

IN THE MATTER of the *Ontario Energy Board Act 1998*, Schedule B to the *Energy Competition Act*, 1998, S.O. 1998, c.15;

AND IN THE MATTER OF an Application by Enbridge Gas Distribution Inc. for an Order or Orders approving the clearance and disposition of certain deferral and variance accounts, and approving the sharing of earnings pursuant to a Board-approved earnings sharing mechanism.

INTERROGATORIES

OF THE

SCHOOL ENERGY COALITION

1. [B/4/2] Please file on the record in this proceeding all materials provided by the Applicant to stakeholders at the RCAM Consultative meeting on July 15, 2015.
2. [B/4/2, p. 1] Line 20 of this Table shows a decline in the actual charges by Enbridge Inc. to the Applicant (CAM) from \$44,977 Board-approved to \$40,294 Actual, a decline of \$4,683. Line 24 of this Table shows the adjustment to the CAM amount to get to the amount chargeable in rates (RCAM) declined from (\$9,695) Board-approved, to (\$6,677), a decline of \$3,018, with the result that of the \$4.7 million in savings from lower EI charges, only \$1.7 million is being reflected in the ESM calculations. Please provide a detailed breakdown of the changes in the charges from EI, both CAM and RCAM, that have produced this result, and justify the lower savings to ratepayers.
3. [B/4/2, and D/2/1] For each reorganization or restructuring of operations and/or functions that affected the 2014 RCAM amounts (including but not limited to all changes of management structure, employment relationships, and ownership of assets), please provide:
 - a. A full description of the reorganization or restructuring.
 - b. The internal business case used to justify the reorganization or restructuring, including all cost benefit analyses.
 - c. A full breakdown of all costs, either part of RCAM or otherwise, for each of the affected operations and/or functions, including the amounts for each of 2013 and 2014, and where those amounts can be found in the OM&A or other costs of the Applicant in each of those years. By way of example, if a particular IT function was partly in the EGD IT department and partly in the Finance department in 2013, and is now a shared service provided by EI in 2014, please provide the amount that was in the IT department in 2013, what that amount was for, and what the amount for that

part of the function was in the RCAM breakdown (including reference to the particular line in the tables) in 2014, plus the amount that was in the Finance department in 2013, what that amount was for, and what the amount for that part of the function was in the RCAM breakdown.

- d. A full description of the total costs, and the detailed allocation tables, for each of those amounts that is included in the RCAM in either 2013 and 2014, so that it is possible to determine from the response the net incremental costs or savings associated with the change and how they were derived.
- e. Where the cost of any operation or function borne by the Applicant's ratepayers increases as a result of a reorganization or restructuring, details of the increased benefits to the Applicant's ratepayers that are driving the increase in cost.
- f. The number of employees related to each operation or function that, as a result of the reorganization and restructuring, will change employer or reporting relationships, and for all of those employees the number that will move from the Applicant's offices to another location at Enbridge Inc. For example, if a particular human resources function carried out by 15 employees has been restructured, so that 13 of the employees remain in Toronto doing the same functions, but become employees of EI, while two employees are made redundant and their activities are picked up by Calgary-based managers, please so describe.
- g. All changes in ownership or location of assets, and the changes in costs borne by the Applicant's ratepayers as a result of each such change.
- h. A table and/or narrative tracking the reorganizations and restructurings referenced to the Annual Productivity Report, showing in each case where the results of the reorganizations and restructurings are discussed in the Annual Productivity Report.
- i. For each reorganization or restructuring, the actual savings generated by the initiative in 2014, and the forecast savings in each of 2015 through 2019, and in each case where those savings will show in the OM&A, RCAM, or other cost breakdowns.

Respectfully submitted on behalf of the School Energy Coalition this 15th day of July, 2015

Jay Shepherd