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Our File No. 339583-00258

**By electronic filing**

April 5, 2019

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, Suite 2701  
Toronto ON M4P 1E4

Dear Ms. Walli

**Re: Enbridge Gas Inc.**  
**Application for 2019 natural gas rates and other charges effective January 1, 2019**  
**Board File No.: EB-2018-0305**

Please find attached the Interrogatories of Canadian Manufacturers & Exporters ("CME") to the Applicant, Enbridge Gas Inc. ("EGI"), in the above-noted proceeding.

Yours very truly

**Borden Ladner Gervais LLP**

A handwritten signature in blue ink, appearing to read 'Scott Pollock', is written over a light blue horizontal line.

Scott Pollock

Encl.

- c. Kevin Culbert and Mark Kitchen (EGI)  
EB-2018-0305 Intervenors  
Alex Greco (CME)

OTT01: 9634860: v1

**ONTARIO ENERGY BOARD**

**Enbridge Gas Inc.**

**Application for 2019 natural gas rates  
and other charges effective January 1, 2019**

**INTERROGATORIES OF  
CANADIAN MANUFACTURERS & EXPORTERS (“CME”)  
TO ENBRIDGE GAS INC. (“EGI”)**

**CME # 1**

**Ref: Exhibit B1, Tab 2, Schedule 1, page 9 of 36**

At Exhibit B1, Tab 2, Schedule 1, EGI states: “Enbridge Gas proposes to use a simple average of the actual annual PCI that has been used to increase rates during the price cap IR term since its last rebasing”. According, to EGI, this is because “the average PCI more accurately reflects the impact PCI has had on rates and revenue since the bas year than the use of the current year PCI.”

- (a) What impact would using the current year PCI% of 1.07% have on the Union ratezone’s materiality threshold? Please show all calculations to the degree that they are not already part of the evidence.
- (b) Assuming the use of current year PCI% has impact an impact on the Union ratezone’s materiality threshold, does that impact EGI’s capital planning or specific projects? If so, how?

**CME # 2**

**Ref: Exhibit B1, Tab 2, Schedule 1, page 13 of 36; Report of the OEB, EB-2014-0219 –  
New Policy Options for the Funding of Capital Investments: Supplemental Report**

At Exhibit B1, Tab 2, Schedule 1, page 13, EGI states: “Enbridge Gas recognizes the Board considered and did not change the approach of comparing weather-normalized revenues to weather-actual revenues in the EB-2014-0219 Supplemental Report. The Board’s explanation for not changing the approach was due to the high proportion of electric revenues from fixed charges that are non-weather sensitive.”

In the Board’s supplemental report regarding options for funding capital investments, the Board also stated that another reason for keeping the weather actual demand was that KPMG found no “quantitative evidence that the present calculation is resulting in a systematic bias in the materiality threshold formula, resulting in a misspecification of the amount of capital that is reflected in rates.”

- (a) Is EGI leading any evidence in this proceeding regarding a possible systematic bias in the materiality threshold formula? If so, please provide references to its location in EGI's application.
- (b) If the answer to (a) above is no, why not?

**CME # 3**

**Ref: Exhibit B1, Tab 2, Schedule 1, pages 24-25 of 36**

At Exhibit B1, Tab 2, Schedule 1, pages 25-26, EGI discusses the Sudbury Replacement Project.

- (a) Please explain all variances between the approved EB-2017-0180 filing budget and the budget provided in EGI's present application.

**CME # 4**

**Ref: Exhibit B1, Tab 2, Schedule 1, pages 25-26 of 36**

At Exhibit B1, Tab 2, Schedule 1, pages 25-26, EGI discusses the Kingsville Reinforcement Project

- (a) Please confirm whether the current cost projections are still \$121.4 million for the Kingsville Reinforcement project?
- (b) To the extent that the cost projections have changed, please provide the current cost projections, and explain all variances.

**CME # 5**

**Ref: Exhibit D1, Tab 1, Schedule 1, page 2 of 86**

At Exhibit D1, Tab 1, Schedule 1, page 2, EGI has provided a report by Ipsos Public Affairs

- (a) The report is labelled as a "Draft Report". Was a final report produced by Ipsos? If so, please file it as part of this proceeding. If not, why not?
- (b) When were the final reports by Ipsos and Innovative Research Group Inc. delivered to Enbridge and Union respectively?
- (c) Please outline how the results of the reports were incorporated in the development of Enbridge and Union's (or EGI's) business planning. Are there any specific projects or investments which were scheduled or postponed as the result of the customer consultations, if so, which projects or investments were they?