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VIA RESS, E-MAIL and COURIER

December 17, 2013

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

Re: EB-2013-0406 Enbridge Gas Distribution Inc. ("Enbridge")
Q1 QRAM – Reply to Board Staff Questions

On December 10, 2013, Enbridge filed a Quarterly Rate Adjustment Mechanism ("QRAM") application with the Ontario Energy Board and invited parties to provide comments by December 15, 2013.

Enbridge received questions from Board Staff on December 15 and December 16, 2013.

Attached please find Enbridge's reply to Board Staff.

Please contact the undersigned if you have any questions.

Sincerely,

(original signed)

Lorraine Chiasson
Regulatory Coordinator

cc: Mr. Fred Cass, Aird & Berlis (via email)
EB-2013-0406 Interested Parties (via email)

BOARD STAFF INTERROGATORY #1

INTERROGATORY

At Exhibit Q1-2, Tab 1, schedule 1, pp. 4-6, Enbridge identifies two errors that it has discovered from previous QRAM proceedings. Page 3 describes a "mechanical error" from the October 2012 QRAM that resulted in ratepayers not being credited with \$7.8M that they were entitled to. At page 6, another mechanical error from the April 2013 QRAM is described, which resulted in ratepayers not being credited with \$2.3M that they were entitled to. Enbridge proposes to refund this \$10.1M to ratepayers through the current QRAM application.

(a) Please provide additional detail about the nature of the "mechanical error" that resulted in improper figures being presented to the Board in the October 2012 and April 2013 QRAM proceedings. What steps, if any, have been taken to ensure that similar errors do not occur in the future?

(b) Does the \$10.1M Enbridge proposes to refund to ratepayers include interest? If not, what would the figure be if interest charges were included?

(c) Enbridge appears to be requesting that the Board authorize a "correction" to two previous final rate orders (i.e. the Board's orders from the October 2012 and April 2013 QRAM proceedings). In Enbridge's view, does this raise any concerns with respect to rate retroactivity? Please explain.

(d) What is the approximate rate impact associated with the \$10.1M? In other words, if the \$10.1M were not refunded to customers through this QRAM, all else being equal what impact would this have on the rate?

RESPONSE

a) The mechanical errors came to light during an internal review of previous QRAM calculations. This review revealed that two formulae within Excel spreadsheet models were incorrectly summing the line items for the determination of the Gas Acquisition – Commodity Component of its PGVA balance for its October 2012 QRAM, as well as, the determination of its Gas in Inventory Re-valuation PGVA balance for its April 1, 2013 QRAM. This is the nature of the mechanical errors referred to in evidence at Exhibit Q1-2, tab 1, Schedule 1, pages 3 and 6.

Witnesses: A. Kacicnik
D. Small

Enbridge corrected the two errors. The corrected exhibits have been included within this QRAM evidence at Exhibit Q1-3, Tab 1, Schedule 2, Page 6 of 9 (Updated EB-2012-0352 Exhibit Q4-3, Tab 1, Schedule 2, page 5 of 7) and Exhibit Q1-3, Tab 1, Schedule 3, Page 2 of 3 (Updated EB-2013-0045 Exhibit Q2-3, Tab 1, Schedule 3, page 1 of 2).

The two errors are calculation errors only. In the preparation of its QRAM evidence, the Company follows the QRAM process as approved by the Board for Enbridge.

Enbridge has taken steps to add an additional layer of verification / validation for formula error and recalculation of key results (as part of its internal review process) to prevent such errors occurring in the future.

- b) The \$10.1 million which Enbridge proposes to refund to ratepayers does not include interest. Enbridge notes that the current Board approved interest rate is 1.47%.

Given the stage that this application is at, and the number of exhibits, as well as, the customer rate notices that would be impacted, Enbridge respectfully proposes to determine and address interest associated with these balances as part of its April 1, 2014 QRAM application.

- c) In Enbridge's view, the proposed corrections do not give rise to retroactivity given that:
- the rider inclusive of corrections will be applied to customers' bills on a prospective basis; and
 - in accordance with the Board-approved methodology, the derivation of the Rider C unit rates within a QRAM application reflect both forecast and actual balances for the components of the PGVA, as well as, a true up mechanism of over and under collections or refunds to customers.

The two proposed corrections from previous QRAMs can be viewed in the same manner as the true-up mechanism which currently exists within the current QRAM methodology. At Exhibit Q1-1, Tab 2, Schedule 1, Appendix A, Page 3 paragraph 13, the Company's QRAM methodology allows Enbridge to record variances reflecting the difference between the amount that was forecast to be recovered in the previous quarter from rate riders and the amount that was actually recovered. These variances are included in the establishment of the rate rider unit rates for the next 12 month period.

As a result, Enbridge updates quarterly its rate rider unit rates to reflect the updated forecast of PGVA balances and the historical variance.

Witnesses: A. Kacicnik
D. Small

- d) The Rider C unit rates are rate riders which are applied to customer bills in conjunction with Enbridge's Board approved rates for gas supply, transportation, load balancing and delivery.

The Company's proposed rate impacts stemming from the change in revenue requirement for this QRAM would not change if the \$10.1 million were not being refunded to customers. The correction of \$10.1 million only impacts the commodity component of Rider C and is only applicable to Sales (i.e. system gas) service customers.

The proposed Sales service Rider C, inclusive of the two corrections, results in a credit of approximately \$29 annually for a typical residential customer. If the \$10.1 million were not refunded to customers, the Rider C would result in a credit of approximately \$24 annually for a typical residential customer or approximately \$5 annually less than the Company's proposal.

BOARD STAFF INTERROGATORY #2

INTERROGATORY

Ref: Ex Q1-2/T1/S1/paragraph 6 speaks to the Extraction Revenue of \$2.6 million included in column 1 of Ex Q1-3/T1/S2 page 1 of 9.

- i. Could Enbridge please show how the amount is allocated to the months of 2013 in Column 1.
- ii. How does the current revenue amount relate to the amount shown for Extraction Revenue in the October 1st QRAM (EB-2013-0295) of \$5.047 million?
- iii. Assuming that Extraction Revenues will continue for some time, can Enbridge please provide comment on whether it would be advisable to have Extraction Revenues noted as a separate item in future QRAMs.

RESPONSE

- i. Please see the table below.

The extraction revenue of approximately \$2.6 million captures the period of January 1, 2013 to November 30, 2013 and represents a reduction to the Company's acquisition costs. Should the Company realize extraction revenue in the month of December 2013, the amount will be recorded and cleared to customers as part of Rider C within the April 2014 QRAM.

2013	\$
	\$000
January - August	\$ 1,881.3
September	\$ 222.8
October	\$ 230.8
November	\$ 220.0
December	-
Total	\$ 2,554.9

- ii. The amount of \$5.047 million represents the extraction revenue realized in 2012. The Company cleared this amount to customers as a one-time adjustment to the commodity component of the PGVA within the October 2013 QRAM following the

Witnesses: A. Kacicnik
D. Small

settlement of this issue in the 2012 Earnings Sharing Mechanism ("ESM") proceeding EB-2013-0046. The level of extraction revenue to date in 2013 is about half of the extraction revenue realized in 2012.

- iii. Enbridge agrees and proposes to separately report extraction revenues commencing as part of its April 1, 2014 QRAM.

In this regard, Enbridge proposes to provide a paragraph (similar to paragraph #6 at Exhibit Q1-2, Tab 1, Schedule 1, page 2) within its written evidence advising on the level of extraction revenue to date. Further, within its supporting schedules at Exhibit QX-3, Tab 1, Schedule 2, page 1, Enbridge proposes to indicate the level of extraction revenue realized for each month.

BOARD STAFF INTERROGATORY #3

INTERROGATORY

Ref: Ex Q1-3/T1/S1/lines 7.11 and 7.12. Regarding the amounts shown for Alliance and Vector transportation, please explain why these are different than the amounts showing the gas supply plan approved by the Board on an interim basis in its November 5, 2013 Decision on Motion.

RESPONSE

The Alliance and Vector amounts in the January 2014 QRAM evidence are slightly different than the amounts approved by the Board on an interim basis in its November 5, 2013 Decision on Motion because of a small change in the exchange rate between \$CAD and \$US. The exchange rate within this QRAM is slightly less favourable (i.e., weaker) as compared to the exchange rate used in the evidence that the Board approved in the Decision on Motion.

Witnesses: A. Kacicnik
D. Small

BOARD STAFF INTERROGATORY #4

INTERROGATORY

Ref: Ex Q1-3/T4/S8/ page 11 of 16. The amount shown in column 3 (\$17,875,016) cannot be derived using the cited footnote (footnote 2). Please provide the correct amount and a correction to the footnote exhibit references to allow the correct derivation of the amount.

RESPONSE

The footnote to exhibit references has been corrected. The amount of (\$17,875,016) is correct and can now be derived using the corrected reference. The corrected version of the exhibit is attached to this response.

Witnesses: A. Kacicnik
D. Small

BOARD STAFF INTERROGATORY #5

INTERROGATORY

Ref: Ex Q1-3/T4/S8/ page 13 of 16. The amount shown in column 3 (\$10,929,897) cannot be derived using the cited footnote (footnote 2). Please provide the correct amount and a correction to the footnote exhibit references to allow the correct derivation of the amount.

RESPONSE

The footnote to exhibit references has been corrected. The amount of (\$10,929,897) is correct and can now be derived using the corrected reference. The corrected version of the exhibit is attached to this response

Witnesses: A. Kacicnik
D. Small

BOARD STAFF INTERROGATORY #6

INTERROGATORY

Please provide corrections to any incorrect or incomplete footnote references in Exhibit Q1-3/Tab4/Schedule 8.

RESPONSE

The complete corrected Exhibit Q1-3, Tab 4, Schedule 8 is attached to this response.

The Rider C unit rates have not changed, only incomplete footnote references have been updated.

Witnesses: A. Kacicnik
D. Small

**Rate Rider Summary
January 2014 - QRAM Q1**

Item No.	Description	Sales Service Unit Rate	Western Transportation Service Unit Rate	Ontario Transportation Service Unit Rate
		Col. 1 (¢/m³)	Col. 2 (¢/m³)	Col. 3 (¢/m³)
1.	Rate 1	(0.8799)	0.0578	0.2238
2.	Rate 6	(0.8620)	0.0401	0.2061
3.	Rate 9	(1.4579)	(0.1658)	0.0002
4.	Rate 100	(0.8620)	0.0401	0.2061
5.	Rate 110	(1.3078)	(0.1211)	0.0449
6.	Rate 115	(1.3849)	(0.1528)	0.0132
7.	Rate 135	(1.4556)	(0.1660)	0.0000
8.	Rate 145	(1.0444)	(0.0713)	0.0947
9.	Rate 170	(1.3179)	(0.1133)	0.0527
10.	Rate 200	(0.9161)	(0.0024)	0.1636

**Summary of Commodity Rider
January 2014 - QRAM Q1**

Item No.	Description	Commodity		Inventory		Total	
		Unit Rate	Col. 1 (¢/m³)	Adjustment Unit Rate	Col. 2 (¢/m³)	Commodity Unit Rate	Col. 3 (¢/m³) (1)
1.	Rate 1	(1.2896)		0.3519		(0.9377)	
2.	Rate 6	(1.2896)		0.3875		(0.9021)	
3.	Rate 9	(1.2896)		(0.0025)		(1.2921)	
4.	Rate 100	0.0000		0.0000		0.0000	
5.	Rate 110	(1.2896)		0.1029		(1.1867)	
6.	Rate 115	(1.2896)		0.0575		(1.2321)	
7.	Rate 135	(1.2896)		0.0000		(1.2896)	
8.	Rate 145	(1.2896)		0.3165		(0.9731)	
9.	Rate 170	(1.2896)		0.0850		(1.2046)	
10.	Rate 200	(1.2896)		0.3759		(0.9137)	

Notes: (1) Col. 3 = Col. 1 + Col. 2

**Summary of Transportation Rider
January 2014 - QRAM Q1**

Item No.	Description	Total Transportation Unit Rate
		Col. 1 (¢/m³)
1.	Rate 1	(0.1660)
2.	Rate 6	(0.1660)
3.	Rate 9	(0.1660)
4.	Rate 100	0.0000
5.	Rate 110	(0.1660)
6.	Rate 115	(0.1660)
7.	Rate 135	(0.1660)
8.	Rate 145	(0.1660)
9.	Rate 170	(0.1660)
10.	Rate 200	(0.1660)

**Summary for Load Balancing Rider
January 2014 - QRAM Q1**

Item No.	Description	Peaking Supplies	Delivered Supplies	Curtailment Revenue	Total Load Balancing
		Unit Rate Col. 1 (¢/m³)	Unit Rate Col. 2 (¢/m³)	Unit Rate Col. 3 (¢/m³)	Unit Rate Col. 4 (¢/m³) (1)
1.	Rate 1	0.0686	0.1552	0.0000	0.2238
2.	Rate 6	0.0500	0.1561	0.0000	0.2061
3.	Rate 9	(0.0001)	0.0003	0.0000	0.0002
4.	Rate 100	0.0000	0.0000	0.0000	0.0000
5.	Rate 110	0.0098	0.0351	0.0000	0.0449
6.	Rate 115	0.0033	0.0099	0.0000	0.0132
7.	Rate 135	0.0000	0.0000	0.0000	0.0000
8.	Rate 145	0.0000	0.0947	0.0000	0.0947
9.	Rate 170	0.0000	0.0527	0.0000	0.0527
10.	Rate 200	0.0338	0.1298	0.0000	0.1636

Notes: (1) Col. 4 = Col. 1 + Col. 2 + Col. 3

ENBRIDGE GAS DISTRIBUTION INC.
Unit Rates for Component: Gas in Inventory Revaluation

Item No.	Description	Year 2013				Year 2014		Total Unit Rate (₱/m³)		
		April		July		October			January	
		Q2 Col. 1 (₱/m³)	(1)	Q3 Col. 2 (₱/m³)	(2)	Q4 Col. 3 (₱/m³)	(3)		Q1 Col. 4 (₱/m³)	(4)
1	Rate 1	0.0573		(0.2151)		0.7545		(0.2447)		0.3519
2	Rate 6	0.0610		(0.2293)		0.8042		(0.2484)		0.3875
3	Rate 9	0.0000		0.0000		0.0000		(0.0025)		(0.0025)
4	Rate 100	0.0000		0.0000		0.0000		0.0000		0.0000
5	Rate 110	0.0153		(0.0573)		0.2010		(0.0560)		0.1029
6	Rate 115	0.0099		(0.0371)		0.1301		(0.0454)		0.0575
7	Rate 135	0.0000		0.0000		0.0000		0.0000		0.0000
8	Rate 145	0.0500		(0.1879)		0.6590		(0.2046)		0.3165
9	Rate 170	0.0261		(0.0982)		0.3445		(0.1875)		0.0850
10	Rate 200	0.0586		(0.2200)		0.7715		(0.2342)		0.3759

Notes: (1) EB-2013-0045, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(2) EB-2013-0206, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(3) EB-2013-0295, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(4) EB-2013-0406, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(5) Col. 5 = Col. 1 + Col. 2 + Col. 3 + Col. 4

ENBRIDGE GAS DISTRIBUTION INC.
Unit Rates for Component: Commodity

Item No.	Description	Year 2013				Year 2014		Total Unit Rate (₱/m³)		
		April		July		October			January	
		Q2 (₱/m³)	(1)	Q3 (₱/m³)	(2)	Q4 (₱/m³)	(3)		Q1 (₱/m³)	(4)
1	Rate 1	(0.3214)		0.2242		(1.2063)		0.0139		(1.2896)
2	Rate 6	(0.3214)		0.2242		(1.2063)		0.0139		(1.2896)
3	Rate 9	(0.3214)		0.2242		(1.2063)		0.0139		(1.2896)
4	Rate 100	0.0000		0.0000		0.0000		0.0000		0.0000
5	Rate 110	(0.3214)		0.2242		(1.2063)		0.0139		(1.2896)
6	Rate 115	(0.3214)		0.2242		(1.2063)		0.0139		(1.2896)
7	Rate 135	(0.3214)		0.2242		(1.2063)		0.0139		(1.2896)
8	Rate 145	(0.3214)		0.2242		(1.2063)		0.0139		(1.2896)
9	Rate 170	(0.3214)		0.2242		(1.2063)		0.0139		(1.2896)
10	Rate 200	(0.3214)		0.2242		(1.2063)		0.0139		(1.2896)

Notes: (1) EB-2013-0045, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(2) EB-2013-0206, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(3) EB-2013-0295, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(4) EB-2013-0406, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(5) Col. 5 = Col. 1 + Col. 2 + Col. 3 + Col. 4

ENBRIDGE GAS DISTRIBUTION INC.
Unit Rates for Component: Transportation

Item No.	Description	Year 2013			Year 2014		Total Unit Rate (5) Col. 5 (¢/m³)
		April	July	October	January		
		Q2 Col. 1 (¢/m³)	Q3 Col. 2 (¢/m³)	Q4 Col. 3 (¢/m³)	Q1 Col. 4 (¢/m³)		
1	Rate 1	0.0077	0.0048	(0.0453)	(0.1332)	(0.1660)	
2	Rate 6	0.0077	0.0048	(0.0453)	(0.1332)	(0.1660)	
3	Rate 9	0.0077	0.0048	(0.0453)	(0.1332)	(0.1660)	
4	Rate 100	0.0000	0.0000	0.0000	0.0000	0.0000	
5	Rate 110	0.0077	0.0048	(0.0453)	(0.1332)	(0.1660)	
6	Rate 115	0.0077	0.0048	(0.0453)	(0.1332)	(0.1660)	
7	Rate 135	0.0077	0.0048	(0.0453)	(0.1332)	(0.1660)	
8	Rate 145	0.0077	0.0048	(0.0453)	(0.1332)	(0.1660)	
9	Rate 170	0.0077	0.0048	(0.0453)	(0.1332)	(0.1660)	
10	Rate 200	0.0077	0.0048	(0.0453)	(0.1332)	(0.1660)	

Notes: (1) EB-2013-0045, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(2) EB-2013-0206, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(3) EB-2013-0295, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(4) EB-2013-0406, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(5) Col. 5 = Col. 1 + Col. 2 + Col. 3 + Col. 4

ENBRIDGE GAS DISTRIBUTION INC.
Unit Rates for Component: Peaking Supplies

Item No.	Description	Year 2013				Year 2014		Total Unit Rate (₱/m³)		
		April		July		October			January	
		Q2 Col. 1 (₱/m³)	(1)	Q3 Col. 2 (₱/m³)	(2)	Q4 Col. 3 (₱/m³)	(3)		Q1 Col. 4 (₱/m³)	(4)
1	Rate 1	0.0662		0.0075		0.0000		(0.0051)		0.0686
2	Rate 6	0.0483		0.0055		0.0000		(0.0038)		0.0500
3	Rate 9	0.0000		0.0000		0.0000		(0.0001)		(0.0001)
4	Rate 100	0.0000		0.0000		0.0000		0.0000		0.0000
5	Rate 110	0.0092		0.0010		0.0000		(0.0004)		0.0098
6	Rate 115	0.0032		0.0004		0.0000		(0.0003)		0.0033
7	Rate 135	0.0000		0.0000		0.0000		0.0000		0.0000
8	Rate 145	0.0000		0.0000		0.0000		0.0000		0.0000
9	Rate 170	0.0000		0.0000		0.0000		0.0000		0.0000
10	Rate 200	0.0322		0.0037		0.0000		(0.0021)		0.0338

Notes: (1) EB-2013-0045, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(2) EB-2013-0206, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(3) EB-2013-0295, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(4) EB-2013-0406, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(5) Col. 5 = Col. 1 + Col. 2 + Col. 3 + Col. 4

ENBRIDGE GAS DISTRIBUTION INC.
Unit Rates for Component: Delivered Supplies

Item No.	Description	Year 2013				Year 2014		Total Unit Rate (₱/m³) (5)		
		April		July		October			January	
		Q2 Col. 1 (₱/m³)	(1)	Q3 Col. 2 (₱/m³)	(2)	Q4 Col. 3 (₱/m³)	(3)		Q1 Col. 4 (₱/m³)	(4)
1	Rate 1	0.0032		0.0615		0.0567		0.0338		0.1552
2	Rate 6	0.0033		0.0624		0.0575		0.0329		0.1561
3	Rate 9	0.0000		0.0000		0.0000		0.0003		0.0003
4	Rate 100	0.0000		0.0000		0.0000		0.0000		0.0000
5	Rate 110	0.0008		0.0145		0.0133		0.0065		0.0351
6	Rate 115	0.0002		0.0039		0.0036		0.0022		0.0099
7	Rate 135	0.0000		0.0000		0.0000		0.0000		0.0000
8	Rate 145	0.0020		0.0373		0.0344		0.0211		0.0947
9	Rate 170	0.0011		0.0208		0.0192		0.0117		0.0527
10	Rate 200	0.0027		0.0521		0.0480		0.0269		0.1298

Notes: (1) EB-2013-0045, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(2) EB-2013-0206, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(3) EB-2013-0295, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(4) EB-2013-0406, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(5) Col. 5 = Col. 1 + Col. 2 + Col. 3 + Col. 4

ENBRIDGE GAS DISTRIBUTION INC.
Unit Rates for Component: Curtailment Revenue

Item No.	Description	Year 2013			Year 2014		Total Unit Rate (₱/m³) (5)
		April	July		January		
		Q2 Col. 1 (₱/m³)	Q3 Col. 2 (₱/m³)	Q4 Col. 3 (₱/m³)	Q1 Col. 4 (₱/m³)		
1	Rate 1	0.0000	0.0000	0.0000	0.0000	0.0000	
2	Rate 6	0.0000	0.0000	0.0000	0.0000	0.0000	
3	Rate 9	0.0000	0.0000	0.0000	0.0000	0.0000	
4	Rate 100	0.0000	0.0000	0.0000	0.0000	0.0000	
5	Rate 110	0.0000	0.0000	0.0000	0.0000	0.0000	
6	Rate 115	0.0000	0.0000	0.0000	0.0000	0.0000	
7	Rate 135	0.0000	0.0000	0.0000	0.0000	0.0000	
8	Rate 145	0.0000	0.0000	0.0000	0.0000	0.0000	
9	Rate 170	0.0000	0.0000	0.0000	0.0000	0.0000	
10	Rate 200	0.0000	0.0000	0.0000	0.0000	0.0000	

Notes: (1) EB-2013-0045, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(2) EB-2013-0206, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(3) EB-2013-0295, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(4) EB-2013-0406, Exhibit Q1-3, Tab 4, Schedule 8, Page 11
(5) Col. 5 = Col. 1 + Col. 2 + Col. 3 + Col. 4

**Derivation of Gas in Inventory Revaluation Unit Rates
January 2014 - QRAM Q1**

Item No	Description	Forecast Volumes				Inventory Revaluation Rate Class Col. 4 (\$)	Inventory Revaluation Unit Rate Col. 5 (¢/m³)
		January 2014 - December 2014 (12 months volume)	Col. 1 (m³)	% Allocation (1) (%)	Inventory Revaluation Col. 3 (\$)		
1.	Rate 1	System and Buy/sell	4,131,122,463	56.55%		(10,108,634)	(0.2447)
2.	Rate 6	System and Buy/sell	2,942,573,720	40.90%		(7,310,382)	(0.2484)
3.	Rate 9	System and Buy/sell	534,000	0.00%		(14)	(0.0025)
4.	Rate 100	System and Buy/sell	-	0.00%		0	-
5.	Rate 110	System and Buy/sell	92,081,494	0.29%		(51,596)	(0.0560)
6.	Rate 115	System and Buy/sell	899,998	0.00%		(408)	(0.0454)
7.	Rate 135	System and Buy/sell	1,200,000	0.00%		0	-
8.	Rate 145	System and Buy/sell	22,011,923	0.25%		(45,030)	(0.2046)
9.	Rate 170	System and Buy/sell	37,283,020	0.39%		(69,890)	(0.1875)
10.	Rate 200	System and Buy/sell	123,411,800	1.62%		(289,062)	(0.2342)
11.	Grand Total		7,351,118,418	100.00%	(17,875,016)	(17,875,016)	

Notes: (1) Space less T-service allocation factor
(2) EB-2013-0406, Exhibit Q1-3, Tab 1, Schedule 3, Page 1, Line 29, Col. 6 + Page 3, Line 13, Col. 9
(3) Col. 4 = Col. 2 * -17875016 (Inventory Revaluation)
(4) Col. 5 = Col. 4 / Col. 1

**Derivation of Commodity Unit Rates
January 2014 - QRAM Q1**

Item No	Description	Forecast Volumes		% Allocation (1)	Commodity Total for Clearing (2)	Commodity Valuation Rate Class (3)	Commodity Unit Rate (4)
		January 2014 - December 2014 (12 months volume)	Col. 1 (m ³)				
			Col. 2 (%)	Col. 3 (\$)	Col. 4 (\$)	Col. 5 (¢/m ³)	
1.	Rate 1	System and Buy/sell	56.20%	574,918	0.0139		
2.	Rate 6	System and Buy/sell	40.03%	409,510	0.0139		
3.	Rate 9	System and Buy/sell	0.01%	74	0.0139		
4.	Rate 100	System and Buy/sell	0.00%	0	-		
5.	Rate 110	System and Buy/sell	1.25%	12,815	0.0139		
6.	Rate 115	System and Buy/sell	0.01%	125	0.0139		
7.	Rate 135	System and Buy/sell	0.02%	167	0.0139		
8.	Rate 145	System and Buy/sell	0.30%	3,063	0.0139		
9.	Rate 170	System and Buy/sell	0.51%	5,189	0.0139		
10.	Rate 200	System and Buy/sell	1.68%	17,175	0.0139		
11.	Grand Total		100.00%	1,023,036	1,023,036		

Notes: (1) Annual Sales allocation factor. EB-2013-0406, Exhibit Q1-3, Tab 3, Schedule 4, Page 1
(2) EB-2013-0406, Exhibit Q1-3, Tab 1, Schedule 2, Page 1, Line 13, Col. 9 + Page 5, Line 14, Col. 9
(3) Col. 4 = Col. 2 * 1023036 (Commodity)
(4) Col. 5 = Col. 4 / Col. 1

**Derivation of Transportation Unit Rates
January 2014 - QRAM Q1**

Item No	Description	Forecast Volumes		% Allocation (1)	Transportation Total for Clearing (2)	Transportation Valuation Rate Class (3)	Transportation Unit Rate (4)
		January 2014 - December 2014 (12 months volume)	Col. 1 (m ³)				
				Col. 2 (%)	Col. 3 (\$)	Col. 4 (\$)	Col. 5 (€/m ³)
1.	Rate 1	System, Buy/sell, WTS	4,296,645,180	52.37%	(5,723,459)	(0.1332)	(0.1332)
2.	Rate 6	System, Buy/sell, WTS	3,491,514,798	42.55%	(4,650,964)	(0.1332)	(0.1332)
3.	Rate 9	System, Buy/sell, WTS	534,176	0.01%	(712)	(0.1332)	(0.1332)
4.	Rate 100	System, Buy/sell, WTS	-	0.00%	0	-	-
5.	Rate 110	System, Buy/sell, WTS	159,340,910	1.94%	(212,254)	(0.1332)	(0.1332)
6.	Rate 115	System, Buy/sell, WTS	14,699,996	0.18%	(19,582)	(0.1332)	(0.1332)
7.	Rate 135	System, Buy/sell, WTS	23,916,348	0.29%	(31,858)	(0.1332)	(0.1332)
8.	Rate 145	System, Buy/sell, WTS	41,646,760	0.51%	(55,477)	(0.1332)	(0.1332)
9.	Rate 170	System, Buy/sell, WTS	53,449,083	0.65%	(71,198)	(0.1332)	(0.1332)
10.	Rate 200	System, Buy/sell, WTS	123,411,800	1.50%	(164,394)	(0.1332)	(0.1332)
11.	Grand Total		8,205,159,050	100.00%	(10,929,897)	(10,929,897)	

Notes: (1) Bundled Transportation Deliveries allocation factor. EB-2013-0406, Exhibit Q1-3, Tab 3, Schedule 4, Page 1
(2) EB-2013-0406, Exhibit Q1-3, Tab 1, Schedule 2, Page 1, Line 13, Col. 10 + Page 7, Line 13, Col. 9 + Page 9, Line 4, Col. 6
(3) Col. 4 = Col. 2 * -10929897 (Transportation)
(4) Col. 5 = Col. 4 / Col. 1

**Derivation of Peaking Supplies Unit Rates
January 2014 - QRAM Q1**

Item No	Description	Forecast Volumes January 2014 - December 2014 (12 months volume)		% Allocation		Peaking Supplies Total for Clearing		Peaking Supplies Valuation Rate Class		Peaking Supplies Unit Rate	
		Col. 1 (m ³)	Col. 2 (%)	Col. 1 (m ³)	Col. 2 (%)	Col. 3 (\$)	Col. 4 (\$)	Col. 3 (\$)	Col. 4 (\$)	Col. 5 (¢/m ³)	Col. 5 (¢/m ³)
1.	Rate 1	System, Buy/sell, WTS, OTS	56.28%	4,621,279,314	56.28%	(233,506)	(233,506)	(0.0051)	(0.0051)		
2.	Rate 6	System, Buy/sell, WTS, OTS	41.91%	4,568,073,605	41.91%	(173,887)	(173,887)	(0.0038)	(0.0038)		
3.	Rate 9	System, Buy/sell, WTS, OTS	0.00%	630,000	0.00%	(1)	(1)	(0.0001)	(0.0001)		
4.	Rate 100	System, Buy/sell, WTS, OTS	0.00%	-	0.00%	0	0	-	-		
5.	Rate 110	System, Buy/sell, WTS, OTS	0.64%	617,636,280	0.64%	(2,637)	(2,637)	(0.0004)	(0.0004)		
6.	Rate 115	System, Buy/sell, WTS, OTS	0.32%	470,989,873	0.32%	(1,347)	(1,347)	(0.0003)	(0.0003)		
7.	Rate 135	System, Buy/sell, WTS, OTS	0.00%	56,499,683	0.00%	0	0	-	-		
8.	Rate 145	System, Buy/sell, WTS, OTS	0.00%	163,039,984	0.00%	0	0	-	-		
9.	Rate 170	System, Buy/sell, WTS, OTS	0.00%	462,903,844	0.00%	0	0	-	-		
10.	Rate 200	System, Buy/sell, WTS, OTS	0.85%	164,887,200	0.85%	(3,538)	(3,538)	(0.0021)	(0.0021)		
11.	Grand Total		100.00%	11,125,939,783	100.00%	(414,916)	(414,916)				

Notes: (1) Deliverability allocation factor. EB-2013-0406, Exhibit Q1-3, Tab 3, Schedule 4, Page 1, Line 3.1
(2) EB-2013-0406, Exhibit Q1-3, Tab 1, Schedule 2, Page 1, Line 13, Col. 12
(3) Col. 4 = Col. 2 * -414916 (Peaking Supplies)
(4) Col. 5 = Col. 4 / Col. 1

**Derivation of Curtailment Revenue Unit Rates
January 2014 - QRAM Q1**

Item No	Description	Forecast Volumes January 2014 - December 2014 (12 months volume)		% Allocation (1)	Curtailment Revenue Total for Clearing Col. 3 (\$)	Curtailment Revenue Valuation Rate Class Col. 4 (\$)	Curtailment Revenue Unit Rate Col. 5 (€/m³)
		Col. 1 (m³)	Col. 2 (%)				
1.	Rate 1	System, Buy/sell, WTS, OTS	4,621,279,314	56.28%	0	0	-
2.	Rate 6	System, Buy/sell, WTS, OTS	4,568,073,605	41.91%	0	0	-
3.	Rate 9	System, Buy/sell, WTS, OTS	630,000	0.00%	0	0	-
4.	Rate 100	System, Buy/sell, WTS, OTS	-	0.00%	0	0	-
5.	Rate 110	System, Buy/sell, WTS, OTS	617,636,280	0.64%	0	0	-
6.	Rate 115	System, Buy/sell, WTS, OTS	470,989,873	0.32%	0	0	-
7.	Rate 135	System, Buy/sell, WTS, OTS	56,499,683	0.00%	0	0	-
8.	Rate 145	System, Buy/sell, WTS, OTS	163,039,984	0.00%	0	0	-
9.	Rate 170	System, Buy/sell, WTS, OTS	462,903,844	0.00%	0	0	-
10.	Rate 200	System, Buy/sell, WTS, OTS	164,887,200	0.85%	0	0	-
11.	Grand Total		11,125,939,783	100.00%	0	0	

Notes: (1) Deliverability allocation factor. EB-2013-0406, Exhibit Q1-3, Tab 3, Schedule 4, Page 1, Line 3.1
(2) EB-2013-0406, Exhibit Q1-3, Tab 1, Schedule 2, Page 8, Line 1, Col. 1
(3) Col. 4 = Col. 2 * 0 (Curtailment Revenue)
(4) Col. 5 = Col. 4 / Col. 1

**Derivation of Delivered Supplies Unit Rates
January 2014 - QRAM Q1**

Item No	Description	Forecast Volumes January 2014 - December 2014 (12 months volume)		Delivered Supplies Total for Clearing	Delivered Supplies Valuation Rate Class	Delivered Supplies Unit Rate
		Col. 1 (m ³)	% Allocation (1) Col. 2 (%)	Col. 3 (\$)	Col. 4 (\$)	Col. 5 (€/m ³)
1.	Rate 1	System, Buy/sell, WTS, OTS	4,621,279,314	48.09%	1,562,101	0.0338
2.	Rate 6	System, Buy/sell, WTS, OTS	4,568,073,605	46.27%	1,503,024	0.0329
3.	Rate 9	System, Buy/sell, WTS, OTS	630,000	0.00%	2	0.0003
4.	Rate 100	System, Buy/sell, WTS, OTS	-	0.00%	0	-
5.	Rate 110	System, Buy/sell, WTS, OTS	617,636,280	1.25%	40,447	0.0065
6.	Rate 115	System, Buy/sell, WTS, OTS	470,989,873	0.31%	10,229	0.0022
7.	Rate 135	System, Buy/sell, WTS, OTS	56,499,683	0.00%	0	-
8.	Rate 145	System, Buy/sell, WTS, OTS	163,039,984	1.06%	34,422	0.0211
9.	Rate 170	System, Buy/sell, WTS, OTS	462,903,844	1.66%	53,989	0.0117
10.	Rate 200	System, Buy/sell, WTS, OTS	164,887,200	1.37%	44,403	0.0269
11.	Grand Total		11,125,939,783	100.00%	3,248,616	

Notes: (1) Space factor. EB-2013-0406, Exhibit Q1-3, Tab 3, Schedule 4, Page 1
(2) EB-2013-0406, Exhibit Q1-3, Tab 1, Schedule 2, Page 1, Line 13, Col. 11 + Page 8, Line 13, Col. 9
(3) Col. 4 = Col. 2 * 3248616 (Delivered Supplies)
(4) Col. 5 = Col. 4 / Col. 1