

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 1

Reference: 306/B/T1/p.18

Question:

- a) In the Applicants opinion does the no harm test apply to both in-franchise and ex-franchise customers?
 - b) If yes, how have the Applicants determined that the amalgamation will have no detrimental effect on ex-franchise users of storage and transmission services?
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Response:

- a) The Board’s assessment of the no harm test is in relation to the impact on the Board’s statutory objectives. The cumulative benefit to customers in general is \$410 million and is attributable to both in-franchise and ex-franchise customers.

Further, as indicated at Exhibit B, Tab 1, page 23, the amalgamation will have no impact on Amalco’s ability to maintain safety, reliability and quality of service to in-franchise and ex-franchise customers.

- b) Please see part (a)

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
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MAADs Issues List – Issue No. 1

Reference: 306/B/T1

Question:

- a) In the Applicants opinion does the no-harm test apply to the employees of EGD or Union?
 - b) How many employees are expected to be made redundant by the amalgamation?
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Response:

- a) The Board's assessment of the no harm test is in relation to the Board's statutory objectives which focus on the protection of consumer interests. Employees are not referenced in the statutory objectives.
- b) No detailed integration plans have been developed.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 1

Reference: 306/B/T1

Question:

- a) In the Applicant’s opinion does the no harm test apply to the general community?
 - b) How will the amalgamation affect the community of Chatham, Ontario?
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Response:

- a) No. Please see the response to VECC Interrogatory #2 found at Exhibit C.VECC.2.
- b) No detailed integration plans have been developed. Please see the response to Board Staff Interrogatory #12 found at Exhibit C.STAFF.12.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 1

Reference: 306/B/T1

Question:

- a) What analysis have the Applicants completed that shows the amalgamation will not have a detrimental impact on the competitive market for gas storage and transmission business in Ontario?

Response:

Please see the response to SEC Interrogatory #3 found at Exhibit C.SEC.3 regarding material provided to the Competition Bureau and the US Federal Trade Commission related to their review of the Enbridge-Spectra merger.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 1

Reference: 306/B/T1/p.17

Question:

a) Please provide the estimated 2019 transaction costs of the amalgamation.

Response:

Please see the response to BOMA Interrogatory #7(a) found at Exhibit C.BOMA.7.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 1

Reference: 306/B/T1/p.20

Question:

- a) Please provide a Table 3 which shows the actual (approved) revenue requirement from the rate adjustments during the period 2014 through 2018.
- b) Please provide the inflation and customer growth factors used in each year to estimate the 2019 through 2028 increase in the EGD and Union Standalone and Amalco revenue requirements as shown in Table 3.
- c) Please provide the same (inflation and customer growth) on a comparable basis for 2014 through 2018 (that is replicate Table 3 showing the actual results for 2014-2018).

Response

- a) Please refer to Table 1.

Table 1
Union and EGD Revenue Requirements by Year (\$ millions)

<u>Line</u> <u>No.</u>	<u>Particulars</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
1	Union – Board Approved (1)	1,063.7	1,088.6	1,170.0	1,215.6	1,270.3
2	EGD – Board Approved (2)	980.1	1,034.0	1,146.4	1,155.8	1,214.1

Notes:

- (1) Union's Board-approved revenue (excluding cost of gas and cap-and-trade program costs) as per Rate Order, Working Papers, Schedule 3, p. 2, line 14 for each of the 2014 to 2018 Rates proceedings (EB-2013-0365, EB-2014-0271, EB-2015-0116 updated per EB-2015-0029, EB-2016-0245 and EB-2017-0087).
- (2) EGD revenue requirements (excluding cost of gas and cap-and-trade program costs) are Board-approved numbers as per the annual 2014 – 2018 custom IR rate proceedings (EB-2012-0459, EB-2014-0276, EB-2015-0114, EB-2016-0215, and EB-2017-0086).

- b) Please see the tables provided in the response to FRPO Interrogatory#11(a) found at Exhibit C.FRPO.11. Table 1 is for EGD and Table 5 is for Union.

c) Please refer to Table 2.

Table 2
Union and EGD Revenue by Year (\$ millions)

<u>Line</u> <u>No.</u>	<u>Particulars</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017 (5)</u>
1	Union – Actual (3)	977.0	985.9	1,021.8	1,088.0
2	EGD – Actual (4)	1,041.4	1,092.7	1,183.3	1,205.1

Notes:

- (3) Actuals for Union are non-normalized, as per Exhibit A, Tab 2, Appendix A, Schedule 2 (line 5 less line 6), for each of the 2014-2016 annual non-commodity deferral and earning sharing applications (EB-2015-0010, EB-2016-0118, EB-2017-0091).
- (4) Actuals for EGD are normalized, as per Exhibit B, Tab 1, Schedule 3, pg. 1 (line 5 + line 6 + line 7), for each of the 2014-2016 annual non-commodity deferral and earning sharing applications (EB-2015-0122, EB-2016-0142, EB-2017-0102).
- (5) Actuals provided for 2017 are preliminary, and have not been filed with the OEB.

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Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 1

Reference: 306/B/T1/p.20

Question:

- a) We are having difficulty reconciling the revenue requirement figures shown in Table 3 with the revenue requirement shown in prior rate applications. For example, in EB-2017-0086 (Exhibit F1/Tab1/Schedule 1, page 3) it shows an updated forecast total allowed revenue of \$2,982.2M. This figure is an order of magnitude different than Table 3-2019 which shows a figure of \$1,300M. Please explain the difference in these presentations of revenue requirement.

Response:

- a) The revenues shown in table 3 are the utilities’ regulated revenues including other revenues. The difference represents the gas costs which are considered pass through and excluded from the calculation.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 1

Reference: 306/B/T1/pp. 22-25

Question:

- a) The Applicants note that the revenue projection in Table 3 includes “*the costs related to incremental capital projects to be passed through to customers using the ICM.*” Please provide the forecast ICM costs that were used to forecast the revenue requirement impacts of ICMs in each year shown in Table 3.
- b) Please explain how these forecasts were derived.
- c) Are any of the ICM forecasts related to the integration of systems and technology to support the amalgamation?

Response:

- a) Please see table 1 and table 5 in the response to FRPO Interrogatory #11(a) found at Exhibit C.FRPO.11 for EGD and Union Gas respectively.
- b) These forecasts were derived from each utility’s asset management plan as provided in the response to Board Staff Interrogatory #54(a) found at Exhibit C.STAFF. 54.
- c) Please see the response to Board Staff Interrogatory #24 found at Exhibit C.STAFF. 24.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 1

Reference: 306/B/T1/pp. 27-32

Question:

- a) How was the year 2024 determined as the year a single customer care (billing system) would be in service?
- b) Please provide a table which shows the customer care capital and (separately) operating costs of Union and (separately) EGD for the period 2014 through 2018.
- c) Please provide the combined estimated customer care costs of Amalco for the following 10 year deferral period.
- d) Please provide the definition (components) of “customer care” costs that are being referred to in response to b and c.

Response:

- a) Please see the response to BOMA Interrogatory #16(d) part (i) found at Exhibit C.BOMA.16.

b)

Union Customer Care Cost Breakdown						
Category	Cost Type	Actuals				Budget
		2014	2015	2016	2017	2018
Capital (\$)	Project Costs	915,084	1,485,625	601,059	214,858	-
	Project Depn	(368,936)	(656,418)	(903,598)	(890,386)	(689,771)
	Reg O/H Costs	317,298	442,942	158,814	53,286	-
	Reg O/H Depn	(42,207)	(80,219)	(110,306)	(120,911)	(123,576)
O&M (\$)	O&M Costs	46,489,254	47,082,254	46,771,369	47,074,560	49,297,308
Customer Count		1,419,499	1,436,924	1,458,720	1,474,944	1,497,122
O&M per Customer		32.75	32.77	32.06	31.92	32.93

EGD Customer Care Cost Breakdown					
	Actuals				IR Budget
Cost Type	2014	2015	2016	2017	2018
Capital Costs (\$M)	6.1	8.5	7.4	5.6	10.9
O&M Costs (\$M)	79.6	83.7	86.4	85.4	110.8
Customer Count	2,063,837	2,094,681	2,124,683	2,156,668	2,180,000
O&M per Customer	38.57	39.96	40.66	39.60	50.83

Notes:

EGD O&M Costs above include the impacts of CIS rate smoothing

- c) The company has not conducted detailed planning of integration and does not have a breakout of customer care costs over the ten year deferral period.
- d) See part c).

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 1

Reference: 306/B/T1/p. 27

Question:

- a) Please explain which utility is currently implementing a new ERP system? Please provide the project details including current capital costs, forecast capital costs to completion, start date etc.
- b) Does the ERP system include financial reporting? If not please explain how the financial reporting systems are being integrated.

Response:

- a) Neither EGD nor Union gas is implementing a new ERP system. The new ERP system is an Enbridge corporate led and funded activity. The ERP project has commenced and is in the business case and planning phase.
- b) At the current time, the ERP system includes financial reporting.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 1

Reference: 306/B

Question:

- a) Was EGD or Union at any time asked by its parent companies or their subsidiaries to provide an analysis of the financial impact of amalgamation?
- b) If yes, please provide that analysis.

Response:

a-b) Please see the Attachment 1 to FRPO Interrogatory #1 found at Exhibit C.FRPO.1.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 1

Reference: 306/B/T1/Attachment 12

Question:

- a) Please explain how the estimates shown in Attachment 12 were derived.
- b) Specifically, please provide the data which was used to make the estimation and the method of estimating.

Response:

- a-b) Please see the response to BOMA Interrogatory #16(d) part (i) found at Exhibit C.BOMA.16.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 3

Reference: 306/B

Question:

- a) What would be the financial impact if the Board were to approve a 5 year deferral period with a combined cost of service study being the basis of rates in year 6.

Response:

Please see the response to STAFF Interrogatory #4 found at Exhibit C.STAFF.4.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 3

Reference: 306/B/T1/p. 29

Question:

- a) In what year are the costs of integration estimated to be equal to the cost of savings from integration?
- b) Other than the following of Board electricity policy why is a 10 year deferred rebasing period is necessary?

Response:

- a) As seen in the evidence filed in the response to FRPO Interrogatory#1 found at Exhibit C.FRPO.1, Attachment 3, the November 15, 2017 MAAD’s Application Stakeholder Day presentation at Slide 7, the potential or estimated integration project timelines range from 2018 to 2026 depending on the ability to integrate on an aggressive or moderate basis, as shown in the two graphs. Without a detailed plan it is not possible to determine an equilibrium that has meaning.
- b) Please see the response to Board Staff Interrogatory#4 found at Exhibit C.STAFF.4.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

MAADs Issues List – Issue No. 4

Reference: 306/B

Question:

- a) What analysis have the Applicants done to understand the risk that long-run costs/rates could be higher following the amalgamation?
- b) Please provide the studies which support the theory that large corporate acquisitions/amalgamations provide long-term value or benefits to either customers or shareholders.
- c) Given there is a risks to ratepayers of no measurable long-term value of this transaction please explain why it would be unfair to apply remove any deadband on overearnings and increase the portion of overearnings allocated to ratepayers.

Response:

- a) The Applicants have not done analysis on long-run costs/rates beyond the no harm test and the analysis on interest rate risk that appears in Attachment 1 to the response to FRPO Interrogatory #1 found at Exhibit C.FRPO.1.
- b) The Applicants did not perform such studies.
- c) The Applicants disagree with the premise of the question. As shown in the response to CCC Interrogatory #2 found at Exhibit C.CCC.2 ,the no harm test is satisfied and customers will benefit from integration upon rebasing.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 4

Reference: 306/B1/T1/p. 35

Question:

- a) Please explain what operations are undertaken or monitored by the SCADA systems of (a) Union and (b) EGD.
- b) If Union’s SCADA operations were to be moved to Edmonton (as is the case for EGD) please explain how the safety and reliability of the Ontario gas storage and transportation infrastructure would be maintained.
- c) Where is the back-up operation located for the EGD SCADA system?

Response:

- a) Union
SCADA systems are used at Union for monitoring and control, on a 24/7 real-time basis, of pressure and flows of its transmission, distribution and storage systems.

This includes managing: interconnecting custody meter stations with upstream/downstream pipeline operators by monitoring and adjusting regulation and compression to meet nominated and forecasted demands; distribution gate stations and distribution piping systems; storage pool operations; transmission operations; and localized and remote compressor plant operations. SCADA provides real-time facility performance, through alarm management, of stations for measurement, filtration, heating, gas quality, regulation, compression and other assets utilized.

Union’s Gas Control in Chatham uses SCADA for monitoring and control of stations with interconnecting pipelines, distribution stations, and distribution systems. Union’s Storage and Transmission Operations control centre at Dawn uses SCADA for the management of local storage operations and management of the Dawn Plant and associated compressors and piping. At each Dawn Parkway System compressor station, a localized control system is used that interfaces with SCADA.

EGD

EGD’s Gas Control in Edmonton uses SCADA for monitoring and control of Distribution Operations gate stations (interconnect points that feed the distribution network and the Albion Transmission Line), district stations (major pressure cut stations within the

distribution network), mainline valves, large industrial customers, meter stations and telemetry repeater sites (to ensure proper radio communications). EGD's SCADA system reports real time accumulated flow for the entire franchise and compares that to gas nominations for the day to determine if the distribution system has proper supply or if storage will need to be adjusted. SCADA is also used as a 'checking' tool to validate interconnect measurement and storage flow rates.

Safety critical points monitored in SCADA include pressures, flow rates, gas temperature, odorant levels and rates, where applicable, and valve positioning. Alarm limits are set for each safety critical component or process which generates an alarm in an abnormal state and responded to by control room staff. SCADA is also used by storage operators to monitor gas storage pools, transmission pipe, compressor and storage facility assets.

- (b) The main role of a control room is to ensure the safe and reliable operation of the system being monitored on a 24/7 basis. SCADA systems, associated telemetry remote networks, and other Informational Technology/Operational Technology systems use radio, cellular and satellite technologies to provide real-time data to ensure safety and reliability.

The location of SCADA operations does not and will not impact the safety and reliability of the Amalco gas storage, transportation and distribution infrastructure.

- C) EGD's back up control room is located at another location within Edmonton and an additional SCADA maintenance layer is maintained within Ontario, providing another redundant layer of telemetry data for network operations.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 4

Reference: 306/B1/T1/p. 36

Question:

- a) Please explain what potential capital investments are contemplated with respect to the cost and savings related to the Management Functions and other category.

Response:

- a) Please see the response to BOMA Interrogatory #16(d) part (i) found at Exhibit C.BOMA.16.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 5

Reference: Board Decision EB-2017-0087, January 18, 2018, p.8

Question:

- a) Please describe Amalco’s position as to the future revisiting of cost allocation with respect to the Panhandle reinforcement project.

Response:

Please see the response to LPMA Interrogatory #43(b) found at Exhibit C.LPMA.43.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 6

Reference: 301/B/T1/p. 40

Question:

- a) Please provide a map showing all exchange meters between Union and EGD.
- b) Please explain how Union’s in-franchise customers in the North East Zone contract for transportation differently than EGD’s Eastern Region.
- c) Specifically address what Union Dawn-Parkway transportation services are utilized by both Zone/Regions and they are currently priced similarly or differently
- d) Please provide a similar analysis comparing EGD’s Niagara Region and customers within Union’s South Zone.
- e) Has Union-EGD struck a team to address system operations (e.g. system balancing / storage requirements etc.). If yes, when is this team expected to report to the management of Amalco?

Response

- a) The Applicants respectfully decline to provide a map showing all exchange meters due to security concerns regarding public disclosure of facilities information.
- b) The process for contracting for transportation services is similar between Union’s North East Zone and EGD’s Eastern Region. Union and EGD both contract for firm transportation services with TransCanada from Empress and Dawn, as well as STS service to access storage, in order to meet Design Day demands for sales service and bundled direct purchase customers. In addition, Union and EGD both contract for transportation capacity upstream of Dawn (Vector / NEXUS) to provide supply diversity for sales service customers. The process to purchase third party pipeline capacity is similar between Union and EGD.

For transportation on the Dawn Parkway System, Open Seasons are held periodically by Union based on market requests for capacity. When Open Seasons are announced, Union and EGD act similarly in reviewing their Design Day requirements to determine whether or not incremental capacity is required. If EGD believes incremental capacity is required, it will enter a bid into Union’s Open Season similar to all third party customers. If Union requires incremental capacity to meet Design Day demand, Gas Supply will submit a capacity request to S&T Sales during the Open Season process.

- c) To serve the Eastern Region, EGD contracts for the following ex-franchise services from Union: M12 and M12X service from Dawn to Parkway; M12 service from Dawn to Kirkwall; and C1 service from Parkway to Dawn. Similar to EGD, Union utilizes Dawn to Parkway transportation capacity to meet the needs of its North East Zone sales service and bundled direct purchase customers.
- d) For purposes of determining the transportation capacity required by customers in the Niagara Region, EGD includes the demands of those customers within the forecasted Design Peak Day requirements of the broader Enbridge CDA. EGD holds contracted capacity on TransCanada to move gas from Empress to the Enbridge CDA/EDA and from Dawn to the Enbridge CDA/EDA. EGD also holds Union M12 and M12X capacity to move gas from Dawn to Parkway/Kirkwall/Lisgar and capacity on TransCanada to move gas from these delivery points to the Enbridge CDA/EDA. A summary of EGD's transportation contracts can be found at EB-2017-0086, Exhibit D1, Tab 2, Schedule 9, page 1 of 2.

To determine the Union South Dawn Parkway System transportation capacity required, Union calculates the Design Day demands by rate class coming off at each lateral on the Dawn Parkway System and calculates the distance those demands travelled. In addition Union holds a contract with TransCanada to move gas from Dawn to the Union ECDA, as well as from Empress to the Union ECDA. Union also holds a contract with TransCanada to move gas from Kirkwall to Union CDA.

The allocation of Dawn Parkway System demand costs is done in the same manner for both in-franchise and ex-franchise customers. The methodology used is based on distance weighted Design Day demands on the Dawn Parkway System. For ex-franchise customers, the Design Day demand is equivalent to their firm contracted transportation quantity. The rate paid by EGD and other third party shippers is stated in the applicable rate schedule. The comparable rate paid by Union's customers is included in in-franchise rates.

- e) No, Union and EGD have not struck a team to look at system operations (balancing/storage requirements) for the regulated utility but expect to do so during the deferred rebasing period following the Board's decision in EB-2017-0306 & EB-2017-0307. As discussed in the response to Board Staff Interrogatory #6(c) found at Exhibit C.STAFF.6, Union is managing the sale of EGD's unregulated storage and is working with EGD staff to identify unregulated storage development opportunities.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 6

Reference: 301/B/T1

Question:

- a) With respect to storage and transportation services please provide a table listing the contracts for these service by Enbridge with Union, their annual value, and their expiration date.
- b) Please provide the percentage of assets contracted to EGD under C1 and M12 as compared to the total available.
- c) Please provide a table showing the current contracts under C1 and M12. If necessary (if necessary for confidentiality please identify contracts other than EGD by an alias).
- d) Please confirm (or correct) that subsequent to amalgamation EGD will no longer be bidding on contracts offered by Union. If this is not correct please explain how Union currently contract/bids (describing fire walls etc.) for Union held competitive storage and transportation services for it's in franchise customers.

Response:

- a) Please see the response to SEC Interrogatory #2 found at Exhibit C.SEC.2 for a summary of Union and EGD storage and transportation contracts.
- b) EGD has contracted for 2.985 PJ/d of M12 service which represents 37.8% of Dawn Parkway System capacity. EGD also has contracted for 0.237 PJ/d of C1 Parkway to Dawn service which represents approximately 8% of total available westerly capacity.
- c) Please see the response to VECC Interrogatory #22 found at Exhibit C.VECC.22 for Union's Transportation Capacity STAR reporting which lists all M12 and C1 contracts.
- d) To serve the EGD zone, Amalco will no longer be required to bid on contracts for transportation services as a third party. Amalco will identify its incremental Dawn Parkway System capacity requirements as part of the annual Gas Supply Planning Process. Incremental needs of Amalco may be served through existing or incremental capacity. Please refer to the response to TCPL Interrogatory #3(b) found at Exhibit C.TCPL. Amalco will continue to offer non-rate regulated storage services to support deliveries to utility customers as described in the response OGVG Interrogatory#4 found at Exhibit C.OGVG.4.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 6

Reference: 301/B/T1/STAR December 2009

Question:

- a) Please identify any sections of the Storage and Transportation Access Rule that would require amendment if the Board approves the proposed amalgamation.

Response:

Please see the response to FRPO Interrogatory#7 found at Exhibit C.FRPO.7.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

MAADs Issues List – Issue No. 6

Reference: 301/B/T1/STAR December 2009

Question:

- a) For each Utility please provide a snapshot showing most current reporting requirements as required under section 4 of STAR.
- b) Please show how this reporting would differ if Amalco were reporting the information (as opposed to Union and Enbridge).

Response:

- a) The most recent STAR reports for each Utility are attached to this response as Attachment 1. They can also be found on each Utility's website at the following links:

Union Gas:

<https://www.uniongas.com/storage-and-transportation/informational-postings>

EGD:

<https://www.enbridgegas.com/about/gas-storage/storage-reporting.aspx>

<https://www.enbridgegas.com/businesses/accounts-billing/gas-rates/large-volume-rates/rate-332.aspx>

- b) The Utilities have not yet conducted any detailed analysis of how STAR reporting would be harmonized or integrated. Below is a preliminary description of how STAR reporting may be provided by Amalco, subject to further consideration:

Transportation

- Operationally Available Capacity Report: Amalco would report what is operationally available for each capacity segment.
- Index of Customers: The Union and EGD Index of Customers would be combined in one Amalco report. The EGD transportation contracts with Union would be removed and the Amalco Design Day requirements would be posted as described in the response to TCPL Interrogatory #3(f) found at Exhibit C.TCPL.3.

Storage

- Design Capacity: Union and EGD design capacity would be combined in one Amalco report.
- Storage Inventory: Union and EGD storage inventories would be combined in one Amalco report.
- Index of Customers: All contracts for non-rate regulated storage would be listed in one Index of Customers. Any non-rate regulated storage secured for utility use by Amalco (and from Amalco) will be listed in the Index of Customers. Storage capacity reserved for utility use would be listed separately in the Index of Customers.

Index of Customers - Tecumseh
as of : March 1, 2018

Customer	Contract	Receipt Points	Delivery Points	Contract Capacity (GJ's)	Effective date	End Date	Max. Daily Injection (GJ's)	Max. Daily W/D (GJ's)	Affiliate?
Centra		Union	Union	1,068,042	1-Apr-1990	31-Mar-2090	10,680	10,680	No
Dow Moore		Union	Union	6,113,880	1-Apr-1990	31-Mar-2090	61,139	106,993	No
Union Gas Limited	UTEC-UGL-1	Union/Vector	Union/Vector	17,229,065	1-Sep-2017	31-Mar-2025	314,608	421,772	Yes



As of March 1, 2018

Working Gas - 122.00 PJ

Base Gas - 38.79 PJ

Total Storage - 160.79 PJ

Design Peak Withdraw - 2,655,750 GJ per day

Design Peak Inject - 1,593,450 GJ per day

*All volumes posted are the aggregate of Tecumseh Storage Customers



Tecumseh Storage Inventory
as of
1-Mar-18
52,717,500 GJ

*All volumes posted are the aggregate of Tecumseh Storage customers

March 2018

Customer Name	Contract Identifier	Maximum Storage Quantity (GJ)	Start Date	End Date	Maximum Firm Daily Withdrawal Quantity (GJ)	Maximum Firm Daily Injection Quantity (GJ)	Receipt Point	Delivery Point	Affiliate
Thorold CoGen L.P. by its General Partner Northland Power Thorold Cogen GP Inc.	BHDS001	170,000	01-Nov-08	31-Mar-19	44,000	44,000	Dawn	Dawn	N
Goreway Station Partnership by its managing partner Goreway Power Station Holdings ULC	BHDS002	600,000	01-Jul-08	31-Oct-28	128,000	128,000	Dawn	Dawn	N
Greenfield Energy Centre LP	BHDS003	211,011	01-May-08	31-Oct-18	42,202	42,202	Dawn	Dawn	N
Portlands Energy Centre L.P. by its General Partner, Portlands Energy Centre Inc.	HDS007	500,000	01-Jan-09	31-Mar-19	40,000	40,000	Dawn	Dawn	N
York Energy Centre LP	HDS008	175,000	01-Apr-12	31-Oct-22	87,654	87,654	Dawn	Dawn	N
Greenfield Energy Centre LP	HDS011	126,600	01-Sep-17	31-Mar-18	12,660	12,660	Dawn	Dawn	N
Greenfield South Power Corporation	HDS012	162,400	01-Sep-17	28-Feb-37	16,248	16,248	Dawn	Dawn	N
Husky Oil Operations Limited	HUB002E03	474,775	01-Jun-17	31-Mar-18	5,697	0	Dawn	Dawn	N
BP Canada Energy Group ULC	HUB040E56	527,528	31-Mar-17	31-Mar-18	6,330	0	Dawn	Dawn	N
Morgan Stanley Capital Group Inc.	HUB212E03	1,055,056	01-Dec-17	31-Mar-18	12,661	0	Dawn	Dawn	N
Just Energy Ontario L.P.	HUB250E01	105,506	26-May-17	31-Mar-18	1,266	0	Dawn	Dawn	N
Ontario Power Generation Inc.	HUB335E09	263,764	01-Jan-18	31-Dec-18	21,101	3,165	Dawn	Dawn	N
Suncor Energy Marketing Inc.	HUB345E213	527,528	25-May-17	31-Mar-18	6,330	0	Dawn	Dawn	N
Suncor Energy Marketing Inc.	HUB345E215	263,764	11-Sep-17	31-Mar-18	3,165	8,509	Dawn	Dawn	N
Macquarie Energy Canada Ltd.	HUB510E16	1,055,056	01-Oct-17	31-Mar-18	12,661	0	Dawn	Dawn	N
Hartree Partners, LP	HUB566E40	527,528	25-May-17	31-Mar-18	6,330	0	Dawn	Dawn	N
Koch Canada Energy Services, LP	HUB584E09	1,055,056	25-May-17	31-Mar-18	12,661	0	Dawn	Dawn	N
BioUrja Trading, LLC	HUB760E01	1,055,056	01-Jun-17	31-Mar-18	12,661	0	Dawn	Dawn	N
BioUrja Trading, LLC	HUB760E02	1,055,056	31-Mar-18	31-Mar-19	12,661	0	Dawn	Dawn	N
Energir, L.P.	LST067	4,400,000	01-Apr-17	31-Mar-19	52,800	33,000	Dawn	Dawn	N
Energir, L.P.	LST068	0	01-Apr-13	31-Mar-19	52,800	33,000	Dawn	Dawn	N
Enbridge Gas Distribution Inc.	LST070	4,000,000	01-Apr-14	31-Mar-19	48,000	30,000	Dawn	Dawn	Y
Connecticut Natural Gas Corporation	LST074	1,300,000	01-Apr-15	31-Mar-18	15,600	9,750	Dawn	Dawn	N
The Southern Connecticut Gas Company	LST075	1,700,000	01-Apr-15	31-Mar-18	20,400	12,750	Dawn	Dawn	N
Enbridge Gas Distribution Inc.	LST076	3,000,000	31-Mar-15	31-Mar-20	36,000	22,500	Dawn	Dawn	Y
Connecticut Natural Gas Corporation	LST078	980,000	01-Apr-17	31-Mar-21	11,760	7,350	Dawn	Dawn	N
The Southern Connecticut Gas Company	LST079	1,820,000	01-Apr-17	31-Mar-21	21,840	13,650	Dawn	Dawn	N
Energir, L.P.	LST081	4,425,000	31-Mar-15	31-Mar-18	53,100	33,188	Dawn	Dawn	N
14254445 Ontario Limited o/a Utilities Kingston	LST083	50,000	31-Mar-15	31-Mar-18	750	375	Dawn	Dawn	N
Yankee Gas Services Company	LST084	4,500,000	01-Apr-16	31-Mar-19	54,000	33,750	Dawn	Dawn	N
Enbridge Gas Distribution Inc.	LST085	1,500,000	01-Apr-16	31-Mar-21	18,000	11,250	Dawn	Dawn	Y
Enbridge Gas Distribution Inc.	LST087	5,000,000	31-Mar-17	31-Mar-22	60,000	37,500	Dawn	Dawn	Y
Energir, L.P.	LST088	2,125,000	01-Apr-17	31-Mar-20	25,500	31,875	Dawn	Dawn	N
Bay State Gas Company dba Columbia Gas of Massachusetts	LST089	1,920,202	01-Sep-17	31-Mar-22	27,959	10,551	Dawn	Dawn	N
St. Lawrence Gas Company, Inc.	LST091	950,000	01-Sep-17	31-Mar-19	10,450	9,500	Dawn	Dawn	Y
14254445 Ontario Limited o/a Utilities Kingston	LST092	150,000	01-Sep-17	31-Mar-19	2,400	1,790	Dawn	Dawn	N
14254445 Ontario Limited o/a Utilities Kingston	LST093	100,000	01-Sep-17	30-Apr-19	1,400	1,200	Dawn	Dawn	N
Castleton Commodities Merchant Trading L.P.	LST094	527,528	01-Sep-17	30-Apr-21	15,826	10,551	Dawn	Dawn	N
Direct Energy Marketing Limited	LST095	527,528	01-Sep-17	31-Mar-18	13,188	10,551	Dawn	Dawn	N
Enstor Energy Services, LLC	LST096	4,200,000	01-Sep-17	31-Mar-18	84,000	63,000	Dawn	Dawn	N
Enstor Energy Services, LLC	LST097	2,000,000	01-Sep-17	31-Mar-18	40,000	30,000	Dawn	Dawn	N
J. Aron & Company	LST098	1,582,584	01-Sep-17	31-Mar-19	31,652	21,101	Dawn	Dawn	N
J. Aron & Company	LST099	1,055,056	01-Sep-17	31-Mar-23	18,991	15,826	Dawn	Dawn	N
Repsol Energy Canada Ltd.	LST100	2,110,112	01-Sep-17	31-Mar-20	42,202	42,202	Dawn	Dawn	N

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Customer Name	Contract Identifier	Maximum Storage Quantity (GJ)	Start Date	End Date	Maximum Firm Daily Withdrawal Quantity (GJ)	Maximum Firm Daily Injection Quantity (GJ)	Receipt Point	Delivery Point	Affiliate
Tenaska Marketing Canada - a division of TMV Corp.	LST101	317,382	01-Sep-17	31-Mar-19	15,869	7,935	Dawn	Dawn	N
Tenaska Marketing Canada - a division of TMV Corp.	LST102	391,864	01-Sep-17	31-Mar-21	11,755	7,837	Dawn	Dawn	N
Tidal Energy Marketing Inc.	LST103	263,764	01-Sep-17	31-Mar-19	10,551	7,385	Dawn	Dawn	Y
Tidal Energy Marketing Inc.	LST104	844,045	01-Sep-17	31-Mar-22	10,129	6,330	Dawn	Dawn	Y
AltaGas Ltd.	LTP035	2,844,465	01-Apr-09	31-Mar-29	34,134	21,333	Dawn	Dawn	N
Castleton Commodities Merchant Trading L.P.	LTP098	2,110,112	01-Apr-13	31-Jul-18	25,321	25,321	Dawn	Dawn	N
Castleton Commodities Merchant Trading L.P.	LTP099	3,165,168	01-Apr-13	31-Jul-18	37,982	37,982	Dawn	Dawn	N
Castleton Commodities Merchant Trading L.P.	LTP102	1,055,056	04-May-13	31-Jul-18	12,661	12,661	Dawn	Dawn	N
Castleton Commodities Merchant Trading L.P.	LTP103	1,055,056	04-May-13	31-Jul-18	174,810	12,661	Dawn	Dawn	N
Enbridge Gas Distribution Inc.	LTP127	3,000,000	01-Apr-15	31-Mar-20	117,000	58,500	Dawn	Dawn	Y
Koch Canada Energy Services, LP	LTP133	1,055,056	01-Apr-15	31-Mar-18	12,661	0	Dawn	Dawn	N
Powerex Corp.	LTP134	1,055,056	31-Mar-15	31-Mar-18	12,661	0	Dawn	Dawn	N
PetroChina International (Canada) Trading Ltd.	LTP135	1,055,056	01-Apr-15	31-Mar-18	12,661	0	Dawn	Dawn	N
Tenaska Marketing Canada - a division of TMV Corp.	LTP136	527,528	01-Apr-15	31-Mar-18	6,330	0	Dawn	Dawn	N
Repsol Energy Canada Ltd.	LTP144	1,055,056	01-Apr-16	31-Mar-18	12,661	0	Dawn	Dawn	N
EDF Trading North America, LLC	LTP145	1,582,584	31-Mar-16	31-Mar-18	18,991	0	Dawn	Dawn	N
Shell Energy North America (Canada) Inc.	LTP148	1,055,056	01-Apr-16	31-Mar-18	12,661	0	Dawn	Dawn	N
Shell Energy North America (Canada) Inc.	LTP149	1,055,056	10-Oct-15	31-Mar-18	12,661	105,506	Dawn	Dawn	N
MIECO INC.	LTP150	527,528	31-Oct-15	31-Mar-18	6,330	527,528	Dawn	Dawn	N
Powerex Corp.	LTP151	1,055,056	01-Apr-16	31-Mar-19	12,661	0	Dawn	Dawn	N
Tenaska Marketing Canada - a division of TMV Corp.	LTP152	3,165,168	01-Apr-16	31-Mar-19	69,634	0	Dawn	Dawn	N
Freepoint Commodities LLC	LTP153	527,528	01-Apr-16	31-Mar-18	6,330	0	Dawn	Dawn	N
Powerex Corp.	LTP155	1,055,056	01-Apr-16	31-Mar-19	12,661	0	Dawn	Dawn	N
Emera Energy Limited Partnership	LTP156	527,528	31-Mar-16	31-Mar-18	6,330	16,881	Dawn	Dawn	N
Suncor Energy Marketing Inc.	LTP157	1,055,056	01-Mar-16	31-Mar-18	12,661	34,034	Dawn	Dawn	N
Tidal Energy Marketing Inc.	LTP158	527,528	01-Apr-16	31-Mar-18	32,706	0	Dawn	Dawn	Y
United Energy Trading Canada, ULC	LTP159	105,506	01-Apr-16	31-Mar-18	1,266	0	Dawn	Dawn	N
Shell Energy North America (Canada) Inc.	LTP160	1,899,101	01-Apr-16	31-Mar-18	27,432	0	Dawn	Dawn	N
NJR Energy Services Company	LTP161	2,110,112	31-Mar-17	31-Mar-23	25,321	0	Dawn	Dawn	N
NextEra Energy Marketing, LLC	LTP162	149,818	04-Jun-16	31-Mar-19	1,798	0	Dawn	Dawn	N
Twin Eagle Resource Management Canada, LLC	LTP164	1,055,056	31-Mar-17	30-Apr-19	12,661	0	Dawn	Dawn	N
Uniper Global Commodities North America LLC	LTP165	527,528	31-Mar-17	30-Apr-19	6,330	0	Dawn	Dawn	N
J. Aron & Company	LTP166	1,055,056	31-Mar-17	30-Apr-19	12,661	0	Dawn	Dawn	N
Tenaska Marketing Canada - a division of TMV Corp.	LTP167	527,528	01-Jul-16	30-Apr-19	6,330	17,017	Dawn	Dawn	N
Powerex Corp.	LTP168	527,528	01-Sep-16	31-Mar-19	6,330	0	Dawn	Dawn	N
J. Aron & Company	LTP169	527,528	30-Jul-16	31-Mar-19	6,330	6,330	Dawn	Dawn	N
Tenaska Marketing Canada - a division of TMV Corp.	LTP172	1,688,090	01-Apr-17	31-Mar-22	20,257	12,661	Dawn	Dawn	N
MIECO INC.	LTP173	527,528	01-Apr-17	31-Mar-20	10,832	0	Dawn	Dawn	N
Koch Canada Energy Services, LP	LTP174	2,110,112	31-Mar-17	31-Mar-20	25,321	10,551	Dawn	Dawn	N
Tidal Energy Marketing Inc.	LTP175	2,110,112	01-Apr-17	31-Mar-20	46,422	0	Dawn	Dawn	Y
Powerex Corp.	LTP180	1,055,056	01-Apr-17	31-Mar-20	12,661	0	Dawn	Dawn	N
Repsol Energy Canada Ltd.	LTP181	2,110,112	31-Mar-17	31-Mar-19	25,321	0	Dawn	Dawn	N
1425445 Ontario Limited o/a Utilities Kingston	LTP182	250,000	31-Mar-17	31-Mar-20	9,750	3,750	Dawn	Dawn	N
Shell Energy North America (Canada) Inc.	LTP183	6,330,336	01-Apr-17	31-Mar-22	75,964	40,112	Dawn	Dawn	N

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Customer Name	Contract Identifier	Maximum Storage Quantity (GJ)	Start Date	End Date	Maximum Firm Daily Withdrawal Quantity (GJ)	Maximum Firm Daily Injection Quantity (GJ)	Receipt Point	Delivery Point	Affiliate
Powerex Corp.	LTP184	1,055,056	31-Mar-17	31-Mar-20	12,661	0	Dawn	Dawn	N
Powerex Corp.	LTP187	1,055,056	31-Mar-17	31-Mar-19	12,661	0	Dawn	Dawn	N
Energy Source Natural Gas Inc.	LTP188	26,376	31-Mar-17	31-Mar-19	317	0	Dawn	Dawn	N
Tidal Energy Marketing Inc.	LTP189	1,055,056	01-Apr-17	31-Aug-19	12,661	0	Dawn	Dawn	Y
Uniper Global Commodities North America LLC	LTP191	1,055,056	06-Apr-17	05-Apr-19	12,661	0	Dawn	Dawn	N
Morgan Stanley Capital Group Inc.	LTP192	1,055,056	12-Apr-17	11-Apr-19	12,790	0	Dawn	Dawn	N
Sequent Energy Canada Corp.	LTP194	1,055,056	13-Apr-17	12-Apr-19	12,691	0	Dawn	Dawn	N
Tenaska Marketing Canada - a division of TMV Corp.	LTP195	1,055,056	04-May-17	03-Oct-19	12,661	0	Dawn	Dawn	N
Morgan Stanley Capital Group Inc.	LTP196	1,582,584	10-May-17	09-May-19	18,991	0	Dawn	Dawn	N
Shell Energy North America (Canada) Inc.	LTP197	2,110,112	12-May-17	31-Mar-19	25,321	0	Dawn	Dawn	N
Castleton Commodities Merchant Trading L.P.	LTP199	1,055,056	01-Sep-17	31-Mar-20	12,661	35,133	Dawn	Dawn	N
Macquarie Energy Canada Ltd.	LTP200	1,055,056	01-Oct-17	31-Mar-18	12,661	0	Dawn	Dawn	N
Macquarie Energy Canada Ltd.	LTP201	1,055,056	01-Oct-17	30-Apr-19	12,661	0	Dawn	Dawn	N
Macquarie Energy Canada Ltd.	LTP202	2,110,112	01-Oct-17	31-Mar-19	25,321	0	Dawn	Dawn	N
Macquarie Energy Canada Ltd.	LTP203	2,110,112	01-Oct-17	31-Mar-20	25,321	0	Dawn	Dawn	N
Macquarie Energy Canada Ltd.	LTP204	2,110,112	01-Oct-17	31-Mar-21	25,321	0	Dawn	Dawn	N
Macquarie Energy Canada Ltd.	LTP205	1,055,056	01-Oct-17	31-Aug-19	12,661	0	Dawn	Dawn	N
Macquarie Energy Canada Ltd.	LTP206	1,055,056	01-Oct-17	31-Aug-19	12,661	0	Dawn	Dawn	N
Tenaska Marketing Canada - a division of TMV Corp.	LTP207	1,055,056	01-Sep-17	31-Mar-20	12,661	35,133	Dawn	Dawn	N
BP Canada Energy Group ULC	LTP215	527,528	31-Mar-18	31-Mar-20	6,330	527,528	Dawn	Dawn	N
Tidal Energy Marketing Inc.	LTP216	527,528	31-Mar-18	31-Oct-21	6,330	0	Dawn	Dawn	Y
Macquarie Energy Canada Ltd.	LTP220	1,055,056	01-Mar-18	31-Mar-21	12,661	0	Dawn	Dawn	N
Morgan Stanley Capital Group Inc.	LTP221	1,055,056	01-Mar-18	31-Mar-21	12,661	0	Dawn	Dawn	N
TransAlta (SC) L.P. by its general partner, TransAlta (SC) Inc.	SA6233-18	427,105	01-Nov-17	31-Oct-18	19,261	19,261	Dawn	Dawn	N
St. Clair Power, L.P.	SA8349-1	0	01-Jan-13	31-Oct-27	28,380	28,380	Dawn	Dawn	N
TransCanada Power	SA9045-12	0	01-Nov-17	14-Jan-20	35,200	35,200	Dawn	Dawn	N
In-Franchise Customers		93,203,000	01-Oct-17	30-Sep-18	1,912,420	402,420	Dawn	Dawn	N

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Customer Name	Contract Identifier	Receipt Point	Delivery Point	Quantity (GJ)	Start Date	End Date	Negotiated Rate	Affiliate
Enbridge Gas Distribution Inc.	C10059	Parkway	Dawn	236,586	01-Apr-06	31-Mar-19	N	Y
St. Lawrence Gas Company, Inc.	C10076	Parkway	Dawn	10,785	01-Apr-07	31-Mar-20	N	Y
Greenfield Energy Centre LP	C10083	Dawn	Dawn-Vector	92,845	01-Mar-08	31-Oct-20	N	N
Enbridge, L.P.	C10087	Parkway	Dawn	100,000	01-Apr-11	31-Mar-19	N	N
TransCanada Pipelines Limited	C10097	Dawn	Dawn (TCPL)	500,000	01-Nov-10	31-Oct-20	N	N
York Energy Centre LP	C10102	Dawn	Parkway	11,654	01-Apr-12	31-Dec-18	N	N
Bluewater Gas Storage, LLC	C10105	Bluewater	Dawn	123,000	01-Nov-13	31-Oct-23	N	N
Emera Energy Limited Partnership	C10106	Ojibway	Dawn	21,016	01-Nov-15	31-Oct-20	N	N
Emera Energy Limited Partnership	C10107	Kirkwall	Dawn	73,745	01-Nov-15	31-Oct-20	N	N
Emera Energy Limited Partnership	C10108	Kirkwall	Dawn	26,335	01-Apr-15	31-Mar-20	N	N
Seneca Resources Corporation	C10109	Kirkwall	Dawn	388,261	01-Nov-16	31-Mar-23	Y	N
Rover Pipeline LLC	C10113	Ojibway	Dawn	36,927	01-Nov-17	31-Oct-25	N	N
TransCanada Pipelines Limited	C10114	Parkway	Dawn	516,787	01-Nov-17	31-Oct-20	N	N
TransCanada Pipelines Limited	C10115	Parkway	Dawn	42,202	01-Nov-17	31-Mar-20	N	N
BP Canada Energy Group ULC	HUB040E57	Dawn	Parkway	1,277	01-Nov-17	31-Oct-18	N	N
BP Canada Energy Group ULC	HUB040E58	Dawn	Parkway	3,053	01-Nov-17	31-Oct-18	N	N
BP Canada Energy Group ULC	HUB040E59	Dawn	Parkway	10,789	01-Nov-17	31-Oct-18	N	N
Tenaska Marketing Canada - a division of TMV Corp.	HUB078E109	Dawn	Dawn-Vector	31,652	01-Nov-17	31-Oct-18	Y	N
Tenaska Marketing Canada - a division of TMV Corp.	HUB078E111	Ojibway	Dawn	19,519	01-Nov-17	31-Mar-18	Y	N
Shell Energy North America (Canada) Inc.	HUB164T121	Dawn	Ojibway	20,000	01-Dec-17	31-Mar-18	Y	N
Just Energy Ontario L.P.	HUB250T002	Dawn	Parkway	5,275	01-Nov-17	31-Mar-18	Y	N
Just Energy Ontario L.P.	HUB250T003	Dawn	Parkway	2,638	01-Nov-17	31-Mar-18	Y	N
Tidal Energy Marketing Inc.	HUB305T136	Dawn	Parkway	10,551	01-Nov-17	31-Mar-18	Y	Y
Ontario Power Generation Inc.	HUB335T013	Parkway	Dawn	2,650	01-Nov-17	31-Oct-18	Y	N
Castleton Commodities Merchant Trading L.P.	HUB623T091	Dawn	Parkway	11	01-Dec-17	31-Mar-18	Y	N
Wisconsin Gas LLC.	HUB769T001	Bluewater	Dawn	31,652	01-Dec-17	31-Mar-18	Y	N
Wisconsin Gas LLC.	HUB769T002	Dawn	Dawn-Vector	31,652	01-Dec-17	31-Mar-18	Y	N
Wisconsin Public Service Corporation	HUB770T001	Bluewater	Dawn	21,101	01-Dec-17	31-Mar-18	Y	N
Wisconsin Public Service Corporation	HUB770T002	Dawn	Dawn-Vector	21,101	01-Dec-17	31-Mar-18	Y	N
Wisconsin Electric Power Company	HUB771T001	Bluewater	Dawn	21,101	01-Dec-17	31-Mar-18	Y	N
Wisconsin Electric Power Company	HUB771T002	Dawn	Dawn-Vector	21,101	01-Dec-17	31-Mar-18	Y	N
Enbridge, L.P.	M12007D	Dawn	Parkway	21,021	01-Nov-91	31-Oct-19	N	N
1425445 Ontario Limited o/a Utilities Kingston	M12077	Dawn	Parkway	6,322	01-Apr-04	31-Mar-20	N	N
Enbridge Gas Distribution Inc.	M12079A	Dawn	Kirkwall	32,123	01-Apr-14	31-Oct-20	N	Y
Enbridge Gas Distribution Inc.	M12079B	Dawn	Parkway	1,364,678	01-Apr-14	31-Oct-23	N	Y
Enbridge Gas Distribution Inc.	M12079B	Dawn	Parkway (EGT)	400,000	01-Apr-14	31-Oct-23	N	Y
Enbridge Gas Distribution Inc.	M12080	Dawn	Parkway	106,000	01-Nov-06	31-Oct-20	N	Y
Stelco Inc.	M12085	Dawn	Parkway	11,087	16-Sep-14	31-Oct-20	N	N
Enbridge, L.P.	M12092	Dawn	Parkway	35,000	01-Nov-06	31-Oct-19	N	N
Enbridge Gas Distribution Inc.	M12108	Dawn	Parkway	57,100	01-Nov-07	31-Oct-20	N	Y
Enbridge, L.P.	M12109	Dawn	Parkway	65,000	01-Nov-07	31-Oct-27	N	N
Goreway Station Partnership by its managing partner Goreway Power Station Holdings ULC	M12110	Dawn	Parkway	140,000	01-Nov-07	31-Oct-28	N	N
Vermont Gas Systems, Inc.	M12119	Dawn	Parkway	20,000	01-Nov-07	31-Oct-20	N	N
Greater Toronto Airports Authority	M12120	Dawn	Parkway	7,500	01-Nov-07	31-Oct-20	N	N
Enbridge Gas Distribution Inc.	M12125	Dawn	Parkway	10,692	01-Nov-08	31-Oct-20	N	Y
St. Lawrence Gas Company, Inc.	M12126	Dawn	Parkway	10,785	01-Nov-08	31-Oct-20	N	Y
1425445 Ontario Limited o/a Utilities Kingston	M12127	Dawn	Parkway	2,113	01-Nov-08	31-Oct-18	N	N
Thorold CoGen L.P. by its General Partner Northland Power Thorold Cogen GP Inc.	M12129	Dawn	Kirkwall	49,500	01-Sep-09	31-Aug-29	N	N
Portlands Energy Centre L.P. by its General Partner, Portlands Energy Centre Inc.	M12130	Dawn	Parkway	100,000	13-Jan-09	31-Oct-28	N	N
TransCanada Power, a Division of TransCanada Energy Ltd.	M12131	Dawn	Parkway	70,009	01-Nov-09	31-Oct-18	N	N

Customer Name		Contract Identifier	Receipt Point	Delivery Point	Quantity (GJ)	Start Date	End Date	Negotiated Rate	Affiliate
March 2018	Energir, L.P.	M12132	Dawn	Parkway	52,343	01-Apr-09	31-Mar-20	N	N
	Ag Energy Co-operative Ltd.	M12151	Dawn	Parkway	1,247	01-Nov-08	31-Oct-20	N	N
	The Narragansett Electric Company d/b/a National Grid	M12164	Dawn	Parkway	1,081	01-Nov-11	31-Oct-20	N	N
	Connecticut Natural Gas Corporation	M12166	Dawn	Parkway	6,410	01-Nov-11	31-Oct-20	N	N
	Ag Energy Co-operative Ltd.	M12167	Dawn	Parkway	1,900	01-Nov-11	31-Oct-21	N	N
	Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc.	M12171	Dawn	Parkway	21,825	01-Nov-11	31-Oct-20	N	N
	Energir, L.P.	M12172	Dawn	Parkway	22,908	01-Apr-10	31-Mar-20	N	N
	Enbridge Gas Distribution Inc.	M12175	Dawn	Kirkwall	35,806	01-Nov-10	31-Oct-20	N	Y
	Energir, L.P.	M12176	Dawn	Parkway	88,728	01-Apr-11	31-Mar-20	N	N
	Central Hudson Gas & Electric Corporation (a subsidiary of CH Energy Group, Inc.)	M12182	Dawn	Parkway	5,467	01-Nov-11	31-Oct-20	N	N
	York Energy Centre LP	M12184	Dawn	Parkway	76,000	01-Apr-12	31-Oct-22	N	N
	Niagara Mohawk Power Corporation d/b/a National Grid	M12186	Dawn	Parkway	55,123	01-Nov-11	31-Oct-20	N	N
	Enbridge Gas Distribution Inc.	M12188	Dawn	Parkway	18,703	01-Nov-11	31-Oct-20	N	Y
	Vermont Gas Systems, Inc.	M12190	Dawn	Parkway	500	01-Nov-10	31-Oct-20	N	N
	The Brooklyn Union Gas Company d/b/a National Grid NY	M12193	Dawn	Parkway	12,953	01-Nov-10	31-Oct-20	N	N
	KeySpan Gas East Corporation d/b/a National Grid	M12194	Dawn	Parkway	17,162	01-Nov-10	31-Oct-20	N	N
	Central Hudson Gas & Electric Corporation (a subsidiary of CH Energy Group, Inc.)	M12195	Dawn	Parkway	10,792	01-Nov-10	31-Oct-20	N	N
	Boston Gas Company d/b/a National Grid	M12197	Dawn	Parkway	9,282	01-Nov-10	31-Oct-20	N	N
	Colonial Gas Company d/b/a National Grid	M12198	Dawn	Parkway	6,475	01-Nov-10	31-Oct-20	N	N
	Boston Gas Company d/b/a National Grid	M12199	Dawn	Parkway	2,158	01-Nov-10	31-Oct-20	N	N
	Liberty Utilities (EnergyNorth Natural Gas) Corp.	M12200	Dawn	Parkway	4,317	01-Nov-10	31-Oct-22	N	N
	Connecticut Natural Gas Corporation	M12201	Dawn	Parkway	18,077	01-Nov-10	31-Oct-20	N	N
	The Southern Connecticut Gas Company	M12202	Dawn	Parkway	34,950	01-Nov-10	31-Oct-20	N	N
	Yankee Gas Services Company	M12203	Dawn	Parkway	43,116	01-Nov-10	31-Oct-20	N	N
	Bay State Gas Company dba Columbia Gas of Massachusetts	M12204	Dawn	Parkway	27,803	01-Nov-10	31-Oct-22	N	N
	Connecticut Natural Gas Corporation	M12206	Dawn	Parkway	9,170	01-Nov-10	31-Oct-20	N	N
	The Southern Connecticut Gas Company	M12207	Dawn	Parkway	13,970	01-Nov-10	31-Oct-20	N	N
	The Brooklyn Union Gas Company d/b/a National Grid NY	M12208	Dawn	Parkway	30,217	01-Nov-10	31-Oct-20	N	N
	KeySpan Gas East Corporation d/b/a National Grid	M12209	Dawn	Parkway	22,772	01-Nov-10	31-Oct-20	N	N
	Yankee Gas Services Company	M12210	Dawn	Parkway	20,560	01-Nov-10	31-Oct-20	N	N
	Yankee Gas Services Company	M12212	Dawn	Parkway	5,380	01-Nov-10	31-Oct-20	N	N
	The Southern Connecticut Gas Company	M12213	Dawn	Parkway	9,735	01-Nov-10	31-Oct-20	N	N
	Connecticut Natural Gas Corporation	M12214	Dawn	Parkway	6,489	01-Nov-10	31-Oct-20	N	N
	Suncor Energy Products Partnership Produits Suncor Energie, S.E.N.C.	M12217	Dawn	Parkway	9,585	01-Nov-11	31-Oct-20	N	N
	TransCanada Pipelines Limited	M12219	Kirkwall	Parkway	88,497	01-Nov-12	31-Oct-22	N	N
	TransCanada Pipelines Limited	M12220	Kirkwall	Parkway	174,752	01-Nov-13	31-Oct-23	N	N
	Emera Energy Limited Partnership	M12221	Kirkwall	Parkway	36,751	01-Nov-12	31-Oct-22	N	N
	Energir, L.P.	M12222	Dawn	Parkway	257,784	01-Nov-15	31-Oct-25	N	N
	Vermont Gas Systems, Inc.	M12224	Dawn	Parkway	8,100	01-Nov-14	31-Oct-24	N	N
	Enbridge Gas Distribution Inc.	M12225	Dawn	Parkway (EGT)	400,000	01-Nov-15	31-Oct-25	N	Y
	TransCanada Pipelines Limited	M12230	Kirkwall	Parkway	36,301	01-Nov-16	31-Oct-31	N	N
	Energir, L.P.	M12232	Dawn	Parkway	39,507	01-Nov-16	31-Oct-31	N	N
	Energir, L.P.	M12233	Dawn	Parkway	19,754	01-Nov-16	31-Oct-31	N	N
	Enbridge Gas Distribution Inc.	M12234	Dawn	Parkway	170,000	01-Nov-16	31-Oct-31	N	Y
	Energir, L.P.	M12237	Dawn	Parkway	85,680	01-Nov-16	31-Oct-31	N	N
	Energir, L.P.	M12244	Dawn	Parkway	36,670	01-Nov-17	31-Oct-32	N	N
	TransCanada Energy Ltd.	M12246	Dawn	Parkway	143,775	01-Nov-17	31-Oct-32	N	N
	St. Lawrence Gas Company, Inc.	M12249	Dawn	Parkway	10,412	01-Nov-17	31-Oct-32	N	Y
	Enbridge Gas Distribution Inc.	M12250	Dawn	Parkway (EGT)	18,934	01-Nov-17	31-Oct-32	N	Y

March 2018

Customer Name	Contract Identifier	Receipt Point	Delivery Point	Quantity (GJ)	Start Date	End Date	Negotiated Rate	Affiliate
Enbridge Gas Distribution Inc.	M12250	Dawn	Parkway	171,066	01-Nov-17	31-Oct-32	N	Y
1425445 Ontario Limited o/a Utilities Kingston	M12251	Dawn	Parkway	5,000	01-Nov-17	31-Oct-32	N	N
1425445 Ontario Limited o/a Utilities Kingston	M12252	Kirkwall	Parkway	1,000	01-Nov-17	31-Oct-32	N	N
The Corporation of the City of Kitchener	M12253	Kirkwall	Parkway	10,000	01-Nov-17	31-Oct-32	N	N
DTE Energy Trading, Inc.	M12255	Kirkwall	Parkway	73,854	01-Nov-17	31-Oct-31	N	N
Northern Utilities, Inc.	M12256	Dawn	Parkway	6,440	01-Nov-17	31-Oct-33	N	N
TransCanada Pipelines Limited	M12258	Dawn	Parkway	35,872	01-Nov-15	31-Mar-18	N	N
Mercuria Commodities Canada Corporation	M12262	Dawn	Parkway	44,019	01-Nov-16	31-Oct-18	N	N
Mercuria Commodities Canada Corporation	M12263	Dawn	Parkway	43,837	01-Nov-16	31-Oct-18	N	N
TransCanada Pipelines Limited	M12X004	Dawn	Parkway	50,000	01-Sep-11	31-Aug-21	N	N
TransCanada Pipelines Limited	M12X005	Dawn	Parkway	78,316	01-Sep-11	31-Aug-21	N	N
Enbridge Gas Distribution Inc.	M12X006	Dawn	Parkway	200,000	01-Nov-12	31-Oct-22	N	Y
TransCanada Pipelines Limited	M12X013	Dawn	Parkway	62,695	01-Nov-12	31-Oct-23	N	N
1425445 Ontario Limited o/a Utilities Kingston	M12X015	Dawn	Parkway	5,000	01-Apr-14	31-Mar-24	N	N
Market Hub Partners Canada L.P.	M16004	Dawn	Market Hub Partners St. Clair Pool	9,000	01-Jun-07	31-May-20	N	Y
Market Hub Partners Canada L.P.	M16004	Market Hub Partners St. Clair Pool	Dawn	5,000	01-Jun-07	31-May-20	N	Y

Gas Day:



2018-03-12

Nomination Window:

Timely

 Refresh

Segment	Capacity (GJ)	Scheduled Capacity (GJ)	Available Capacity (GJ)
DAWN TO PARKWAY	6,000,000	2,681,982	3,318,018
PARKWAY TO DAWN	2,500,000	0	2,500,000
DAWN TO KIRK WALL	1,000,000	0	1,000,000
KIRK WALL TO DAWN	1,000,000	0	1,000,000
PARKWAY TO KIRK WALL	1,000,000	0	1,000,000
KIRK WALL TO PARKWAY	1,000,000	519,229	480,771
DAWN TO OJIBWAY	50,000	0	50,000
OJIBWAY TO DAWN	190,000	100,231	89,769
DAWN TO BLUEWATER	100,000	0	100,000
BLUEWATER TO DAWN	240,000	130,713	109,287
DAWN TO ST CLAIR	100,000	0	100,000
ST CLAIR TO DAWN	300,000	94,955	205,045
DAWN TO DAWN-VECTOR	93,000	0	93,000
DAWN TO DAWN-TCPL	500,000	0	500,000
DAWN TO AIRPORT STORAGE	86,000	0	86,000
AIRPORT STORAGE TO DAWN	86,000	0	86,000
DAWN TO ST CLAIR STORAGE	71,000	0	71,000
ST CLAIR STORAGE TO DAWN	71,000	0	71,000
DAWN TO CHATHAM STORAGE	27,000	0	27,000
CHATHAM STORAGE TO DAWN	27,000	10,200	16,800

Design Capacity Report

As of October 1, 2017

Total Storage Capacity (PJs)	Base Gas Quantity (PJs)	Working Gas Capacity (PJs)	Design Peak Withdrawal Capacity (GJ/day)	Design Peak Injection Capacity (GJ/day)
242.0	61.7	180.3	3,382,000	1,450,000

Notes:

All values reflect normal operating conditions

Storage Inventory

As of March 1, 2018

Working Storage Inventory (PJs)

48

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 6

Reference: 301/B

Question:

- a) Please explain what changes Amalco will institute to ensure a consistent QRAM filing with the Board if the amalgamation is approved. Specifically address how the combined filing will address difference in the approaches (including reference pricing) of Union and EGD.

Response:

Amalco will file its QRAM application based on the current Board approved methodologies of legacy EGD and legacy Union for each of the three rate zones (EGD, Union North and Union South). Should Amalco propose changes to harmonize the QRAM methodologies between the rate zones, Amalco will do so as part of a separate proceeding. As gas commodity and upstream transportation costs are passed through to customers, any proposed changes to the QRAM filing will result in no customer impacts.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 8

Reference: B/T1/p. 17

Question:

- a) Please confirm that it is the Applicants’ position that Amalco will not be required to have its head office in Chatham Ontario?
 - b) If this is correct, please explain what impact to the community of Chatham is expected with the closing of the Union head office. Specifically, what is the expected decline in employment in Chatham due to the head office closing?
 - c) If there is an impact what incremental (i.e. not already part of Union’s current business plans) steps will Amalco take to reduce the impact of these reductions?
-

Response:

- a) Confirmed. The Applicants’ position is as stated in the evidence at B.1 page 16, that the remaining Undertakings will require that the Amalco head office shall remain in the franchise area of Amalco (that is, the combined franchise areas of EGD and Union).
- b) Please see response to Board Staff Interrogatory #12, found at Exhibit C.STAFF.12.
- c) Please see response to Board Staff Interrogatory #12, found at Exhibit C.STAFF.12.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

MAADs Issues List – Issue No. 9

Question:

- a) Please comment on the extent to which the Applicant’s believe the Board has the authority to replace or substitute provisions of the Undertakings made to the Government of Ontario. Specifically what Undertakings might be substituted by provisions of the Board and under what authority?

Response

In the Applicants’ view, the Board’s statutory mandate does not give it a general authority to replace or substitute the provisions of the Undertakings. In any particular case, the Board can exercise authority in respect of a specific matter that is addressed in the Undertakings only to the extent that its decision or order in respect of that matter is founded on the statutory jurisdiction under which it is acting in the particular case. Thus, specific provisions of the Undertakings might be substituted by provisions of a Board order only insofar as the provisions of the order are within the authority exercised by the Board in the case in which the order is made.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 1

Reference: 307/B/T1/p. 8

Question:

- a) Please provide a table which shows the past 10 years (2017 back) a comparison of the annual and year average CPI as compared to GDP IPI FDD inflation indices.

Response:

Please see the table below:

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
	V62307283 year average (from Q1 to Q4)	GDP IPI FDD year average (%)	V62307283 annual (Q4)	GDP IPI FDD annual (%)	V41690973 year average (from Jan to Dec)	CPI year average (%)	V41690973 annual (Dec)	CPI annual (%)
2007	100.0		100.3		111.5		112.0	
2008	102.6	2.6%	103.6	3.3%	114.1	2.4%	113.3	1.2%
2009	103.7	1.1%	104.1	0.5%	114.4	0.3%	114.8	1.3%
2010	104.8	1.1%	105.5	1.3%	116.5	1.8%	117.5	2.4%
2011	107.3	2.4%	108.3	2.7%	119.9	2.9%	120.2	2.3%
2012	109.1	1.7%	109.6	1.2%	121.7	1.5%	121.2	0.8%
2013	111.0	1.7%	111.7	1.9%	122.8	0.9%	122.7	1.2%
2014	113.5	2.3%	114.3	2.3%	125.2	1.9%	124.5	1.5%
2015	115.4	1.7%	116.2	1.7%	126.6	1.1%	126.5	1.6%
2016	116.8	1.2%	117.5	1.1%	128.4	1.4%	128.4	1.5%
2017	118.4	1.4%	118.9	1.2%	130.4	1.6%	130.8	1.9%

Note: Data reflects the most current updates available from Stats Canada

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Rate Setting Issues List – Issue No. 1

Reference: 307/B/T1/p. 10

Question:

- a) Please explain the rationale for continuation of normalized average consumption/Average use adjustments as Y factors. Specifically given the Applicant's reliance on electricity models of rate making please explain whether an equivalent type of adjustment is used in the electricity sector price cap rates.
- b) Please explain how the elimination of this Y factor proposal (deferral accounts) might impact the proposal of the Applicants price cap adjustment.

Response:

- a) The average use Y-factors were established in recognition of the declining use environment brought about by conservation policy and changes in energy efficiency, and the dynamic nature of forecasting that trend. The Y-factor adjustment protects ratepayers from over-recovery by utilities when actual usage is higher than anticipated, and protects utilities from under-recovery when actual usage is lower than anticipated. With the renewed focus on climate change, Cap and Trade carbon pricing, and the ensuing abatement programs, the declining average consumption trend is expected to continue, as will the need for ratepayer and shareholder protection.

While gas utilities require normalized average use/average consumption adjustments to be kept whole, electric LDCs are moving towards full fixed recovery of their distribution revenues which eliminates any impact from declining average use.

- b) The price cap adjustment mechanism serves to hold utilities to rate adjustments that are in line with inflation and productivity potential. The elimination of the deferral accounts for average use / normalized average consumption would potentially sever that influence of inflation on rates. To the extent that actual normalized average use is lower than forecast, utilities will recover revenues that are markedly lower than the underlying price adjustment factor. Similarly, if normalized average use or average consumption is higher than forecast, utilities will recover revenues that are higher than what the price adjustment would have determined.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 1

Reference: 307/B/T1/p. 4

Question:

- a) Please explain the theoretical basis for applying the same rate adjustment formula to distribution rates as to transmission and storage rates. Specifically address why the same inflation and productivity (X) factors should be used for both types of services
 - b) For each Utility what is the proportion of direct and common assigned costs to: (1) transmission, (2) storage, and (3) distribution rates.
-

Response:

- a) The Gross Domestic Product Implicit Price Index Final Domestic Demand (“GDP IPI FDD”) was recommended in the Board Staff Paper as the macroeconomic inflation factor in EB-2007-0606. The Board Staff Paper recommended GDP IPI FDD for the following reasons:
 - 1. Coverage: Broad coverage of goods and services relevant to the gas industry (capital, labour, materials);
 - 2. Simplicity: Facilitates the calculation of input price and productivity differentials used in X factor calibration;
 - 3. Availability: Published annually for Canada and Ontario and quarterly for Canada; and
 - 4. Stability: Less volatile due to the exclusion of petroleum products, gas exports, and other price-volatile exports

Further, in EB-2007-0606, the Pacific Economics Group noted that:

Macroeconomic inflation measures have noteworthy advantages over industry specific measures in rate adjustment indexes. One is that they are available from respected and impartial sources such as the Federal government. Customers are more familiar with them, and this facilitates acceptance of rate indexing generally. There is no need to go through the chore of annual index calculations. Controversies over the design of an industry-specific price index are side stepped.(page 13)

Inflation factors and productivity factors specific to distribution, transmission and storage do not have the advantages described above. Further, like industry specific indices,

distribution, transmission and storage indices have the disadvantage of needing to be calculated.

Further, in regards to the productivity factor, the application of an X factor based on Dr. Makholm's dataset to transmission and storage rates does not raise any complications. In Alberta, Dr. Makholm's dataset has been applied to gas companies with highly complex operations, such as ATCO Gas. The transparency and objectivity of Dr. Makholm's dataset allows for its application to functions across the gas and electric industry. The AUC summarized these issues succinctly in its first decision, stating:

the Commission finds that NERA's study is preferable to use in this proceeding given the objectivity and transparency of the data and of the methodology used, the use of data over the longest time period available and the broad based inclusion of electric distribution companies from the United States. (Alberta Proceeding 566, Decision 2012-27, ¶ 411)

- b) Please see Table 1 for the proportion of Union's and EGD's costs related to transmission, storage, and distribution.

Table 1
Proportion of Utility Costs by Function

Line No.	Particulars	Union	EGD
1	Storage	5%	3%
2	Transmission	38%	2%
3	Distribution	56%	95%
4	Purchase Production	1%	0%
5	Total	100%	100%

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 1

Reference: 307/B/T1/p. 5 & 307/B/T1/p. 13

Question:

- a) With respect to the ICM threshold calculation the Applicants propose to use the depreciation expense last approved by the Board. However, the depreciation expense for Union related projects is more than 5 years old, whereas the EGD is more recent. Please comment on the inconsistency of using the two different thresholds for the two different former utilities once they are amalgamated. Specifically how are customers in the different franchises treated equally under this proposal.
- b) Please explain how the materiality level might change if the Union related projects were required to use an updated depreciation expense.

Response:

- a) The Applicants intend to calculate the ICM materiality threshold consistent with the OEB’s policy. The EB-2014-0219 Report of the Board: New Policy Options for the Funding of Capital Investments (September 18, 2014) defines the rate base “RB” to be used in the ICM Threshold calculation as follows:

RB is the rate base in the distributor’s most recent cost of service application. This will be the Board-approved rate base in the most recent cost of service application for new ICM requests and for ACM rate rider approvals in a Price Cap IR application.¹

Union’s last cost of service application was for 2013 rates. EGD’s 2014-18 custom IR includes Board approved rate base for each year between 2014 and 2018, therefore the utilization of 2018 rate base in the ICM threshold calculation reflects the most recent Board approved rate base. The Union rate base will be inflated by 6 years as per the ICM threshold formula, whereas the EGD rate base will be inflated by only one year in the formula. This enables the use of rate base from two different starting points, inflated to reflect 2019 values.

¹ EB-2014-0219 Report of the Board: New Policy Options for the Funding of Capital Investments (September 18, 2014) page 20

- b) Consistent with the Report of the Board: New Policy Options for the Funding of Capital Investments², the depreciation expense used in the ICM threshold calculation is the depreciation expense from the most recent cost of service. For Union, this is 2013, for EGD this is 2018. As with the rate base, the ICM Threshold calculation inflates depreciation for 6 years in the case of Union and one year in the case of EGD. The ICM threshold is designed to identify the amount of capital investment which can be supported under existing rates. With the deferral of rebasing, the rates charged to Union customers for the proposed deferred rebasing term will reflect 2013 Board Approved depreciation expense, inflated for each year between 2013 and the year in which the ICM Threshold is calculated as per Board Policy.

² Ibid

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 1

Reference: 307/B/T1/p. 5 & 307/B/T1/p. 13

Question:

- a) Do the Applicants propose to apply the same ICM materiality threshold formula for both its distribution and transmission asset capital projects?
- b) If yes please explain the rationale for that treatment given transmission facilities serve both in and ex-franchise customers. That is why should in-franchise customers be potentially impacted by a project that might only be material in respect to serving ex-franchise customers?
- c) Since transmission facilities serve both in and ex-franchise customers please explain how the cost consequence of an ICM adjustment would be implemented during the proposed deferral period.

Response:

- a) Yes. For clarity, Amalco proposes to use a single ICM materiality threshold for each individual distributor, one threshold for the Union rate zones and one threshold for the EGD rate zone.
- b) The materiality threshold is used to determine if a capital project is incremental to the distributor’s existing ability to fund the investment through approved rates. The cost consequences of approved ICM projects will be allocated to the rate classes consistent with the use (i.e., based on cost causality) of the asset being constructed.
- c) As part of the application for rate adjustments using the ICM, Amalco will propose to allocate the ICM revenue requirement to rate classes consistent with the use of the asset being constructed.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 1

Reference: 307/B/T1/p. 5 & 307/B/T1/p. 14, Table 1

Question:

- a) Please confirm the Applicants propose to apply the ICM on a pre-consolidation or individual utility basis and not on an amalgamated basis.
- b) If that is correct, please explain why this is more appropriate than applying the ICM threshold formula on the combined basis.
- c) Please recalculate Table 1 to show the threshold on the combined basis
- d) Please provide a retrospective application of the proposed formula on the combined basis to show over the past 5 years which Union/Enbridge projects that have been approved under current rate plan capital pass-through would or would not have been approved if the combined ICM threshold methodology were applied.

Response:

- a) Confirmed. The applicant will calculate ICM materiality threshold on an individual, pre-amalgamation utility basis.
- b) The applicant is proposing a consistent approach with OEB policy on calculating the ICM materiality threshold for amalgamating utilities. The OEB Handbook¹ states:

Materiality thresholds for the ICM will be calculated based on the individual distributors' accounts and not that of the consolidated entity.

In addition to consistency with the OEB Handbook, the applicants are proposing to maintain separate rate zones through the rebasing period. Because a number of the key inputs into the calculation of the ICM materiality threshold are unique to each individual utility, attempting to calculate a combined threshold is not a reasonable approach. The growth factor “g” is unique for each utility, and the number of years since rebasing “n” is also unique to each utility. Although depreciation expense and rate base could be summed easily, the calculation does not contain the necessary flexibility to incorporate unique growth and number of years since rebasing variables.

¹ OEB Handbook to Electricity Distributor and Transmitter Consolidations, January 19, 2016, p.17

- c) This is not possible using the OEB's material threshold calculation, as the growth and number of years since rebasing inputs are unique to each utility.
- d) Please see the response to LPMA Interrogatory #23, found at Exhibit C.LPMA.23.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Rate Setting Issues List – Issue No. 1

Reference: 307/B/T1/p. 11

Question:

- a) What is the threshold value for the proposed Z-factor allowance under the proposed rate plan?
 - b) Given that there are uncertainties of both of a positive and negative nature what is the theoretical basis for allowing Z factors which only address incremental costs?
 - c) How will amalgamation savings be used to offset or adjust any future Z factor request?
-

Response:

- a) The proposed Z factor threshold value is \$1 million.
- b) See the response to School Energy Coalition Interrogatory #36 found at Exhibit C.SEC.36.
- c) See the response to London Property Management Association Interrogatory #20(d) found at Exhibit C.LPMA.20.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Rate Setting Issues List – Issue No. 1

Reference: 307/B2/Makholm NERA Testimony

Question:

- a) How many of the 65 utilities used in the study were solely gas distribution utilities?
- b) Please explain why is acceptable to intermix and extrapolate TFP results from the electricity sector to the gas sector.
- c) What is the relationship between TFP and capital expenditures. That is if an industry in a period of extensive capital renewal (say due to similar vintage aging plant), all other things being equal, is one likely to see a rise or decline in the TFP?

Response:

- a) None. See the response to Board Staff Interrogatory #38(c) found at Exhibit C.STAFF.38.
- b) See the response to Board Staff Interrogatory #38(d) found at Exhibit C.STAFF.38.
- c) The question does not provide enough information for Dr. Makholm to provide a definitive answer.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 2

Reference: 306/B/T1/Attachment 5

Question:

- a) Please explain why the Applicants’ are unable to meet their commitment to file a benchmarking study.
- b) The Board has stated [T]he *RRFE policy articulates the importance the OEB places on benchmarking. Benchmarking evidence, whether it compares a utility’s performance to itself year-over-year, or to other utilities, is a critical input to the OEB’s assessment of utility performance*’.’ (Board Decision EB-2013-0416/EB-2014-0247). Given the Applicants reliance on the electricity rate making framework how is the RRFE requirement for benchmarking addressed in this application?

Response:

a and b)

In the EB-2012-0459, 2014-2018 EGD Custom IR proceeding, the Board Decision indicated that the benchmarking analysis provided was not a proper total cost benchmarking in that it only included O&M costs and not capital costs.

The total factor productivity (“TFP”) growth study performed by the consultant, National Economic Research Associates, relative to and filed by the applicants, benchmarks the productivity growth of the industry, including both capital and operating costs, to that of the economy as a whole as described in the evidence of Dr. Makholm, EB-2017-0307, found at Exhibit B, Tab 2, (pgs. 7 to 10).

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Rate Setting Issues List – Issue No. 3

Reference: 307/B/T1/p. 4

Question:

- a) Please provide a table which compares the rate classes of Union and EGD showing the small, medium and large volume rate class similarities and differences between the two Utilities.
- b) Please provide a table which shows for 2017 on a monthly basis the average bill for a consumer in each Utilities low-volume rate classes. In doing this presentation please use a consistent (same) average monthly for each class (e.g. annualized 2500 m³).

Response:

- a) Union and EGD are not proposing any changes to rate classes or services as part of this application. Further, rate harmonization is not planned until the end of the deferred rebasing term. Accordingly, the Applicants will not provide the requested information as it is not relevant to this application.
- b) Please see Attachment 1.

UNION GAS LIMITED & ENBRIDGE GAS DISTRIBUTION
Table 1: 2017 Total Bill for an Average Residential Sales Service Customer Consuming 2,200 m³ per Year

Line No.	Particulars	January (1) (a)	February (1) (b)	March (1) (c)	April (2) (d)	May (2) (e)	June (2) (f)	July (3) (g)	August (3) (h)	September (3) (i)	October (4) (j)	November (4) (k)	December (4) (l)	Total Bill (m) = sum(a:l)
1	Monthly Volume (m ³)	385	403	332	200	114	64	48	46	48	106	158	295	2,200
2	Total Bill (\$)													
3	Union South - Rate M1	119.27	123.69	106.05	73.22	50.95	37.73	34.55	33.94	34.55	48.89	62.72	98.16	823.72
4	Union North West - Rate 01	146.06	151.73	129.09	88.52	59.69	42.59	37.35	36.59	37.35	57.73	75.99	123.15	985.84
5	Union North East - Rate 01	164.72	171.23	145.19	97.37	64.74	45.42	40.41	39.50	40.41	62.23	82.73	135.67	1,089.62
6	Enbridge Gas Distribution - Rate 1	125.21	129.97	110.93	75.89	52.21	38.11	34.52	33.85	34.52	52.92	67.21	99.96	855.29

Notes:

- (1) Monthly bill calculated using approved January 2017 QRAM rates including temporary charges if applicable.
- (2) Monthly bill calculated using approved April 2017 QRAM rates including temporary charges if applicable.
- (3) Monthly bill calculated using approved July 2017 QRAM rates including temporary charges if applicable.
- (4) Monthly bill calculated using approved October 2017 QRAM rates including temporary charges if applicable.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 3

Reference: 307/B/T1

Preamble:

The purpose of this interrogatory is gain an understanding of how significant might the issue of customers in similar circumstances and adjoining service territories having different rates (from the same utility) during the proposed deferral period. If the Applicants’ have a preferred method of addressing this issue please provide this in lieu of responding to the interrogatories below.

Question:

- a) In what communities do Union and EGD have a significant number of customers bordering each other? If possible please provide a map which shows by colour the number of customers (significance) of these border areas.
- b) Have the Applicants’ examined these communities to examine whether there are any areas which where customers might be better switched from one Utility’s rates/class to the other’s? If not is there any intention of doing such a study/examination?

Response:

- a) Please see response to SEC Interrogatory #2, found at Exhibit C.SEC.2 for a copy and explanation of the Exchange Agreement between Union and EGD that sets out the arrangement between the Utilities regarding customers in areas where one of the Utilities delivers gas to the other Utility’s customers. A current listing of the customers served through this arrangement is provided as part of the Exchange Agreement however, specific customer addresses have been redacted for privacy purposes. A map showing details is not available.
- b) The Utilities have considered the Exchange Agreement and have decided to continue with these arrangements through the means of an operating protocol during the deferred re-basing period. This would best preserve the “no-harm” principle, rather than switching these customers from their existing rate zone to another rate zone. Any new customers in these areas will be served by the closest / most feasible option. During the deferred re-basing period, the Utilities will consider how to harmonize utility standards and rate structures and will bring forward applications to the Board at the appropriate time.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 4

Reference: 307/B/T1/p. 10

Question:

- a) After amalgamation is it the Applicants’ intention to file combined QRAM applications?
- b) Does the Applicant intend to harmonize gas supply planning. If so when is this expected to be completed?
- c) If approved by the Board will Union’s storage and transportation assets and contracts be immediately made available to serve all franchise customers of the amalgamated utility? And vis-versa with respect to EGD?

Response:

- a) Please see the response to VECC Interrogatory #23 found at Exhibit C.VECC.23.
- b) Gas supply planning harmonization will be reviewed and analyzed, taking into account the impacts of the OEB’s EB-2017-0129 Framework of the Assessment of Distributors Gas Supply Planning after the amalgamation has been approved. The timing has not yet been determined.
- c) Please see response to SEC Interrogatory #2 found at Exhibit C.SEC.2 and Board Staff Interrogatory #10 found at Exhibit C.Staff.10.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 7

Reference: 307/B/T1

Question:

- a) How, in the absence of a deferral account do the Applicants propose to track and report any changes with respect to the proposed adoption of common depreciation and other accounting practices?

Response:

As noted in EB-2017-0307 Exhibit B, Tab 1, changes in accounting practices resulting in material changes in utility earnings (if any) will be reported to the Board as part of the annual regulatory reporting process. Also see the response to LPMA Interrogatory #26 found at Exhibit C.LPMA.26.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Rate Setting Issues List – Issue No. 7

Reference: 307/B/T1/Attachment 4

Question:

- a) For each account listed at attachment 4 (Accounts to be continued) please list the year the account was initially established, the current balance, the last date of disposition the expected close date of the account (or ongoing if none) and the reason the account cannot be eliminated as part of the deferred rebasing rate plan.

Response:

Please see the response to SEC Interrogatory #45 found at Exhibit C.SEC.45.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 13

Reference: 307/VECC/T1/p. 31

Question:

- a) Please explain why Union is proposing to resile from its commitment to file a study on the appropriateness of continuing the NAC methodology?
-

Response:

Union is not resiling from the performance of a study on the NAC methodology.

See the response to Board Staff Interrogatory #59 found at Exhibit C.STAFF.59.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 13

Reference: 307/VECC/T1/p. 31 & Attachment 5, p.2

Question:

- a) Union explains that it intends to address the Panhandle issue in its 2019 rates application. In Attachment 5 it implies that this exercise is being proposed to be deferred until 2029. Please clarify.
- b) At Attachment 5 are listed (subsection 1) a number of cost allocation commitments. Why are these commitments not incorporated into the rate deferral proposal? Why are these cost allocation being deferred and until when. What is the impact of this deferral?
- c) In its Decision EB-2017-0087 the Board stated in part:

The OEB is of the view that any change to the existing cost allocation model should be done with the assistance of a comprehensive system-wide full cost allocation study. Cost allocation is a zero sum exercise. A full study ensures that all changes to facilities, operations and use in the transmission system since the development of the previous cost allocation model are recognized across all customer classes. This form of study provides that positive and negative changes in costs throughout the system are accounted for. A finding that current rates are inequitable because of the underlying allocation of costs for one project could introduce other inequalities by an incomplete analysis of the changing cost impacts on customers. Equitable cost causality is only possible with a full study.

Given the Board’s clear and unequivocal statement that it would only entertain “a comprehensive system-wide full cost allocation study” please clarify the nature of the study that Union(Amalco) would intend to provide as part of the proposed rate plan to deal with the various cost outstanding cost allocation issues, including those for the Panhandle project.

Response:

- a) EB-2017-0307, Exhibit B, Tab 1, Attachment 5 references the Applicants’ intention to respond to the proposed 20-year depreciation period of the Panhandle System and St. Clair System as part of its 2029 rebasing proceeding. As indicated at EB-2017-0307, Exhibit B, Tab 1, page 31, the Applicants intend to address the cost allocation of the Panhandle System and St. Clair System in its 2019 Rates application.

- b) Please see the response to Board Staff Interrogatory #59(c) found at Exhibit C.Staff.59.
- c) Please see the response to LPMA Interrogatory #43 found at Exhibit C.LPMA.43.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 14

Reference: 307/VECC/T1/p. 21

Question:

- a) Please explain what compressors are being measured for compression reliability.
- b) Please comment on the inclusion in the scorecard of:
 - i. OM&A dollars per customer
 - ii. Billing errors per customer (if not the same as the proposed billing accuracy)

Response:

- a) The compressors being measured in this metric include all compressors along the Dawn to Parkway system, including compressors at Dawn, Lobo, Bright and Parkway.
- b)
 - i) Please see the response to CME Interrogatory #9 found at Exhibit C.CME.9.
 - ii) The proposed Billing Accuracy metric is the number of manual checks done as per quality assurance program, for excessively high or low usage. EGD / Union do not currently track billing errors per customer.

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (“VECC”)

Rate Setting Issues List – Issue No. 14

Reference: 307/VECC/T1/p. 21

Question:

- a) Please explain how the scorecard aids in developing internal benchmarks on the cost efficiency of delivering distribution service.
- b) Please explain how the proposed metrics are integrated into the rate plan. Specifically address what consequence arises if scorecard metrics decline relative to the year prior.

Response

- a) Please see the response to CME Interrogatory #9 found at Exhibit C.CME.9.
- b) Should scorecard metrics decline relative to the prior year, Amalco will determine the reasons behind the decline and address any issues on a go-forward basis.