

578 McNaughton Ave. West Chatham, Ontario, N7L 4J6

February 4, 2019

Ms. Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319 2300 Yonge Street, 27th Floor Toronto, ON M4P 1E4

Dear Ms. Walli,

RE: EB-2018-0300/0301 - London Property Management Association Interrogatories

In accordance with Procedural Order No. 1, please find attached the interrogatories of the London Property Management Association ("LPMA") in the above noted proceeding. Interrogatories for both Union Gas Limited (now operating as Enbridge Gas Inc.) and Enbridge Gas Distribution Inc. (now operating as Enbridge Gas Inc.) have been included.

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LPMA has had the opportunity to review the interrogatories filed by School Energy Coalition ("SEC") on January 23, 2019 and has attempted to avoid duplication of interrogatories.

Yours very truly,

Randy Aiken

Randy Aiken Aiken & Associates

c.c. Adam Steirs (Union Gas Limited)

Kevin Culbert (Enbridge Gas Distribution)

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B, as amended;

AND IN THE MATTER OF an Application by Enbridge Gas Distribution Inc. for an order or orders approving the balances and the clearance of certain Demand Side Management Variance Accounts into rates.

AND IN THE MATTER OF an Application by Union Gas Limited for an order or orders approving the balances and the clearance of certain Demand Side Management Variance Accounts into rates.

INTERROGATORIES OF THE LONDON PROPERTY MANAGEMENT ASSOCIATION

INTERROGATORIES TO UNION

LPMA.UNION.1

Ref: Exhibit A, Tab 4, page 2

The evidence states that the allocation of 2016 DSM deferral and variance account balances to rate classes is "consistent" with the allocation methodologies approved by the OEB in Union's 2015 Disposition of DSM Deferral and Variance Accounts proceeding (EB-2017-0323). Please confirm that "consistent" means the same allocation methodologies approved in EB-2017-0323 have been used in the current allocations. If this is not the case because explain any difference in the allocation methodologies used.

LPMA.UNION.2

Ref: Exhibit A, Tab 4, page 3 & Exhibit A, Tab 4, Appendix A, Schedules 2 & 3

- a) If implementation is delayed from the April 1, 2019 QRAM to the July 1, 2019 QRAM, does Union still propose to use a six-month disposal period? If not, what period does Union propose to use?
- b) Please provide a version of Exhibit A, Tab 4, Appendix A, Schedules 2 & 3 to reflect a recovery period beginning July 1, 2019.

LPMA.UNION.3

Ref: Exhibit A, Tab 4, page 2

Are the allocation methodologies used by Union for the allocation of the 2016 DSM deferral and variance account balances to rate classes generally consistent with the allocation methodologies used by Enbridge Gas Distribution? If not, please explain any significant differences.

LPMA.UNION.4

Ref: Exhibit Am Tab 3, pages 9-10

- a) Please explain how much of the \$5.077 million total cost of Union's DSM tracking and reporting system upgrades has been capitalized and how much has been expensed. If nothing has been capitalized, please explain why not and include details of the expenditures at a granular level to show why each item should not be considered a capital expenditure.
- b) Does Table 3 include carrying costs associated with the balances in each year? For example, does the \$2.959 million credit in the 2016 balance reflect any interest credit for ratepayers in the proposal Union is putting forward?
- c) If Table 3 does not include carrying costs associated with the credit to ratepayers at the end of 2016, please add a column or columns to Table 3 to reflect the addition of interest credit to ratepayers through to the end of 2018.

LPMA.UNION.5

Ref: Exhibit A, Tab 3, page 11

The evidence states that Union utilized the DSMVA mechanism to overspend on the Residential Program contained within the Resource Acquisition scorecard as this scorecard achieved preaudit results above the weighted scorecard targets required for the 15% overspend to be accessed.

- a) Was the Resource Acquisition scorecard the only one where the 15% overspend could have been accessed based on pre-audit results?
- b) How did Union determine that the overspend should be focused on the Residential Program within the Resource Acquisition scorecard rather than another component?
- c) Despite the overspend allocated to the residential program, Union's DSM spending was 42.5% below the costs built into rates for Rate 01 (Exhibit A, Tab 3, Appendix A, Schedule 3) while the spending in the M1 rate class as 13.0% over that built into rates. Please explain why Union did not spend more of the additional budget in the north.

INTERROGATORIES TO ENBRIDGE

LPMA.ENBRIDGE.1

Ref: Exhibit B, Tab 4, Schedule 1, page 2

Are the allocation methodologies used by Enbridge for the allocation of the 2016 DSM deferral and variance account balances to rate classes generally consistent with the allocation methodologies used by Union Gas? If not, please explain any significant differences.