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Aug. 13, 2021

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

Dear Ms. Long,

RE: EB-2021-0149 - London Property Management Association Interrogatories for Enbridge Gas Inc. – Disposition of Deferral and Variance Account Balances and Review of 2020 Utility Earnings

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

Yours very truly,

Randy Aiken
Aiken & Associates

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

Enbridge Gas Inc.

**Application for Disposition of Deferral and Variance
Account Balances and Review of 2020 Utility Earnings**

**INTERROGATORIES OF THE
LONDON PROPERTY MANAGEMENT ASSOCIATION**

Interrogatory #1

Ref: Exhibit B, Tab 1, Page 4

- a) Please confirm that the gross deficiency of \$86.5 million is in relation to the level required to trigger earnings sharing. If not confirmed, please explain.
- b) Please confirm that the figure of \$86.5 million noted as a gross deficiency is the amount EGI would have had to earn before the earnings sharing would be triggered. If not confirmed, please explain.
- c) What is the gross revenue sufficiency for 2020 based on the OEB approved formula return on equity of 8.52%?

Interrogatory #2

Ref: Exhibit B, Tab 1, Pages 4 & 5

Has EGI made and changes to the process related to the calculation of the return on equity from that used for 2019? If there are any changes, please explain fully the change and the reason for the change.

Interrogatory #3

Ref: Exhibit B, Tab 2, Sch. 1 & Exhibit B, Tab 2, Sch. 2

Please explain the difference in the non-weather normalized revenues for 2019 and 2020 by rate class and by sales and T-service between schedules 1 & 2 in Tab 2.

Interrogatory #4

Ref: Exhibit B, Tab 3, paragraph 10

The evidence notes the cost savings from activities hampered by Covid-19 restrictions. Please provide a quantification of these savings broken down by the major activities that were impacted in 2020.

Interrogatory #5

Ref: Exhibit B, Tab 3, Table 2

For each of the functional areas shown in Table 2 for integration-related costs, please indicate if these costs were one-time costs in 2020 only, costs that will continue to be incurred beyond 2020 for a limited period of time, or a permanent increase in costs.

Interrogatory #6

Ref: Exhibit B, Tab 3, paragraph 20

The evidence indicates that the change in the overhead capitalization methodology reduced O&M by \$5.5 million with a corresponding increase in capitalized overheads in 2020.

- a) What is the expected impact on O&M and capitalized overheads in the remaining years until EGI rebases?
- b) At the end of the current IRM period, what is the expected impact on rate base including the impact of changes in depreciation on the accumulated depreciation of the capitalized overheads?
- c) Please show the calculation of the revenue requirement impact of the change in the capitalization policy that has been included in the APCDA for 2020 if this is different from the figures shown in Exhibit C, Tab 1, Schedule 2, page 1.

Interrogatory #7

Ref: Exhibit C, Tab 1, Page 4

Please split the balance as at December 31, 2020 shown for each of the columns between the Union and EGD rate zones.

Interrogatory #8

Ref: Exhibit C, Tab 1, Pages 16 – 18 & Schedule 1

The OEB issued its Report on the Regulatory Treatment of Impacts Arising from the COVID-19 Emergency (EB-2020-0133) on June 17, 2021.

- a) Given the Board's Report, is there any change in the amount recorded in the COVEICDA from the \$1,377.5 million shown in Schedule 3 (before interest). If yes, please explain fully any additions or reductions to this amount.
- b) Does EGI agree that with the release of the Board's Report on this matter that EGI could dispose of this account as part of the current proceeding? If not, please explain why not.
- c) If the Board were to determine that this account should be disposed of as part of this proceeding, how does EGI propose to:
 - i) allocate the account balance to the Union and EGD rate zones, and
 - ii) allocate the amounts within each rate zone to the rate classes.

Interrogatory #9

Ref: Exhibit C, Tab 1, Schedule 2

Please confirm that page 1 of Schedule 2 shows calculations for 2020 and page 2 of Schedule 2 shows calculations for 2019. If not confirmed, please explain the difference between the two pages.