



EB-2013-0046

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Sched. B);

AND IN THE MATTER OF an Application by Enbridge Gas Distribution Inc. for an order or orders approving the clearance or disposition of amounts recorded in certain deferral or variance accounts.

**NOTICE OF APPLICATION & PROCEDURAL ORDER NO. 1
June 13, 2013**

Enbridge Gas Distribution Inc. (“Enbridge”) filed an application dated May 24, 2013 with the Ontario Energy Board (the “Board”) under section 36 of the *Ontario Energy Board Act, S.O. 1998, c.15, Schedule B* for an order approving the disposition of balances in certain deferral or variance accounts. The Board has assigned file number EB-2013-0046 to the application.

Enbridge filed evidence which shows that the total amount forecasted for disposition in the deferral and variance accounts is a customer credit of \$20.1 million. Enbridge proposes disposition as a one-time billing adjustment on customer’s bills in the month of January, 2014. The 2012 Earnings Sharing Mechanism Deferral Account (“ESMDA”) is included with the disposition in the amount of \$10.35 million as a credit to customers. The evidence includes bill impacts which show that the impact on a typical residential customer taking gas supply service from the Company is a one-time credit of \$12.60. For commercial customers taking gas supply service from the Company, the impact is a one-time credit of \$59.

The Board has attached the Issues List in Appendix “A” to this procedural order. The Issues List includes the list of deferral and variance accounts requested for disposition.

The Board notes that on May 24, 2013, Enbridge provided a copy of the Application and the evidence to all parties in the EB-2011-0354 proceeding.

For the purposes of this proceeding, the Board has determined that it will direct Enbridge to forward the application, evidence and Notice of Application & Procedural Order No. 1 to all intervenors approved in the recent Enbridge 2013 Cost of Service proceeding (Board File No. EB-2011-0354). Parties wishing to participate in this proceeding must respond in writing to the Board Secretary in the affirmative, noting their intention within **10 days** of the date of this order. Parties deemed eligible for an award of costs in the EB-2011-0354 proceeding shall also be eligible to claim an award of costs in this proceeding.

The Board will now make provision for the following procedural matters. Please be aware that further procedural orders may be issued from time to time.

THE BOARD ORDERS THAT:

1. Parties seeking information and material on Enbridge's evidence shall request it by written interrogatories filed with the Board and delivered to all the parties no later than **July 5, 2013**.
2. Enbridge shall file complete responses to all the interrogatories with the Board and deliver the responses to the other parties no later than **July 19, 2013**.
3. A Settlement Conference will be convened at 9:00 a.m. on **July 24, 2013** with the objective of reaching a settlement among the parties on the issues. The Settlement Conference will be held in the Board's hearing room at 2300 Yonge Street, 25th Floor, Toronto, and may continue until **July 25, 2013** if needed.
4. Any Settlement Proposal arising from the Settlement Conference shall be filed with the Board no later than 4:45 p.m. on **August 1, 2013**.

All filings to the Board must quote file number **EB-2013-0046**, be made through the Board's web portal at www.pes.ontarioenergyboard.ca/eservice/, and consist of two

paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address, telephone number, fax number and e-mail address.

All filings shall use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca/OEB/Industry. If the web portal is not available, parties may email their documents to the address below.

Persons who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

For all electronic correspondence and materials related to this proceeding, parties must include in their distribution lists the Case Manager, Colin Schuch at colin.schuch@ontarioenergyboard.ca and Senior Legal Counsel, Kristi Sebalj at kristi.sebalj@ontarioenergyboard.ca

All communications should be directed to the attention of the Board Secretary and be received no later than 4:45 p.m. on the required date.

ADDRESS

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Attention: Board Secretary

Filings: <https://www.pes.ontarioenergyboard.ca/eservice/>

E-mail: boardsec@ontarioenergyboard.ca

Tel: 1-888-632-6273 (Toll free)

Fax: 416-440-7656

DATED at Toronto June 13, 2013
ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

APPENDIX "A"

To Notice of Application and Procedural Order No. 1

ISSUES LIST

Enbridge 2012 Deferral & Variance Account Clearances

EB-2013-0046

DATED June 13, 2013

1. Are the deferral and variance accounts and balances proposed for disposition on the attached schedule ("Schedule 1") appropriate?
2. Is the amount proposed to be cleared in the 2012 Transactional Services deferral account appropriate?
3. What are the appropriate unit rates and timing for implementation of the clearances?

ENBRIDGE GAS DISTRIBUTION INC.
DEFERRAL & VARIANCE ACCOUNT
ACTUAL & FORECAST BALANCES

| Line No. | Account Description | Account Acronym | Actual at March 31, 2013 | | Forecast for clearance at January 1, 2014 | |
|---------------------------------------|---|-----------------|--------------------------|--------------------|---|----------------------|
| | | | Principal (\$000's) | Interest (\$000's) | Principal (\$000's) | Interest (\$000's) |
| <u>Non Commodity Related Accounts</u> | | | | | | |
| 1. | Demand Side Management V/A | 2011 DSMVA | 535.8 | (46.8) | 535.8 | (40.5) ¹ |
| 2. | Lost Revenue Adjustment Mechanism | 2011 LRAM | - | - | (55.3) | (0.5) ¹ |
| 3. | Shared Savings Mechanism V/A | 2011 SSMVA | - | - | 6,769.5 | 41.5 ¹ |
| 4. | Deferred Rebate Account | 2012 DRA | (940.8) | (5.8) | (940.8) | (16.6) |
| 5. | Gas Distribution Access Rule Costs D/A | 2011 GDARCD A | 89.9 | 1.7 | - | - ² |
| 6. | Gas Distribution Access Rule Costs D/A | 2012 GDARCD A | 1,616.4 | 12.6 | 1,097.8 | - ² |
| 7. | Ontario Hearing Costs V/A | 2012 OHCVA | (1,259.7) | (5.7) | (1,259.7) | (19.2) ³ |
| 8. | Unbundled Rate Implementation Cost D/A | 2012 URICDA | 155.0 | 1.5 | 155.0 | 3.3 |
| 9. | Average Use True-Up V/A | 2012 AUTUVA | 4,361.3 | 16.0 | 4,361.3 | 63.7 ⁴ |
| 10. | Tax Rate and Rule Change V/A | 2012 TRRCVA | 300.0 | 1.4 | 300.0 | 5.0 ⁵ |
| 11. | Earnings Sharing Mechanism D/A | 2012 ESMDA | (10,350.0) | (38.0) | (10,350.0) | (152.3) ⁶ |
| 12. | Electric Program Earnings Sharing D/A | 2012 EPESDA | (281.7) | (1.0) | (281.7) | (3.7) |
| 13. | Ex-Franchise Third Party Billing Services D/A | 2012 EFTPBSDA | (143.0) | (0.5) | (143.0) | (2.3) |
| 14. | Transition Impact of Accounting Change D/A | 2013 TIACDA | 88,716.0 | - | 4,435.8 | - ⁷ |
| 15. | Total non commodity related accounts | | 82,799.2 | (64.6) | 4,624.7 | (121.6) |
| <u>Commodity Related Accounts</u> | | | | | | |
| 16. | Transactional Services D/A | 2012 TSDA | (26,077.3) | (208.0) | (26,077.3) | (495.1) |
| 17. | Unaccounted for Gas V/A | 2012 UAFVA | 2,067.9 | 7.6 | 2,067.9 | 30.1 |
| 18. | Storage and Transportation D/A | 2012 S&TDA | (699.8) | (7.4) | (699.8) | (15.5) |
| 19. | Total commodity related accounts | | (24,709.2) | (207.8) | (24,709.2) | (480.5) |
| 20. | Total Deferral and Variance Accounts | | 58,090.0 | (272.4) | (20,084.5) | (602.1) |

Notes:

- The final 2011 DSMVA, SSMVA, and LRAM balances to be cleared will be those approved in the EB-2013-0075 proceeding, anticipated to be filed in Q2 2013.
- The \$1.1M forecast clearance amount, associated with the 2011 and 2012 GDARCD A balances, is the result of a revenue requirement calculation found in evidence at Ex.C-1-2.
- The OHCVA calculation is found in evidence at Ex.C-1-5.
- The AUTUVA explanation is found in evidence at Ex.C-1-3.
- The TRRCVA explanation is found in evidence at Ex.C-1-4.
- The ESMDA explanation is found in evidence at Ex.B-1-1 and B-1-2.
- The TIACDA clearance is in accordance with the EB-2011-0354 Final Rate Order.

APPENDIX "B"

To Notice of Application and Procedural Order No. 1

Enbridge Gas Distribution Inc.

EB-2013-0046

Case Timetable

DATED: June 13, 2013

| | Event | Date |
|----|--------------------------|----------------|
| 1. | Interrogatories filed | July 5 |
| 2. | Interrogatory responses | July 19 |
| 3. | Settlement Conference | July 24 and 25 |
| 4. | File Settlement Proposal | August 1 |