

ONTARIO ENERGY BOARD

Enbridge Gas Distribution Inc.

**Application for approval to continue the existing financial terms
associated with offering Open Bill Access
Services for the years 2019 and 2020**

INTERROGATORIES TO ENBRIDGE GAS (EG)

FROM

INDUSTRIAL GAS USERS ASSOCIATION (IGUA)

1. **Reference:** Exhibit B, Tab 1, Schedule 1, page 2, paragraph 4.a).

EG is proposing that the costs used to determine net revenues for the Open Bill Access (OBA) program in each of 2019 and 2020 will be the costs at the end of 2018, adjusted in the same way as EG proposes to adjust the OBA program Billing Fees in each of 2019 and 2020 (i.e. annual increases equal to the change in the Canadian Consumer Price Index ("CPI"), All Items, but not to exceed 2.5% per year.

Questions:

- (a) Please confirm that to date the costs used to determine net revenues for the OBA program have been those specified in the table set out at Exhibit B, Tab 1, Schedule 1, Attachment 1, Page 11, rather than actual costs.
- (b) Please confirm that EG intends to use the 2018 costs specified in the table set out at Exhibit B, Tab 1, Schedule 1, Attachment 1, Page 11, rather than actual costs in 2018, as the basis for the costs proposed to be used to determine net revenues for the OBA program in each of 2019 and 2020.
- (c) Please confirm that under EG's proposal, the 2019 and 2020 costs used to determine net revenues for the OBA program will not necessarily reflect actual OBA program costs.
- (d) Please provide a forecast of actual 2019 and 2020 OBA program costs.
- (e) Please explain why EG's proposal for escalation of the costs used to determine OBA net revenues for 2019 and 2020 is appropriate in the context of the new 5

year incentive regulation mechanism effective for EG as of January 1, 2019, which includes a broad earnings sharing mechanism. In particular, please explain why OBA costs and revenues should not be subject to the same treatment as other utility costs and revenues and included in the broad earnings sharing mechanism to which EG is now subject.

- (f) Please explain why it remains appropriate for EG to retain the first \$2 million of earnings above the \$5.389 million credit to ratepayers embedded in current (interim 2019) rates prior to sharing additional OBA program earnings with ratepayers.
- (g) Please provide a current forecast of total 2019 earnings sharing, assuming that EG's 2019 rates are approved as proposed in EB-2018-0305 and EG's OBA program proposal herein is accepted as filed, showing separately each of;
 - (i) the OBA program ratepayer credit proposed to be retained in 2019 rates;
 - (ii) any additional OBA program earnings sharing forecast under EG's proposal; and
 - (iii) any additional broader earnings sharing forecast.

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