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August 28, 2018

Reply To: Thomas Brett
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Our File No. 183367

VIA RESS, EMAIL AND COURIER

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attention: Kirsten Walli
Board Secretary

Dear Ms. Walli:

**Re: EB-2018-0131: Enbridge Gas Distribution Inc., 2017 Earnings Sharing Mechanism
and Other Deferral and Variance Accounts Clearance Review**

Please find enclosed herewith BOMA's Interrogatories.

Yours truly,

FOGLER, RUBINOFF LLP


Thomas Brett

TB/dd

Encls.

cc: All Parties (*via email*)

ONTARIO ENERGY BOARD

Enbridge Gas Distribution Inc.

Deferral Account Disposition and 2017 Earnings Sharing

**INTERROGATORIES OF
BUILDING OWNERS AND MANAGERS ASSOCIATION, GREATER TORONTO
("BOMA")**

August 28, 2018

Tom Brett
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Counsel for BOMA

Interrogatories of BOMA

Ref: Earnings Sharing Deferral Account – Exhibit B, Tab 1, Schedule 1, p 1 of 6

1. Please explain what is meant by an 11+1 forecast.
2. Please explain what the "amounts related to Open Bill program incentives" are at p 3 of 6, as well as the history of those amounts. When was the Open Bill program approved?
3. Please reconcile the statement in "lower fuel costs required to manage storage operations and the transmission of volumes on Union's system" with the result of "higher than forecast PGVA reference prices approved through the 2017 Quarterly Rate Adjustment Mechanism (QRAM)" (p 2 of 6). How can fuel costs be lower if gas costs are higher than forecast?
4. Please explain why a 2017 deferral account should include compensation for undercharged depreciation in years prior to 2017. Should the amounts not have been secured by the company in the EB-2012-0459 proceeding?

Ref: Exhibit B, Tab 2, Schedule 2, p 5

5. (a) Please explain the meaning of each of Net Salvage Adjustments, Retirements, and Costs Net of Proceeds, in the Continuity of Accumulated Depreciation, and the rationale for the fact that each of them reduce the accumulated depreciation for 2017.
- (b) Please explain how "Costs Net of Proceeds" in column 5 is determined.

6. Please explain how these three items are interrelated (if they are), and explain how they are determined.
7. Please provide details on gas plant held for future use, and explain the accounting treatment.

Ref: *Deferral Account - Exhibit C, Tab 1, Schedule 10*

8. Does the 50% share include the revenue obtained by Enbridge for hosting the IESO Whole Home Pilot Program?

Ref: *Average Use True-up Variance Account – CDNSADA – Exhibit C, Tab 2, Schedule 12, pp 1-4*

9. The evidence shows a May 1, 2018 balance of \$18,910.10, of which \$6,468 is to be cleared in the proceeding. Please explain how the remainder of the account was reduced to zero over the period May 1, 2018 to December 31, 2018.

Ref: *Ibid, p 1*

10. What accounts for the variation between the amount the Board ordered to be cleared of \$379.8 million over the 2014-2018 period and the account actually cleared over that period of \$386.2 million. Put another way, how are the monthly rider amounts calculated? Are they calculated on a forecast as a percentage of the forecast depreciation account for each year and do they reflect variances between forecast depreciation and actual depreciation?

Ref: *Storage and Transportation Deferral Account – Exhibit C, Tab 1, Schedule 1, Attachment 1, p1*

11. How much of the \$19.4 million for Third Party Based Storage was paid to Union Gas?

12. What is the origin of the \$1.9 million in Cap and Trade costs and why are those costs collected in this deferral account? Why are those costs not recorded in the Cap and Trade related deferral accounts?

Ref: *2017 Transmission Service Deferral Account – Exhibit C, Tab 1, Schedule 2, Attachment 2, p1*

13. Please explain the ETT Revenue on line 7.0.

Ref: *2017 Dawn Access Costs Deferral Account – Exhibit C, Tab 1, Schedule 13, p 6*

14. Please provide the calculation to determine the federal and provincial capital cost allowance of \$3,001,000.

Ref: *Exhibit C, Tab 2, Schedule 2, p6 – 2017 Deferral and Variance Account Clearing, Lines 2.2 and 3.2*

15. Please explain why the Rate 100 Industrial – small size shows a reduction in bills resulting from the clearing of the 2017 Deferral and Variance Accounts, while Rate 6 Commercial – General Use experience rate increases. Please show the calculations for each, and explain what causes that result, as well as the more general result that the general service bills increase while the contract service bills decrease as a result of the clearance of the Deferral and Variance Accounts.