



PUBLIC INTEREST ADVOCACY CENTRE
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January 29, 2015

VIA E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge St.
Toronto, ON
M4P 1E4

Dear Ms. Walli:

**Re: EB-2014-0276 – Enbridge Gas Distribution Inc.
Interrogatories of Vulnerable Energy Consumers Coalition (VECC)**

In accordance with Procedural Order No. 1 please find enclosed the interrogatories of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Yours truly,

A handwritten signature in black ink, appearing to read 'Michael Janigan', is written over a horizontal line.

Michael Janigan
Counsel for VECC

Cc: EGD – Andrew Mandyam - EGDRegulatoryProceedings@enbridge.com

REQUESTOR NAME	VECC
INFORMATION REQUEST ROUND NO:	# 1
TO:	Enbridge Gas Distribution
DATE:	January 29, 2015
CASE NO:	EB-2014-0276
APPLICATION NAME	2015 Distribution Rate Application

A ADMINISTRATION

A – VECC - 1

Reference: A1/T5/S1/

- a) Please confirm there are no changes to the quantum of the Labour Hourly Charge-Out Rate, or any of the other charges shown in Table 1 of this Schedule.

B RATE BASE

No Questions

C OPERATING REVENUE

C –VECC -2

Reference: C1/T2/S1/pg.6

- a) The description for Figure 1 is described in the evidence as the following “2015 unlocks, ***in comparison to*** 2014 Board Approved unlocks as well the historical actual contract market unlocks between 2006 and 2013” (emphasis added). However, Figure 1 appears shows no comparisons as it is one line graph. Please clarify what is meant to be shown by Figure 1.

C –VECC -3

Reference: C1/T2/S1/Table 3

- a) Please update Table 3 to show the 2014 actual contract demand volumes.

C –VECC -4

Reference: C1/T2/S1/Appendix A/Table 4

- a) Please update Table 3 to show the 2014 actual contract demand volumes.

C -VECC -5

Reference: C1/T2/S1/Appendix A/Table 4

- a) Table 4 appears to show a bias in the forecasting methodology used to establish contract customer normalized volumes. Prior to 2010 the variance from Board approved vs actual was consistently negative, whereas since 2010 it has been consistently positive. Does Enbridge have an understanding of the reasons for this?
- b) Did Enbridge change any aspect of the methodologies during the 2009 – 2010 period? If so please explain.

C-VECC-6

Reference: C1/T2/S1/Appendix B/Table 3

- a) In reporting the actual customer values please explain how (or if) time-lag and customer locks are incorporated into the reporting of these values.
- b) Please update Table 3 to include actual 2014 numbers.

C-VECC-7

Reference: C2/T1/S1/

- a) Please update the Economic Outlook tables to show actual values for 2014.

C-VECC-8

Reference: C2/T1/S3/pg.19

- a) The evidence states that the forecast model uses nominal energy prices forecast for 2015 based on the consensus Henry Hub price forecast produced in April 2014. What was that price? What is the current consensus Henry Hub forecast price?

C-VECC-9

Reference: C2/T1/S4/pg.1

- a) Please update the 2015 Customer Additions table to show the 2014 actual additions.

D OPERATING COSTS

D -VECC-10

Reference: D1/T2/S1/pg.6 /D2/T1

- a) Enbridge states that DDCTDA and UDCDA were both used to track UDC amounts. What then was the purpose of the Board establishing both of the accounts? What is the difference between these accounts (i.e. in principle-not dollars)?
- b) Please provide the revised description for the UDCDA that is being sought at D2/T1/S1/pg.3

D-VECC-11

Reference: D1/T2/S1/pgs. 9-11

- a) At the above reference the Company has described a number of changes to its gas supply planning in 2015 with respect to the use of storage and medium term weather forecasts. What are the estimated costs/savings that are a result of making these changes?

D-VECC-12

Reference: D1/T2/S4 & S5

- a) Please provide Summary of Gas Cost to Operations and the Summary of Storage & Transportation Costs Tables shown at the above reference to show 2014 year-end costs/volumes.

D-VECC-13

Reference: D2/T1/S2 Credit Final Bill Deferral Account

- a) Please confirm that the CFBDA is a new account. Were any amounts

recorded with respect to the final bill issue prior to 2015? If so in which account were these amounts recorded?

- b) Please provide the year-end balances that were recorded between 2009 and 2014 for the credit bill issue (please show the year end customer debit amounts separately from customer credits).
- c) At D2/T1/S2/pg.2 Enbridge describes steps it has taken to resolve this issue(s). Does the issue continue and if yes, please explain why?
- d) What are the annual costs incurred by Enbridge to track these errors and attempt to resolve final bill issues related to this problem?
- e) Enbridge states that there is \$9 million of 2 year aged accounts where “[A]t this point, unlikely that the Company will be able to return the amounts owed to these customers.” What is the proposal for this \$9 million?

E COST OF CAPITAL AND RATE OF RETURN

E – VECC -14

Reference: E1/T3/S1/Table 2/pg.2

- a) Please explain what the “Canada Yield” figures of 2.91% and 3.18% are (e.g. term) and reference the source of these figures.
- b) Please update Table 2 for the Bank of Canada’s most recent figures.
- c) Please explain how the Corporate Spread figures were derived.
- d) Please update the expected issuance date if it is now different from September 15, 2015 as shown in Table 2

F CALCULATION OF REVENUE DEFICIENCY OR SURPLUS

No Questions

G COST ALLOCATION AND RATE DESIGN

G – VECC – 15

Reference: G2/T1/S1/pg.3/Table 1

- a) Rate 1 over contributes by \$9.47 million with a revenue-to-cost ration of slightly over 1. Please explain why this is the case.
- b) What steps/options are available for adjust the cost allocation study to remedy to eliminate rate class one’s contribution to the other rate classes?