

April 30, 2019

BY EMAIL, COURIER & RESS

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

Dear Ms. Walli,

Re: EB-2018-0305 Enbridge Gas Inc. ("Enbridge Gas") – 2019 Rate Application <u>Interrogatory Responses - Corrections</u>

Further to the submission filed on April 25, 2019, enclosed please find corrections to the following interrogatory responses:

Exhibit	Corrections	
I.FRPO.14	The table on capital spend (2013 – 2018) has	
	been updated.	
I.SEC.13	As per Enbridge Gas's letter filed April 25, 2019, the revenue requirement for the Kingsville	
	Reinforcement project was updated. This IR	
	response has been updated accordingly.	
I.STAFF.35	The Interrogatory response was inadvertently	
	not included with the April 25, 2019 filing	

Please contact the undersigned if you have any questions.

Yours truly,

(Original Signed)

Rakesh Torul **Technical Manager Regulatory Applications**

cc: EB-2018-0305 Intervenors

Crawford Smith, Lax O'Sullivan Lisus Gottlieb

Corrected: 2019-04-30 EB-2018-0305 Exhibit I.FRPO.14 Page 1 of 1

ENBRIDGE GAS INC. Answer to Interrogatory from Federation of Rental-housing Providers of Ontario (FRPO)

Reference: Exhibit B1 / Tab 2 / Schedule 1/ page 18-20

Preamble:

EGI evidence states: Given the magnitude of the \$95.3 million investment in the Sudbury Replacement project, incremental funding of the project is required. The cumulative revenue requirement of the project from 2018 through 2023 is over \$47 million. Union was not able to reprioritize 2018 Capital investment in order to fund this investment using existing rates. The purpose of the capital pass through mechanism was to provide a means for Union to make significant investments under its price cap plan. Given that the timing of the investment in the Sudbury Replacement project occurred in late 2018, Enbridge Gas will be impacted by the first full year revenue requirement in 2019, during which time the Incremental Capital Module will apply.

Question:

We would like to understand better the decisions around the Sudbury Replacement project.

Please provide Union Gas' approved capital budget and actual expenditures for each year of the 2014-2018 IRM period.

Response

The table below includes the 2013 Board Approved capital budget and the subsequent years of actual spend (2014-18).

	2013	2013	2014	2015	2016	2017	2018
	Board Approved	Actual	Actual	Actual	Actual	Actual	Actual
Capex	347.7	368.2	476.6	691.3	1034	721	519.2
Less Capital Pass-Through	80	52.6	154.6	352.6	690.8	365.1	81.1
Total	267.7	315.6	322	338.7	343.2	355.9	438.1

Corrected: 2019-04-30 EB-2018-0305 Exhibit I.SEC.13 Page 1 of 1

ENBRIDGE GAS INC. Answer to Interrogatory from School Energy Coalition (SEC)

Reference: B1/2/1, p. 29, 31

Question:

Please confirm that, excluding the Sudbury project, the 2019 revenue requirement impact of the ICM projects proposed would be \$3.23 million credit to customers, and the 2019-2023 revenue requirement impact of the ICM projects proposed would be \$52.395 million recovery from customers.

Response

Table 11 has been updated for the revenue requirement on Kingsville Reinforcement and is filed with the interrogatory responses.

The 2019 revenue requirement impact of the ICM projects excluding Sudbury is \$4.494 million credit to customers, and the 2019-2023 revenue requirement impact of the ICM projects proposed should be \$51.458 million recovery from customers.

Filed: 2019-04-25 EB-2018-0305 Exhibit I.STAFF.35 Page 1 of 1

ENBRIDGE GAS INC. Answer to Interrogatory from Board Staff (STAFF)

Reference: Exhibit C1/Tab 1/Schedule 1/pgs.49-50

Question:

The application provides a list of potential ICM projects for Enbridge Gas Distribution and Union Gas for the period 2019 to 2023. In the list of Union Gas projects, there are

three projects that are under \$20 million.

Project Name	In Service Year	Total In-Service Capital (\$ million)
Dunnville Line Reinforcement	2021	\$12.7
Byron Transmission Station	2022	\$17.9
Reinforcement		
Parry Sound Reinforcement	2023	\$17.3

- a) Please explain why these project require ICM funding and why they cannot be funded within the existing capital investment plan.
- b) In the Toronto Hydro Electric Systems Ltd.'s three year application for 2012 to 2014 rates (EB-2012-0064), the OEB in its decision regarding the application for ICM funding noted, "the Board does not expect that projects that are minor expenditures in comparison to the overall budget should be considered eligible for ICM treatment. A certain degree of project expenditure over and above the threshold calculation is expected to be absorbed within the total capital budget" (pgs.18-19). Please provide the proportion of each individual project noted above to the overall capital budget for the respective year.
- c) Why is it not possible to absorb the costs of the projects noted above considering the quantum of the in-service capital?

Response

a – c) Enbridge Gas is not seeking any relief for the projects specified in the question in 2019. Accordingly, Enbridge Gas declines to respond.