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Feb. 3, 2020

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

Dear Ms. Long,

RE: EB-2019-0194 - London Property Management Association Interrogatories for Enbridge Gas Inc. Application for 2020 Rates – Phase 2

Please find attached the interrogatories of the London Property Management Association in the above noted proceeding.

Yours very truly,

Randy Aiken

Randy Aiken
Aiken & Associates

c.c. EGI Regulatory Proceedings (e-mail only)

Enbridge Gas Inc.

Application for natural gas distribution rates and other charges effective January 1, 2020

PHASE 2 INTERROGATORIES OF THE LONDON PROPERTY MANAGEMENT ASSOCIATION

Interrogatory #1

Ref: Exhibit A, Tab 3, Schedule 1, Dated 2019-11-17

Please explain why EGI means by "To include high-level information about Phase 1 …" in the description for the Application in the chart shown on page 3 of 4. In particular, is there any other information that would be filed at a later date that is relevant to the Phase 1 application? If so, please identify.

Interrogatory #2

Ref: Exhibit B, Tab 1, Schedule 1, Appendix C, Dated 2019-11-17, page 3

a) Please explain why EGI believes that is appropriate that the proposed cost allocation changes described in the evidence be approved in this proceeding and then implemented along with all other rate changes in its next rebasing application.

b) Please explain why some cost allocation changes should be approved by the Board in this proceeding, while other proposed cost allocation changes would be brought forward as part of the rebasing application.

c) Is there any reason why the proposed cost allocation changes brought forward in this application cannot be deferred until a complete review of all cost allocation proposals is brought forward as part of the rebasing application?

d) Given that EGI is not recommending changes to rates as part of this proceeding for the reasons set out in paragraph 7, please explain why the Board should approve the proposed changes in this proceeding.

e) Would Board approval of the specific approvals in this proceeding be open to changes as part of the comprehensive cost allocation study to be filed for the rebasing year? If so, why is there a need to approve the proposals in this proceeding? If not, why should the cost allocation for some assets be fixed at the time of rebasing, while other changes would be open to review?

Interrogatory #3

Ref: Exhibit B, Tab 1, Schedule 1, Appendix C, Dated 2019-11-17, page 24

Please provide a table at the rate class level that shows the changes in the revenue deficiency/sufficiency for each rate class assuming the changes in the cost allocation methodology as proposed by EGI while maintaining the Board approved revenue-to-cost ratios shown in Table 3.

Interrogatory #4

Ref: Exhibit B, Tab 1, Schedule 1, Appendix C, Dated 2019-11-17, page 30

Please provide a copy of the Excel spreadsheet noted as being Exhibit B, Tab 1, Appendix C1.

Interrogatory #5

Ref: Exhibit B, Tab 1, Appendix C, Working Papers, Schedule 2, Dated 2019-11-17, page 1

The revenue requirement by function shows the non-station and non-Dawn-Parkway transmission functions as being Panhandle, St. Clair and Other Transmission. The rate base figure for Other Transmission ($451.778 million) is larger than the rate base for St. Clair ($3.209 million) and Panhandle ($332.332 million) combined.

a) Please explain why the St. Clair transmission allocator is still needed, given that it is a fraction of the size of either the Panhandle or Other Transmission functions?

b) In particular, why could the St. Clair function be combined with the Other Transmission function?

c) Please provide a table that breaks out the transmission assets included in the Other Transmission function, along with an estimated value of the 2019 rate base associated with each of the individual components.

Interrogatory #6

Ref: Report on Unaccounted For Gas, Dated December, 2019

Did ScottMadden attempt to calculate the UFG percentages for the legacy Union North and legacy Union South rate zones rather than the legacy Union? If not, why not? If yes, please provide the UFG percentages for Union North and Union South for the same 10 year period used for the Union legacy figure of 0.31 percent.

Interrogatory #7

Ref: Exhibit B, Tab 2, Schedule 1, Dated 2020-01-15, page 30 & Exhibit B, Tab 2, Schedule 1, Dated 2019-10-25, page 30

In the original filing (2019-10-25), the Windsor Line Replacement assets were proposed to be categorized as Other Transmission assets, while in the updated filing (2020-01-15), the assets are proposed to be categorized as Union South Distribution Demand.

a) Please explain the change in the proposed categorization and allocation of the associated revenue requirement of the Windsor Line Replacement.

b) How did EGI categorize/allocate the assets associated with the existing Windsor Line?

c) What is the estimated net book value of the existing Windsor Line assets that will be replaced by the new Windsor Line, including abandoned stations and any service connections, meters, regulators, etc., that will be replaced?

d) Please explain the difference in the updated proposed allocation of the Windsor Line Replacement Project with the use of the Other Transmission allocator approved by the Board for the Burlington Oakville Pipeline Project (EB-2014-0182).

Interrogatory #8

Ref: Exhibit B, Tab 2, Schedule 1, Dated 2020-01-15

a) Please update Tables 1 and 2 to reflect actual data for 2019. If actual data for 2019 is not yet available, please update the tables to reflect the most recent year-to-date actuals in 2019 along with the estimate of the remainder of the year.

b) Tables 1 and 2 are titled capital expenditures. Are these total capital expenditures or in-service capital expenditures?

Interrogatory #9

Ref: Exhibit B, Tab 2, Schedule 1, Dated 2020-01-15, page 23

Please confirm that the $14.9 million shown as in-service capital spending in 2021 for the Windsor Line Replacement Project has not been included in the proposed ACM or the associated rate riders to be put in place in 2020.

Interrogatory #10

Ref: Exhibit B, Tab 2, Schedule 1, Appendix A, Dated 2019-10-25

a) Please update Tables A through H to reflect actual data for 2019. If actual data for 2019 is not yet available, please update the tables to reflect the most recent year-to-date actuals in 2019 along with the estimate of the remainder of the year.

b) Please show where the $91.9 million in in-service capital spending in 2020 associated with the Windsor Line Replacement Project is shown in Tables B, D, F and/or H.

c) Please reconcile the $91.9 million figure shown on page 23, with the $84.248 million shown on page 2 of Appendix E of Exhibit B, Tab 2, Schedule 1.

Interrogatory #11

Ref: Exhibit B, Tab 2, Schedule 1, Appendix F, page 2, Dated 2020-01-15 & 2019-10-25

Please explain why some of the figures shown in column (a) are the same between the two schedules while others are different, despite different allocators being used. For example, why are the Rate M1 and Rate M2 figures the same under both allocators, while the Rate M4 (F) figures are different?