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BY EMAIL

June 6, 2022

Ms. Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Registrar@oeb.ca

Dear Ms. Marconi:

**Re: Ontario Energy Board (OEB) Staff Questions to Enbridge Gas Inc.
July 2022 Quarterly Rate Adjustment Mechanism (QRAM) Application
OEB File Number: EB-2022-0150**

Please find attached OEB staff's questions to Enbridge Gas in the above referenced proceeding.

OEB staff respectfully requests that Enbridge Gas provide responses to these questions by June 7, 2022.

Yours truly,

Ritch Murray
Case Manager, Natural Gas Applications

Encl.

cc: All parties in EB-2022-0150

OEB Staff Question #1

Ref: OEB Decision & Rate Order for Enbridge Gas's April 2022 QRAM, EB-2022-0089, issued March 24, 2022
Cover letter to the current application

Preamble:

In its decision for Enbridge Gas's April 2022 QRAM, the OEB noted that an expected increase of 25% in the commodity portion of the customer's bill is the trigger for communication to the OEB in advance of filing an application, and the filing of a rate impact mitigation plan with the application. However, the 25% on the commodity is not a cap and the OEB will consider the total bill impact in determining whether additional mitigation is warranted. The OEB uses a 10% total bill impact extensively for the electricity sector and considers that a reasonable target for the natural gas sector as well. However, the OEB also does not consider the 10% total bill impact a cap but rather a point at which the OEB will consider adopting mitigation measures.¹

Enbridge Gas included two mitigation alternatives in its July 2022 QRAM application. The preferred mitigation plan is a 24-month disposition period for commodity balances within each rate zone's respective PGVA account balance. The alternate mitigation plan limits total bill increases to 15% in all rate zones for typical residential customers and uses a standard 12-month disposition period. Both plans use the forecast of gas costs effective July 1, 2022, based on a 21-day strip ending May 6, 2022.

Question:

Did Enbridge Gas conduct an analysis to determine the amount of PGVA credits that would result from a mitigation plan that limited total bill impacts to 10% for all rate zones? If so, please provide a table that summarizes the results of that analysis.

OEB Staff Question #2

Ref: Exhibit A, Tab 2, Schedule 2, p. 9 and 11
Enbridge Gas's response to I.IGUA.2 for the April 2022 QRAM, EB-2022-0089

Preamble:

¹ EB-2022-0089, Enbridge Gas, April 2022 QRAM [Decision & Rate Order, March 24, 2022](#) (page 8)

Under the preferred mitigation approach, the PGVA interest would be \$4.8 million in the EGD rate zone and \$4.2 million in the Union rate zones as opposed to \$3.7 million in the EGD rate zone and \$3.1 million in the Union rate zones if a 12-month disposition with no mitigation was utilized.

Under the alternate mitigation approach, the PGVA interest would be \$4.6 million in the EGD rate zone and \$4.0 million in the Union rate zones as opposed to \$3.7 million in the EGD rate zone and \$3.1 million in the Union rate zones if a 12-month disposition with no mitigation was utilized.

Question:

Please explain how the interest was calculated for the preferred and alternate mitigation approaches. Please also explain why the alternate mitigation approach results in lower interest amounts relative to the preferred approach. As part of the response, please include summary tables like those provided in response I.IGUA.2 in EB-2022-0089.

OEB Staff Question #3

Ref: Exhibit A, Tab 2, Schedule 2, p. 2

Preamble:

Enbridge Gas noted that in order to include two approaches to rate mitigation for OEB consideration it was necessary to file the application in advance of the normal timeframe to allow for system testing following an OEB decision on the application. As a result, Enbridge Gas has prepared the application using a 21-day strip of natural gas prices ending May 6, 2022 (as opposed to a 21-day strip of natural gas prices ending May 31, 2022) as the basis of the July 1, 2022 QRAM.

Question:

Please provide Enbridge Gas's position on standardizing the practice of filing QRAM applications in advance of the normal timeframe (using an earlier 21-day strip of natural gas prices) and providing rate mitigation options in cases where rate mitigation is proposed.

OEB Staff Question #4

Ref: Exhibit A, Tab 2, Schedule 2, p. 13

Preamble:

Enbridge Gas noted that it will communicate the expected bill increases through bill messaging directing customers to its website and bill inserts (print and web versions).

Questions:

- a) What proportion of Enbridge Gas's customers are currently on ebilling and no longer receiving printed bill inserts?
- b) In the future, if Enbridge Gas were to no longer issue print versions of the bill inserts, please advise:
 - i. Whether the timeline from application filing to decision issuance could be lengthened. More specifically, please provide the latest date that a decision could be issued. In the response, please comment on how many days Enbridge Gas requires to update and test its billing system before beginning the billing of new rates, and how many days does Enbridge Gas need to design, print, deliver and begin insertion of bill inserts to support rate changes.
 - ii. Whether Enbridge believes its other communication methods (as listed at Exhibit A, Tab 2, Schedule 2, p. 13) would be sufficient to notify its customers of rate changes. If not, does Enbridge Gas have other communication methods that it believes could replace print versions of the bill inserts and please describe.
- c) Please provide Enbridge Gas's view on whether the OEB would need to approve the termination of issuing print versions of bill inserts.