

**REF: Exhibit A, Tab 2, Schedule 1, p. 3 & Exhibit C, Tab 4, Schedule 10, p. 1**

Preamble: In the first reference, the QRAM evidence provides:

*(b) an order establishing the Rider C unit rate for residential customers. The unit rate shall be (0.3992) ¢/m<sup>3</sup> for sales service, 0.4080 ¢/m<sup>3</sup> for Western T-service, and 0.5474 ¢/m<sup>3</sup> for Ontario T-service and Dawn T-service, under preferred rate mitigation approach,*

Further, in the second reference, Schedule 10 provides those specific riders in tabular form. Unlike most tables in the evidence, there is no reference to the source of the specific Rate Riders. By tracing the numbers, we found the links back to Schedules 3 and 4. We would like to understand the drivers behind the significant difference rate riders.

- 1) Please describe the factors that would result in a negative rate rider for sales service and positive rate rider for the respective transportation services.
  - a) Please confirm the main differentiating factor is the inventory re-evaluation.
  - b) What other drivers contribute to the difference?
  - c) Using the same market data and forecasted consumptions used for this application, please provide the forecasted balance of the PGVA as of June 30, 2024.
    - i) Please feel free to estimate and note any values that are not available in this evidence.
    - ii) Please disregard the likelihood of forecast consumption changes as of January 1, 2024 from the rebasing application.

**REF: EB-2022-0089 Exhibit I.FRPO.1 and Exhibit A, Tab 3, Schedule 1**

In the previous QRAM proceeding, we asked:

- c) Please **describe** how load balancing costs are removed by EGI for the EGD rate zone.
  - i) Please show the numeric calculations for the removal of load balancing costs by month for the winter period.
  - ii) To what account were the incremental load balancing costs transferred?
    - (1) When would EGI be seeking recovery of these costs?

To which the reply from EGI was:

- c) Please see Exhibit C, Tab 1, Schedule 2, page 2 for a monthly breakdown of PGVA balance between commodity, transportation, and load balancing.

In the reference from this proceeding, EGI evidences a 41.1% increase in Load Balancing for the EGD rate zone (line 2.3) even with a 24-month disposition period.

What we were and are still trying to understand is the treatment of incremental purchases during the winter months and how those costs are tracked, allocated and recovered in the QRAM. Now, with the benefit of time and actual costs available from this past winter, we would like to understand the process and reporting better.

- 2) Please **describe** the principles and process used to review incremental winter purchases to allocate the costs between commodity and load balancing in the EGD rate zone.
  - a) Please ensure the description provides the basis for the ratemaking principles.
  - b) Please ensure the description provides the allocation approach to separate incremental purchase volumes from incremental cost of purchase of those volumes and previously forecasted purchases for the specific months.
  - c) Please use references to the evidence to demonstrate the implementation of the process to allocate and recover the costs.

**REF: Exhibit A, Tab 2, Schedule 2, p. 1**

Preamble: In the alternate mitigation approach, EGI indicates that capping the total increase at 15% results in a \$601 million PGVA credit. We would like to understand and believe the Board would be aided by the relative size of this credit if approved.

- 3) What percentage of the applicable annual gas costs specific to the accounts included would a \$601 million PGVA credit represent (i.e., how much of the annualized costs would be being deferred)?

**REF: Exhibit C, Tab 1, Schedule 2A, p. 3-4 and  
EB-2022-0072 FRPO\_SUB\_EGI GS UPDATE\_20220527**

Preamble: In our submissions in the Gas Supply Update proceeding, we expressed concern about the ability of the Board to see the entire process from planning to implementation to rate impact. With the actual data provided for the first 9 months of the annualized prior period (i.e., July 2021 to March 2022), we would like to understand the cost of commodity purchased at Chicago versus commodity purchased at Dawn during this period.

- 4) For the respective rate zones, please provide the Dawn-landed costs (including transport from Chicago) of gas purchased for each month from July 2021 to March 2022 for all **forecasted** monthly supplies (i.e., **not incremental supply as a result of load balancing purchases to meet higher than forecasted consumption**) at each location:
- a) From Chicago
  - b) Purchased at Dawn (i.e., not sourced at other locations such as Empress, etc. and transported but purchased at Dawn as forecasted)
  - c) Please provide in a simple table for each location by month that provides amount purchased, total cost and unit cost for each month
  - d) Specific to the Chicago purchase table, please provide the monthly amount of Chicago purchases that were physically transported by Vector still under contract to solely to EGI (i.e., not transport assigned to a third party for which the volumes were provided to Dawn by an assignee).