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February 4, 2020

Reply To: Thomas Brett
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Our File No. 194640

VIA RESS, EMAIL AND COURIER

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attention: Kirsten Walli
Board Secretary

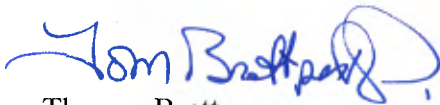
Dear Ms. Walli:

**Re: EB-2019-0194: Enbridge Gas Inc., Application for natural gas distribution rates
and other charges effective January 1, 2020**

Please find enclosed herewith two (2) hard copies of BOMA's Phase 2 Interrogatories.

Yours truly,

FOGLER, RUBINOFF LLP



Thomas Brett

TB/dd

Encls.

cc: All Parties (*via email*)

ONTARIO ENERGY BOARD

Enbridge Gas Inc.

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

**PHASE 2 INTERROGATORIES OF THE
BUILDING OWNERS AND MANAGERS ASSOCIATION, GREATER TORONTO
("BOMA")**

February 4, 2020

Tom Brett
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Counsel for BOMA

Phase 2 Interrogatories of BOMA

Interrogatory #1

Ref: Exhibit B, Tab 1, Schedule 1, Appendix C, p5

- (a) Please provide a full explanation for the substantial increase in the Board-approved increase in revenue deficiency for M4 customers (\$5,491,000, or about 20%), as shown in Table 1, line 5.
- (b) Why is the increase for M4 customers so much larger in percentage terms than the approved rate increase for Rates 1 and 2 customers?
- (c) Please explain how the further increase in revenue requirement for M4 customers, due to the company's cost allocation proposals of \$3,414,000, is calculated, and why is it so much larger on a percentage basis of the 2019 Board-approved and 2020 proposed revenue requirement than the proposed increases in M1 and M2 customers' revenue requirement.

Interrogatory #2

Ref: Ibid

Please provide the approximate rate impact for a typical M4 customer, resulting from the rate changes proposed in 2020 with and without the cost allocation proposals.

Interrogatory #3

Ref: Ibid

Please explain the reasons for the large decrease in revenue requirement in 2020 over 2019 for the M12/C1 revenue requirement (\$24,593,000) and the offsetting adjustment of \$7,676,000, due to the cost allocation proposals.

Interrogatory #4

Ref: Exhibit B, Tab 2, Schedule 1, p4 of 31

- (a) Please discuss the extent to which capital expenditures for system access, system service, general plant, and overheads, for the Union and EGD rate zones, are different from one another.
- (b) Are the same as one another.
- (c) The extent to which each type of investment project may be labeled differently in two rate zones. Please provide examples for any differences.

Interrogatory #5

Ref: Exhibit B, Tab 2, Schedule 1, Appendix C, p18

Please provide a copy of the Request to Vary for the project.

Interrogatory #6

Ref Ibid, p23

The evidence states that the current forecast cost of the project of \$35.4 million has increased from the \$25.6 million included in the EB-2018-0108 filing, an increase of \$10.2 million, or 40%, which appears excessive.

- (a) Please confirm that the cost categories included in the two budgets, namely material, construction and labour, land costs, contingencies, overheads, and interest during construction, are the same for both forecasts.
- (b) Are any new cost categories included in the current 2019 estimate?
- (c) Please provide details of the proposed cost increases for each cost category noted above.

Interrogatory #7

Ref: Windsor Line Leave to Construct Application (EB-2019-0172)

Please provide a copy of EGI's Argument-in-Chief in EB-2019-0172, EGI's leave to construct application for the Windsor Line.

Interrogatory #8

Ref: Exhibit B, Tab 2, Schedule 1, Appendix C, p27

- (a) Please provide any documents related to customer consultations for the Windsor Line, including the formal consultation process, any letters or other

communications, either in support of or opposed to the proposed Windsor Line investment.

- (b) Please provide any studies done by EGI on the pipeline integrity issues, including studies pursuant to the pipeline integrity management program, which prompted the decision to propose the Windsor Line.

Interrogatory #9

Ref: Windsor Line Leave to Construct Application (EB-2019-0172)

The Leave to Construct application is ongoing and EGI's Argument-in-Chief was filed on January 27, 2020 (a few days ago). The intervenors' arguments are due February 10, 2020, and the Reply Argument is due February 24, 2020. Given the fact that the need for the project has not yet been determined by the Board, and that the Board will not likely make a decision until later this spring, and that EGI has stated in its Argument-in-Chief (p12) in the Leave to Construct application that it objects to providing the Board with ten days' notice of commencement of construction, due to the need to commence construction the day after the Board approves its application, if the Board does approve the application, please discuss why the Board should approve ICM status for the project in 2020 at this time, given the likelihood that the project will not be completed and in-service by December 31, 2020. Please discuss fully.

Interrogatory #10

Ref: Exhibit B, Tab 2, Schedule 1, Appendix C, p28

Please provide the cost of capital parameters provided by the Board for Union's 2013 cost of service application.

Interrogatory #11

Ref: Exhibit B, Tab 2, Schedule 1, pp4 and 5

Please provide the costs of the proposed community expansion capital projects, which will be constructed in 2020, which are not included in the budget figures contained in Tables 1 and 2. Please confirm which of those costs are for the account of the regulated utility and which costs will be covered by government or customer contributions

Interrogatory #12

Ref: Ibid

Please provide the projected 2020 in-service additions for the capital expenditures shown on these Tables.