

SCOTT POLLOCK
T 613.787.3541
spollock@blg.com

Borden Ladner Gervais LLP
World Exchange Plaza
100 Queen St, Suite 1300
Ottawa, ON, Canada K1P 1J9
T 613.237.5160
F 613.230.8842
blg.com



Our File # 339583-000266

By electronic filing

October 8, 2019

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Walli

Re: Enbridge Gas Inc. ("EGI")
2018 Disposition of Deferral & Variance Account Balances
Board File #: EB-2019-0105

Pursuant to Procedural Order No.1 dated August 30, 2019, we submit the following Interrogatories for EGI on behalf of Canadian Manufacturers & Exporters ("CME").

Yours very truly

Borden Ladner Gervais LLP

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

Scott Pollock

enclosure

c. Rakesh Torul and Stephanie Allman (EGI)
David Stevens (Aird & Berlis)
Alex Greco

OTT01: 10052180: v1

ONTARIO ENERGY BOARD

Enbridge Gas Inc.

**Application for disposition of certain non-commodity related deferral
and variance accounts and sharing of utility earnings
pursuant to an approved earnings-sharing mechanism**

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

CME # 1

Ref: Exhibit A, Tab 3, page 4 of 5

At Exhibit A, Tab 3, page 4, EGI states that the rationale for the continued use of a one-time adjustment includes that the: "[O]ne-time adjustment avoids material mismatches that could occur between cost incurrence and cost recovery due to customer switching between rate classes and changes in customer's consumption volumes from year to year."

- (a) Do a material number of customers switch between rate classes on a yearly basis? If so, how many?
- (b) Does EGI estimate the impact of different types of recovery windows for those customers that switch rate classes? If so, please provide those estimates.
- (c) EGI also states that the use of a prospective recovery disposition from general service customers in the Union rate zones is appropriate as it generally provides alignment between cost incurrence and cost recovery. Does EGI agree that prospective recovery from general service customers in the EGD rate zone would provide that same alignment? If not, why not?

CME # 2

Ref: Exhibit A, Tab 3, page 4 of 5

At Exhibit A, Tab 3, page 4, EGI states: "A common approach [to disposition of accounts] could be proposed once integrated systems and processes are implemented."

- (a) When does EGI estimate that it will be in a position to integrate such processes such that a common method of disposition will be achievable across all of EGI's rate zones?

CME # 3

Ref: Exhibit B, Tab 1, page 29 of 29

At Exhibit B, Tab 1, page 29, EGI states: "Most of the amounts recorded within the MGPDA arise from EGD's defense of a lawsuit brought by Cityscape Residential Inc. The Cityscape residential

lawsuit was settled and completed in 2018, and that is why the Company is now seeking to clear the current balance in the MGPDA."

- (a) Please provide a short description of the other amounts recorded with the MGPDA that do not relate to the Cityscape lawsuit, and what issues relating to the Manufactured Gas Plant legacy operations they were meant to address.
- (b) Is EGI aware of any other possible costs that may be dealt with through the MGPDA that have not been captured there yet?

CME # 4

Ref: Exhibit B, Tab 3, page 3 of 3

At Exhibit B, Tab 3, page 3, EGI states: "The rate base allocator encompasses all facets / aspects of the Company's assets and is the most comprehensive representation of how the costs of providing gas distribution service are allocated and recovered from each customer class."

- (a) How are other legal costs allocated to ratepayers? Please explain any differences between that allocation methodology and what is proposed for the MGPDA costs.