to Board Staff Interrogatory #2 Ex. I/Sch 1.2/p1, Enbridge stated that it did not expect any other significant impact to rates as a result of using USGAAP versus CGAAP, with the exception of the impact of OPEB.

a) Please confirm that apart from OPEB, there are no other significant or material impact to rates from the transition to and implementation of USGAAP standards.

RESPONSE

a) Apart from any implications mentioned in Enbridge's responses to Board Staff Interrogatories #6 and #12 at Exhibit I, Issue D4, Schedule 1.6 and 1.12, there are no other significant or material impacts to rates.

Witnesses: S. Chhelavda
K. Culbert
B. Yuzwa

BOARD STAFF INTERROGATORY #2

INTERROGATORY

O - Other Issues
Issue O5: Have all impacts of the conversion of regulatory and financial accounting from CGAAP to USGAAP been identified, and reflected in the appropriate manner in the application, the revenue requirement for the Test Year, and the proposed rates?

Ref(1): Ex. A1/Tab 6/Sch 2/Appendix 3
Ref(2): Response to Board Staff Interrogatory #5f) i) Ex. I/Sch 1.5/p6
Ref(3): Response to Board Staff Interrogatory #5f) iii) Ex. I/Sch 1.5/p6

Enbridge also highlighted in its application a difference between CGAAP and USGAAP – Regulatory Deferrals. As per Ref(2), EGD stated that the regulatory deferrals represent the amortization of regulatory assets and liabilities under USGAAP. The amortization represents amounts refunded/collected in rates during the year; and this amortization is presented under USGAAP through a gross up of revenues and expenses, with no net earnings impact.

As per the response to Ref(3), EGD declared that the 2013 regulatory deferrals will be accounts and amounts approved by the Board which have no direct impact within the 2013 revenue requirement.

a) Please explain why there is a difference between CGAAP and USGAAP with respect to the treatment of Regulatory Deferrals.
b) Please explain whether there will also be an impact to ratepayers regarding the treatment of Regulatory Deferrals under USGAAP. If so, please quantify the approximate impact.

RESPONSE

a) Under USGAAP, Revenues & Expenses are grossed-up to reflect the clearing of Regulatory Deferrals, with no impact on net income or rates.

b) As indicated in response to part a) above, there will be no impact to ratepayers regarding the treatment of Regulatory Deferrals under USGAAP.

Witnesses: S. Chhelavda
K. Culbert
B. Yuzwa

BOARD STAFF INTERROGATORY #3

INTERROGATORY

O - Other Issues
Issue O5: Have all impacts of the conversion of regulatory and financial accounting from CGAAP to USGAAP been identified, and reflected in the appropriate manner in the application, the revenue requirement for the Test Year, and the proposed rates?

Ref(1): Ex. D1/Tab8/Sch 1/p17
Ref(2): Enbridge Response to Board Staff Interrogatory #4b) v) Ex. I/Sch 1.4/p2
Ref(3): Enbridge Response to Board Staff Interrogatory #4a) Ex. I/Sch 1.4/p2

Enbridge is proposing to establish a new TIACDA, the 2013 Transition Impact of Accounting Changes Deferral Account (the "2013 TIACDA") in this proceeding.
As per Ref(2), Enbridge stated that as it is seeking recovery of the balance to be recorded in the 2012 TIACDA over a future fifteen year period commencing in 2013, a 2013 TIACDA and further future year TIACDAs will be required to record any approved for recovery of yet un-cleared amounts going forward.

As per Ref(3), Enbridge stated that no additional principal amounts will be recorded in the TIACDA from January 1, 2013 forward.

a) Please expand and clarify the purpose of the 2013 TIACDA.

b) EGD's adoption of USGAAP is a one-time occurrence. Please explain why EGD would need a 2013 TIACDA, and further future year TIACDAs, in addition to the 2012 TIACDA, when USGAAP will be adopted by EGD for financial reporting purposes on January 1, 2012.

RESPONSE

a) As indicated in Enbridge's response to Board Staff Interrogatory #4 part b) v), at Exhibit I, Issue USGAAP, Schedule 1.4; the purpose of the 2013 TIACDA and further future year TIACDAs is to record any approved for recovery yet un-cleared OPEB amounts from the 2012 TIACDA or subsequent (current years minus 1) TIACDAs, establishing a carry forward of uncleared balances process. In addition, as indicated in Exhibit A2, Tab 3, Schedule 1, page 12, paragraph 37 b), if Enbridge is required to calculate OPEB expense in accordance with the cash method for

Witnesses: S. Chhelavda
K. Culbert
R. Small
B. Yuzwa

regulatory purposes, a charge for the difference between the cash method and the accrual expense calculated will need to be recorded.

b) Please see response to part a).

Witnesses: S. Chhelavda
K. Culbert
R. Small
B. Yuzwa

BOARD STAFF INTERROGATORY #4

INTERROGATORY

O - Other Issues
Issue O5: Have all impacts of the conversion of regulatory and financial accounting from CGAAP to USGAAP been identified, and reflected in the appropriate manner in the application, the revenue requirement for the Test Year, and the proposed rates?

a) Other than the 2012 TIACDA, please explain if EGD is proposing to recover prior period costs in other sections of its application filed with the Board (i.e. costs incurred prior to January 1, 2012). Please explain.

b) Please describe the nature of the associated costs and the timeline associated with these costs.

RESPONSE

a) As indicated in response to Board Staff Interrogatory #3 at Exhibit I, Issue DV2, Schedule 1.3, the amounts included in the 2012 TIACDA are not properly categorized or referred to as prior period costs. Enbridge is not proposing to recover any prior period costs.

b) Please see response to part a).

Witnesses: S. Chhelavda
K. Culbert
B. Yuzwa