

BOARD STAFF RESPONSE TO TCU1.11

In Undertaking TCU1.11 (Transcript 1 page 99) , Concentric Energy Advisors (CEA) was asked to provide the sum of capital costs and OM&A costs for each company in the sample, for the industry as a whole (the 25 US gas distribution companies), and for Enbridge, and to divide this sum by total customers. CEA was asked to perform this calculation for the 2010 and 2011 years.

In its response to TCU 1.11, CEA provided these calculations on average for the 2000-2011 period, rather than for each of the 2010 and 2011 years (the same years CEA highlighted in its benchmarking analysis).

Pacific Economics Group Research (PEG) was able to undertake these computations itself, using the data previously provided by CEA in advance of the Technical Conference. The tables below present the requested data for Enbridge and the 25 US gas distributors for the 2010 and 2011 years, respectively. In both years, companies are ranked in ascending order from one to 26 in terms of total unit costs (i.e. total cost per customer).

It can be seen that Enbridge's total cost per customer was \$0.47 in 2010. This ranked Enbridge 15th of the 26 gas distributors in that year. Enbridge's total cost per customer was \$0.53 in 2011, which ranks Enbridge 21st of the 26 gas distributors.

2010 Unit Cost Ranking

Rank	Company	Unit Cost
1	Public Service Company of Colorado (CO)	\$0.27
2	CenterPoint Energy Resources Corp. (MN)	\$0.31
3	Northern Illinois Gas Company (IL)	\$0.32
4	Columbia Gas of Ohio, Incorporated (OH)	\$0.37
5	Ameren Corporation (CILCO,CIPS,IP)	\$0.39
5	Baltimore Gas and Electric Company (MD)	\$0.41
7	Wisconsin Energy Corporation (We Energies) (WI)	\$0.41
8	Southern Union Company (MO)	\$0.42
9	Consumers Energy Company (MI)	\$0.42
10	NiSource Inc. (IN)	\$0.43
11	Vectren Corporation (IN)	\$0.44
12	Questar Gas Company (UT)	\$0.44
13	Northwest Natural Gas Company (OR,WA)	\$0.45
14	Laclede Gas Company (MO)	\$0.46
15	<u>Enbridge Gas Distribution</u>	<u>\$0.47</u>
16	Public Service Electric and Gas Company (NJ)	\$0.48
17	Iberdrola, S.A. (NY)	\$0.48
18	Washington Gas Light Company (DC,MD,VA,WV)	\$0.51
19	Dominion - East Ohio Gas Company (OH)	\$0.52
20	Puget Sound Energy, Inc. (WA)	\$0.54
21	DTE Energy Company (MI)	\$0.58
22	National Fuel Gas Distribution Corporation (NY)	\$0.59
23	National Grid (NY)	\$0.62
24	National Grid (MA)	\$0.63
25	Consolidated Edison, Inc. (NY)	\$0.66
26	Integrus Energy Group, Inc. (IL)	\$0.69

2011 Unit Cost Ranking

Rank	Company	Unit Cost
1	Public Service Company of Colorado (CO)	\$0.24
2	Northern Illinois Gas Company (IL)	\$0.27
3	Columbia Gas of Ohio, Incorporated (OH)	\$0.30
4	CenterPoint Energy Resources Corp. (MN)	\$0.30
5	Ameren Corporation (CILCO,CIPS,IP)	\$0.33
6	Wisconsin Energy Corporation (We Energies) (WI)	\$0.37
7	Northwest Natural Gas Company (OR,WA)	\$0.37
8	Vectren Corporation (IN)	\$0.37
9	Baltimore Gas and Electric Company (MD)	\$0.37
10	Southern Union Company (MO)	\$0.38
11	Questar Gas Company (UT)	\$0.39
12	Consumers Energy Company (MI)	\$0.39
13	NiSource Inc. (IN)	\$0.40
14	Public Service Electric and Gas Company (NJ)	\$0.41
15	Laclede Gas Company (MO)	\$0.42
15	Puget Sound Energy, Inc. (WA)	\$0.45
17	Washington Gas Light Company (DC,MD,VA,WV)	\$0.45
18	Dominion - East Ohio Gas Company (OH)	\$0.46
19	Iberdrola, S.A. (NY)	\$0.47
20	DTE Energy Company (MI)	\$0.51
<u>21</u>	<u>Enbridge Gas Distribution</u>	<u>\$0.53</u>
22	National Fuel Gas Distribution Corporation (NY)	\$0.55
23	National Grid (NY)	\$0.56
24	Integrus Energy Group, Inc. (IL)	\$0.59
25	Consolidated Edison, Inc. (NY)	\$0.61
26	National Grid (MA)	\$0.61