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BY EMAIL

August 3, 2018

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, 27th Floor Toronto ON M4P 1E4

Dear Ms. Walli:

Re: OEB Staff Submission

Enbridge Gas Distribution Inc.

Draft Rate Order: 2015 Demand Side Management Disposition of Deferral

and Variance Accounts

OEB File Number EB-2017-0324

In accordance with the Decision and Order dated July 12, 2018, please find attached OEB staff's submission on the draft Rate Order in the above noted proceeding.

Sincerely,

Original Signed By

Josh Wasylyk
Project Advisor, Application Policy & Climate Change

Attachment



ONTARIO ENERGY BOARD

OEB STAFF SUBMISSION on DRAFT RATE ORDER

August 3, 2018

Enbridge Gas Distribution Inc.
2015 Demand Side Management Deferral and Variance Accounts
EB-2017-0324

Background

On December 19, 2017, Enbridge Gas Distribution Inc. (Enbridge Gas) filed an application with the OEB to recover through rates: a shareholder incentive, lost revenues, and DSM program costs related to Enbridge Gas' 2015 DSM activities. Under the *Ontario Energy Board Act, 1998* (the OEB Act), natural gas distributors must apply to the OEB to change the rates they charge customers.

On July 12, 2018, the Ontario Energy Board (OEB) issued its Decision and Order on Enbridge Gas' application approving lost revenues, a shareholder incentive and DSM program costs.

In response to the OEB's Decision and Order, Enbridge Gas filed a draft Rate Order with the OEB on July 26, 2018. Enbridge Gas filed a correction to its draft Rate Order on August 1, 2018.

Draft Rate Order

Enbridge Gas filed a draft Rate Order on July 26, 2018. On August 1, 2018, Enbridge Gas filed a corrected version of its draft Rate Order. Enbridge Gas' updated draft Rate Order corrected a formatting issue in Attachment 2, page 4 of 6 that did not show two line items related to the Rate 170 class.

Within its draft Rate Order, Enbridge Gas identified a mathematical error included within the OEB's Decision and Order on page 10 in Table 2 – Enbridge Gas DSM Deferral and Variance Account Allocation. The total amounts in Table 2 were correct, however the total balances for the various rate classes were not. Enbridge Gas proposed a corrected version of the rate class balances in its draft Rate Order.

Enbridge Gas has also calculated interest on the account balances up to September 30, 2018.

OEB Staff Submission

OEB staff submits that Enbridge Gas' draft Rate Order is consistent with the OEB's Decision and Order.

Enbridge Gas has properly updated Table 2 of the OEB Decision and Order. The original Table 2 contained mathematical errors that resulted in incorrect rate class total balances. The individual DSM deferral and variance account amounts allocated to the

rate classes remains unchanged. OEB staff supports the use of the corrected Table 2 proposed by Enbridge Gas which is shown below.

Corrected Table 2 – Enbridge Gas DSM Deferral and Variance Account Allocation

Rate Class	DSMIDA (\$)	LRAMVA (\$)	DSMVA (\$)	Total (\$)
Rate 1	5,901,877	n/a	6,498,202	12,400,079
Rate 6	3,438,449	n/a	(2,919,026)	519,423
Rate 9	404	0	(74)	331
Rate 110	421,703	(19,059)	191,445	594,089
Rate 115	146,222	(7,813)	(451,019)	(312,610)
Rate 125	15,156	0	(2,779)	12,377
Rate 135	12,883	239	(144,351)	(131,229)
Rate 145	41,385	(36,093)	(1,040,849)	(1,035,557)
Rate 170	93,350	(21,673)	(1,304,940)	(1,233,263)
Rate 200	5,254	0	(963)	4,291
Rate 300	1,010	0	(186)	825
Total	\$10,077,695	(\$84,400)	\$825,460	\$10,818,755

^{*} Note: Numbers may not add up due to rounding

Consistent with the Decision and Order, Enbridge Gas indicates that it will dispose of the account balances as a one-time adjustment in the next available QRAM which is October 2018. OEB staff supports Enbridge Gas' proposal to clear the 2015 DSM Deferral and Variance Account balances to customers during the October 2018 billing cycle.

- All of which is respectfully submitted -