

December 8, 2017

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

Dear Ms. Walli:

**Re: EB-2017-0147 – Enbridge Gas Distribution Inc. – Fenelon Falls Community Expansion**

Please find, attached, interrogatories on behalf of the Consumers Council of Canada for Enbridge Gas Distribution Inc. pursuant to the above-referenced proceeding.

Please feel free to contact me if you have questions.

Yours truly,

*Julie E. Girvan*

Julie E. Girvan

CC: All Intervenors  
EGD, Regulatory Affairs

**INTERROGATORIES FOR ENBRIDGE GAS DISTRIBUTION INC.**

**FROM THE CONSUMERS COUNCIL OF CANADA**

**EB-2017-0147**

**CCC-1**

**RE: Ex. B/T1/S1/p. 4**

The evidence describes criteria for labeling a proposed project a “Community Expansion Project”.

- a) Please describe the practical effect if a proposed project does not meet the proposed definition of a Community Expansion Project?
- b) Under what circumstances would a proposed project not meet the proposed definition of a Community Expansion Project, other than circumstances where the proposed project, without additional revenue from a SES or other source, cannot meet a PI of 1.0?

**CCC-2**

**Re: Ex. B/ T1/S1/p. 3**

The evidence describes the proposed SES as a volumetric based charge.

- a) Has Enbridge performed any sensitivity analysis with respect to the use of a volumetric based SES charge, with a view to determining whether factors such as declining average use could result in material under-recovery from the SES charge even if the customer attachment forecast is met or exceeded? If so please provide that analysis. If not, please explain why Enbridge has not considered the possibility that the revenue from the proposed SES over time might be compromised by declining average use or other factors.
- b) Why does Enbridge feel it is necessary to have the OEB pre-approve a generic SES charge at 23 cents per m<sup>3</sup> in advance for any potential Community Expansion Project, rather than applying for a project specific SES charge when seeking approval for a Community Expansion Project, which may include SES charges that are higher or lower than the one proposed in this proceeding?

**CCC-3**

**Re: Ex. B/T1/S1/pp. 13-14 and EB-2015-0179, Decision and Order August 10, 2017, p. 14**

The evidence describes how Enbridge's proposed 10-year Rate Stabilization Period will operate, including the proposal that after the Rate Stabilization Period Enbridge will, in the rebasing application subsequent to the Rate Stabilization Period, include the actual revenue from the proposed project, rather than the revenue that was forecast for the project as part of the approval process.

The Board's decision in EB-2015-0179 was, in part, as follows:

SEC and OEB staff have argued that should Union seek recovery for any revenue requirement shortfall after the end of the initial 10-year period, it must be supported by a revised PI calculation that uses actual capital costs and actual customer attachments. The OEB agrees with this approach and will require Union to provide a revised DCF calculation based on actuals after the 10-year forecast risk period is over in the event that Union seeks to recover any revenue requirement shortfall. The OEB will determine the appropriate revenue recovery methodology at that time. The OEB's determination in the Generic Proceeding that cross-subsidies from existing customers are inappropriate will govern that review.

- a) Does Enbridge agree that it would be appropriate for it to have to provide a revised DCF calculation based on actuals after the 10-year Rate Stabilization Period is over in the event that Enbridge seeks to build any revenue requirement shortfall into rates going forward, with the OEB to determine the appropriate revenue recovery methodology at that time? If not, please explain why Enbridge believes that it should be treated differently than Union in this regard?
- b) Please identify any other aspects of Enbridge's proposal that deviate from the approved treatment of Union's proposed projects as approved in EB-2015-0179, and advise whether Enbridge is amenable to adopting the Board's approved approach, or if not explain why Enbridge's proposal remains appropriate. Will the merged utility adopt a uniform proposal to fund future expansions? If not, why not?

**CCC-4**

**Ex. B/T1/S1/p. 10**

The evidence asserts that Enbridge accounted for the impacts of Cap and Trade costs the Fair Hydro Act.

- a) Please provide a version of Figure 1 that illustrates the cost comparison between fuel types without including cap and trade costs and the impacts of the Fair Hydro Act.