Enbridge Gas Inc.

Application to change its natural gas rates and other charges beginning January 1, 2024

INTERROGATORIES OF THE LONDON PROPERTY MANAGEMENT ASSOCIATION

NOTE: A number of the following interrogatories ask for updated 2022 data. If actual 2022 data is not available before the interrogatory responses are filed, please answer the questions based on the most recent estimates available for 2022.

1.2-LPMA-1

Ref: Exhibit 1, Tab 2, Sch. 1, para. 24

Please define the term “reasonable rate increases” as used by EGI.

1.2-LPMA-2

Ref: Exhibit 1, Tab 2, Sch. 1, para. 74

Please define the term “a more effective utility” as used by EGI.

1.7-LPMA-3

Ref: Exhibit 1, Tab 7, Sch. 1, para. 29

What is the current status of the EGI exemption request for 2023 for the SQR measures noted in the paragraph?

1.7-LPMA-4

Ref: Exhibit 1, Tab 7, Sch. 1, para. 29

Did EGI do any customer engagement with respect to the modified measures that are being proposed? If yes, please provide or indicate where in the customer engagement evidence these modified measures were discussed with customers. If no, please explain why not.

1.7-LPMA-5

Ref: Exhibit 1, Tab 7, Sch. 1, para. 46

What are the consequences to EGI of failing to meet each of the SQR’s, and in particular, what are the consequences to EGI of failing to meet the current standards for the CASL, TRMA and MRPM?

1.7-LPMA-6

Ref: Exhibit 1, Tab 7, Sch. 1, Attachment 1

Please update Attachment 1 to included actual figures for 2022.

1.8-LPMA-7

Ref: Exhibit 1, Tab 8

a) Please update the evidence in Tab 8 to include the audited consolidated financial statements for 2022 (similar to Attachment 2) when they are available, including a reconciliation of audited EGI income (per financial statements) to corporate income for utility income determination purposes EGI utility income actual results (similar to Attachments 6 & 7), and the Annua Report and Management Discussion and Analysis (MD&A) for the most recent year from the Parent Company (similar to Attachment 10).

b) Please provide any rating agency reports that are more recent than those noted in the evidence.

c) Please provide the most recent Short Form Base Shelf Prospectus, if more recent than September 8, 2021.

d) Please provide the 2022 federal and provincial tax returns (similar to Attachment 14) when they become available.

1.13-LPMA-8

Ref: Exhibit 1, Tab 13, Sch. 2

With respect to materials and supplies inventory on page 5, the evidence describes the current methodology to allocate to unregulated storage for Union and further indicates that there is no allocation to unregulated storage for EGD. Table 2 shows a reduction in material and supplies inventory to unregulated storage of $0.7 million based on the proposed harmonized methodology. Table 1 indicates that this modified Union methodology was not included in the unregulated storage allocation study.

a) Please explain why the modified Union methodology associated with materials and supplies inventory was not included in the unregulated storage allocation study.

b) Please provide the absolute value of the materials and supplies inventory allocated to unregulated storage under both the current Union methodology and the proposed modified Union methodology.

c) Please explain why using unregulated O&M expenses relative to total O&M expenses is appropriate for allocating a component of rate base.

2.1-LPMA-9

Ref: Exhibit 2, Tab 1, Sch. 1

Please update Table 2 to reflect actual data for 2022 and the evidence corrections and updates noted in EGI's January 27, 2023 letter.

2.3-LPMA-10

Ref: Exhibit 2, Tab 3, Sch. 1

a) Please update Table 2 to reflect actual data for 2022.

b) Does the change in the treatment of prepaid expenses noted in paragraph 37 increase or decrease the working capital? Please provide an estimate of the change.

c) Footnote 7 on page 15 explains the forecast reduction in the DCB payable is related to different contract start and end dates for the Union and EGD rate zones that result in credits in the Union zone and debits in the EGD zone. Does EGI have any plans to harmonize the contract start and end dates across the rate zones? If so, what is the impact on the DCP payable?

d) In paragraph 40, EGI states that the 2024 average gas in storage inventory is based on the proposed weighted average reference price provided at Exhibit 4, Tab 2, Schedule 2. Does EGI propose to update this component of working capital to reflect the approved weighted average reference price for January 1, 2024, assuming Board approval of the EGI proposal?

e) How, and when, will EGI update the gas in storage inventory if the OEB does not approve the weighted average reference price proposed by EGI?

f) What drove the significant reduction in the working cash allowance in the 2022 estimate shown on page 2 of Attachment 1?

2.3-LPMA-11

Ref: Exhibit 2, Tab 3, Sch. 1, Att. 2

a) Are the expenses shown on line 6 for the Harmonized Sales Tax of $489.0 only the HST paid by Enbridge on gas costs and O&M?

b) Please confirm that the O&M portion of the HST only includes O&M that is taxable and excludes items such as wages, salaries, benefits, interest, income taxes and property taxes.

c) Table 5 in Exhibit 2, Tab 3, Schedule 2, Attachment 1 shows a net reduction in weighted dollar days associated with the HST, yet the table in Exhibit 2, Tab 3, Schedule 1, Attachment 1 shows a net positive addition to rate base. Please explain fully where the significant reduction in cash flow need from the HST revenues collected from customers is reflected in the working cash allowance.

d) Please provide a version of the table in Exhibit 2, Tab 3, Schedule 1, Attachment 1 that shows the HST broken out into the two components shown in Table 5 of Exhibit 2, Tab 3, Schedule 2, Attachment 1 using the lead/lag days of (24.6) for HST customer billing and 30.9 for GST/HST invoice payment.

2.3-LPMA-12

Ref: Exhibit 2, Tab 3, Sch. 2, Att. 1, page 16

With respect to the sales tax, the evidence states that *"The GST/HST lag is the time between the date GST/HST is paid on taxable purchases, and the date when Enbridge Gas receives the associated input tax credit. The lag days calculated for invoice payments was 30.9 days. Given this, the mid-point approach was used resulting in a service lead of 15.2 days. With payments being made the last day of the following month the average payment lead was calculated to be 45.5."*

a) Please explain how the 30.9 lag days for the invoice payments was calculated and used in Table 5.

b) Please explain the relevance of the 15.2 service lead and the 45.5 average payment lead noted in the evidence.

c) Consider the following example. EGI is billed in mid-July for services provided by a third party. EGI pays the invoice in mid-August. Does EGI claim the associated input tax credit for the payment at the end of July or for the payment at the end of August?

d) Please explain how the HST lead of 24.6 days has been calculated with reference to the various revenue collection lags or otherwise if the collection lags are not used in the calculation of 24.6 days.

2.3-LPMA-13

Ref: Exhibit 2, Tab 3, Sch. 2, Att. 1, page 16

a) Please explain how Table 5 reflects the use of the weighted average approach based on the evidence that states *"Using the weighted average approach, a net HST average of 6.3 days was calculated for the year."*

b) Please explain why in line 1 of Table 5, the figures in columns (a) and (b) are both negative and so is their product shown in column (c).

2.5-LPMA-14

Ref: Exhibit 2, Tab 5, Sch. 3

a) Please update Table 6 to reflect actual data for 2022 and the corrections noted in EGI's letter of January 27, 2023.

b) Please update Tables 9 and 10 to reflect actual data for 2022. Please explain any significant changes in the variance explanations.

2.6-LPMA-15

Ref: Exhibit 2, Tab 6, Sch. 1, page 41

At paragraph 84 EGI states that it is not anticipating applying for ICM treatment in the 2024 to 2028 forecast years. Does EGI believe it is eligible for ICM treatment in the 2024 rebasing year?

3.1-LPMA-16

Ref: Exhibit 3, Tab 1, Sch. 1

a) Please update Table 2 to reflect actual data for 2022.

b) Please update Attachment 1, pages 3 and 4 to reflect actual data for 2022.

3.2-LPMA-17

Ref: Exhibit 3, Tab 2, Sch. 3

a) How many years will EGI be using the HDD forecasts to forecast volumes? For example, the HDD forecast will be used for 2024 volumes, but will the HDD forecast be used for volumes over the 2025 through 2028 period? Please explain fully.

b) The evaluation results are based on a 2 year lag but the 2024 forecast is based on a 3 year lag because 2021 was the last year of actual data available (footnote 9). Does EGI propose to update the 2024 HDD forecast for each rate zone based on now having actual 2022 data? If not, why not?

c) Please update the 2024 HDD forecast to reflect actual 2022 data.

3.2-LPMA-18

Ref: Exhibit 3, Tab 2, Sch. 3

a) The evaluation criteria used by EGI are effectively weighted as 40% to accuracy, 40% to symmetry and 20% to stability. Please explain why EGI believes these relative weights are appropriate.

b) The use of rankings does not take into account the magnitude of the differences in any of the proposed measures. For example, in Table 6, the symmetry POG has a value of 55% and a ranking of 7, while the same POF in Table 10 has a ranking of 1. Did EGI consider other methods of combing the results that focused on the magnitude of the differences in accuracy, symmetry and stability? If not, why not?

3.2-LPMA-19

Ref: Exhibit 3, Tab 2, Sch. 3

a) Please provide versions of Tables 2, 4, 6, 8 and 10 based on a out-of-sample performance period of 2013 through 2022.

b) Please provide Excel versions of Tables 2, 4, 6, 8 and 10 for the tables requested in part (a) above and for Tables 2, 4, 6, 8 and 10 as filed in the original evidence based on the out-of-sample performance period of 2012 through 2021.

3.2-LPMA-20

Ref: Exhibit 3, Tab 2, Sch. 3

a) Please provide a detailed explanation and the calculations used to convert the HDD forecast for each region from a 18 degree base to a 15 degree base.

b) Please provide versions of Tables 11, 12 and 13 that reflects the use of actual 2022 HDDs in the generation of the 2024 forecasts (i.e. the standard 2 year lag).

c) What weights are used in the calculation of the North HDDs as noted in Note 4 of Table 13?

d) Please provide the regression statistics associated with the 20-year trend regression noted in Note 2 on page 24. At what level of significance is the coefficient on the trend variable significantly different from zero?

e) Please provide the regression equation and statistics for the 20-year trend equation based on data from 2003 through 2022.

3.2-LPMA-21

Ref: Exhibit 3, Tab 2, Sch. 5, Attachment 7

Please update the tables in Attachment 7 to reflect actual normalized figures for 2022.

3.2-LPMA-22

Ref: Exhibit 3, Tab 2, Sch. 6

a) Please update Figures 2 and 3 to reflect actual data for 2022.

b) Please update the tables in Attachments 1 and 2 to reflect actual data for 2022.

c) How does EGI calculate the average number of customers in Attachment 2? Is it the average of the opening and closing number of customers on an annual basis, they average of the monthly averages or some other methodology?

3.2-LPMA-23

Ref: Exhibit 3, Tab 2, Sch. 7

Please update the tables in Attachment 1 to reflect actual data for 2022.

3.2-LPMA-24

Ref: Exhibit 3, Tab 2, Sch. 8

a) How has EGI ensured that there is no double counting of DSM reductions in volumes between the adjustment for DSM noted in paragraph 17 and the customer specific forecasts that may already reflect DSM related reductions in use?

b) Please update the tables in Attachment 1 to reflect actual 2022 data.

3.4-LPMA-25

Ref: Exhibit 3, Tab 4, Sch. 1, Attachment 2

a) Please updated pages 3 and 4 of Attachment 2 to reflect actual data for 2022.

b) For each line item in the table on page 5, please indicate if there is a variance account associated with the revenue forecast. If so, please indicate the proposed sharing of any amounts that accumulate in the variance account(s).

3.5-LPMA-26

Ref: Exhibit 3, Tab 5, Sch. 1

a) Please update Table 1 to reflect actual data for 2022.

b) EGI has proposed to record all Open Bill Access Revenue in a deferral account. What is EGI's forecast 2024 revenue for the 10 months it will remain in place for 2024? Why has EGI proposed deferral account treatment for this revenue rather than using a forecast of the revenue generated in 2024, accompanied by a variance account to capture the difference the actual and forecasted revenue?

c) Please updates pages 3 and 4 of Attachment 1 to reflect actual data for 2022.

4.1-LPMA-27

Ref: Exhibit 4, Tab 1, Sch. 1

Please update Table 2 to include actual data for 2022 and the evidence corrections from EGI's January 27, 2023 letter.

4.1-LPMA-28

Ref: Exhibit 4, Tab 1, Sch. 1, Att. 1

Please update the tables on pages 3 and 4 to reflect actual data for 2022 as well as the corrections noted in the EGI letter of January 27, 2023.

4.3-LPMA-29

Ref: Exhibit 4, Tab 3, Sch. 1, Table 2

a) Please explain the difference between the actual UFG volumes shown in Table 2 from those shown in Table 3 and Attachment 1.

b) Is the out-of-sample forecast for Union Current based on a two-year lag using a weighting of 3-2-1? If yes, please explain, as an example, how the 2021 forecast of 171,231 is lower than all of the actual figures shown for 2017, 2018 and 2019. If no, please show mathematically how the

Union Current forecast is calculated. If required, please provide a corrected version of Table 2 that calculates the correct figures for the Union Current methodology.

c) Please provide an expanded version of Table 2 that includes an analysis of a 4 year average methodology.

d) Please provide an Excel spreadsheet that includes all the historical data used in the calculations, and the calculations used in Table 2, including the requested 4 year average and the correction, if required, for the Union Current methodology.

4.3-LPMA-30

Ref: Exhibit 4, Tab 3, Sch. 1

a) Please update Table 3 to reflect actual data for 2022.

b) Please explain how the 2024 forecast of 270,370 shown in Table 3 has been calculated using the historical data in Table 3 and the proposed 3-year simple average.

c) The evidence at page 12 states that the 3 year average forecast is based on actuals from 2019 through 2021. However, the figures shown in Table 3 for 2019 through 2021 average 279,416. Please reconcile with the figure of 270,370.

4.3-LPMA-31

Ref: Exhibit 4, Tab 3, Sch. 1

a) Please provide the historical data used and the regression statistics noted in paragraph 12 for the regression equation methodology. Please provide the information in an Excel spreadsheet.

b) What is the basis for the determination that the regression methodology was not an appropriate method to forecast UFG?

4.3-LPMA-32

Ref: Exhibit 4, Tab 3, Sch. 1

Please provide a version of Table 6 based on actual data for 2022.

4.4-LPMA-33

Ref: Exhibit 4, Tab 4, Sch. 2

Please update Table 1 to reflect actual data for 2022 and the updates contained in the January 27, 2023 letter.

4.5-LPMA-34

Ref: Exhibit 4, Tab 5, Sch. 1, Att. 3

Please provide a version of the schedule at pages 26 through 28 for 2024 that reflects the corrections noted in the January 27, 2023 letter and adds two columns that show the truncated rate and the truncated provision using a 2050 economic planning horizon as detailed in Appendix 1 to Exhibit 4, Tab 5, Schedule 1, Attachment 1.

4.6-LPMA-35

Ref: Exhibit 4, Tab 6, Sch. 2

Please update Tables 1 and 2 to reflect actual data for 2022.

5.1-LPMA-36

Ref: Exhibit 5, Tab 1, Sch. 1

a) When available, please update Table 3 to reflect actual data for 2022 and any changes for 2023 based on the most recent information available.

b) Please add a column to Table 3 for 2024 that maintains a 36% common equity ratio, along with corresponding changes to the level of debt.

c) Please explain the rationale for the significant reduction in and near elimination of short term debt in the proposed capital structure for 2024.

d) Please provide a version of Table 3 that reflect a return on equity of 9.36% (as approved by the OEB for 2023 rate applications) applied to 2024.

5.2-LPMA-37

Ref: Exhibit 5, Tab 2, Sch. 1

a) Based on the most recent information available, please update the cost of short-term debt (page 4).

b) Please update Table 2 for the most recent debt ratings available, if different from that shown in Table 2.

5.2-LPMA-38

Ref: Exhibit 5, Tab 2, Sch. 1

a) When available, please update Attachment 4 to reflect actual data for 2022.

5.2-LPMA-39

Ref: Exhibit 5, Tab 2, Sch. 1, Attachment 6

a) On pages 3 and 4, please explain why there is no principal amounts shown for the following line items:

i) Line 16 – maturity date of October 1, 2028;
ii) Line 37 – maturity date of September 6, 2028; and

iii) Line 45 – maturity date of July 1, 2052.

b) Line 8 in Table 4 on page 11 shows a retirement in December 2024 of a 30 year term note at an interest rate of 9.85%. Please indicate where this note is shown in the 2024 Summary Statement of Principal and Carrying Cost of Term Debt in Attachment 6.

5.2-LPMA-40

Ref: Exhibit 5, Tab 2, Sch. 1, Attachments 1- 6

How does EGI calculate the percentage allocation of debt to unregulated, shown on page 6 of each of the attachments?

5.3-LPMA-41

Ref: Exhibit 5, Tab 3, Sch. 1, Table 2

a) Based on the figures shown in Table 2 and absent any inflationary increases beyond 2025, and the EGI proposal for the phase in of the increase in the equity component over the 2024 through 2028 period, please confirm that:

i) the incremental revenue impact over the 2024 through 2028 period is approximately $267 million;

ii) the increase in the return on equity accruing to the shareholder over the 2024 through 2028 period is approximately $280 million; and

iii) the increase in income taxes over the 2024 through 2028 period is approximately $101 million.

b) If the figures in part (a) are not correct, please provide the correct figures, including showing the calculation of the correct figures.

c) Please provide a version of Table 2 that reflects a return on equity of 9.36% (i.e. the OEB approved figure for 2023) in place of the 2022 approved figure of 8.66%.

d) Based on the return of equity requested in part (c) above, please provide the revised figures provided in part (a), or as corrected in part (b).

8.1-LPMA-42

Ref: Exhibit 8, Tab 1

Please update the cost allocation and rate design evidence for 2024 based on the existing rate structures to take into account the $29 million increase in the revenue deficiency based on the January 27, 2023 letter dealing with corrections and updates, including the approved allocation of the DSM costs.

8.2-LPMA-43

Ref: Exhibit 8, Tab 2

As a result of the significant increase in the revenue requirement of $29 million as noted in the January 27, 2023 letter, is EGI proposing any changes to its rate mitigation measures? If yes, please explain the changes.

<u>8.2-LPMA-44</u>

Ref: Exhibit 8, Tab 2, Schedule 6

Please provide updated Tables 4 and 5 showing the 2024 bill impacts by rate class based on the revised revenue deficiency from the January 27, 2023 letter and any rate mitigation measures proposed by EGI for 2024.

<u>8.4-LPMA-45</u>

Ref: Exhibit 8, Tab 4, Schedule 2

With respect to the consolidated billing option (paragraphs 67 through 78), EGI is proposing to eliminate consolidated bills effective January 1, 2024 that are currently available in the Union rate zones. This consolidate billing allows customers to combine readings from several meters where the meters are located on contiguous pieces of property of the same owner and are not divided by a public right-of-way.

a) Why has EGI proposed this change effective January 1, 2024 rather than when harmonized rates are implemented effective April 1, 2025?

b) Has EGI advised the 1,300 account holders of this proposed change and advised them of the incremental costs to them of this change? If yes, please provide details and examples of the communication materials sent to them. If no, please explain why not.

c) Has EGI advised these 1,300 account holders that they can change the configuration of the gas lines behind the meters so that only one meter connection to EGI is required and that they can request EGI to remove the meters, regulators and service lines that would no longer be used? If yes, please provide details and examples of the communication materials sent to them. If not, why not?

d) Assuming EGI has communicated these proposed changes to the affected customers, what feedback has EGI received from them?

<u>9.1-LPMA-46</u>

Ref: Exhibit 9, Tab 1, Sch. 1

The evidence at paragraph 4 states that *"Existing D&VAs will continue to accumulate balances consistent with current treatment up to and including December 31, 2023. As part of the 2023 Earnings Sharing and D&VA proceeding, Enbridge Gas will propose to dispose of all 2023 D&VA balances in 2024, with exception of the specific D&VAs that are requested for final disposition within this Application"*.

Will the existing D&VAs that are specific to the EGD and Union rate zones be cleared to their respective rate zones in 2024 or will the balances be cleared to all customers regardless of rate zone?

9.1-LPMA-47

Ref: Exhibit 9, Tab 1, Sch. 1, Attachment 3

a) With respect to the Unaccounted For Gas Variance Account (Account 179-203), please provide examples of the calculation of the volume variance amount and price variance account:

i) showing the mathematical formula that would be used for each account; and

ii) a simplified numerical example where the actual volume is 100 units at an actual price of $3 per unit and the forecast volume is 110 units at a price of $2 per unit.

b) With respect to the Market-Based Storage Variance Account (Account 179-204), please explain why the variance between the actual and forecast cost is not divided into two components, volume and price, similar to what is proposed for UFG in Account 179-203.

c) With respect to the Gas Distribution Access Rule Deferral Account (Account 179-301), is EGI proposing any materiality threshold for this account? If not, why not?

d) Please explain why any changes to the development, implementation, and operation of the GDAR would not quality as a Z factor under the EGI IRM proposal.

e) With respect to the Pension and Other Post Employment Benefits Variance Account (Account 179-305) please explain:

i) the difference between the “forecast accrual pension and OPEB amounts recovered in rates” and “the approved accrual amounts in rates”;

ii) how the approved accrual amounts in rates will not change or escalate during the IR term under the EGI ICM proposal.

f) With respect to the Facility Carbon Charge Variance Account (Account 179-307), does EGI expect to continue to update these charges on an annual basis based on changes to the federal carbon charge? If no, please explain why not. If yes, does this mean that variances in this account would be related solely to volume variances and no rate variances? If not explain fully.

g) With respect to the Customer Carbon Charge Variance Account (Account 179-308), and assuming that EGI will continue to update these charges on an annual basis based on changes to the federal carbon charge, please explain how any amounts that record the difference between actual customer carbon costs and customer carbon costs recovered in rates would be created. Would changes in the amount of RNG and/or hydrogen in the gas supply impact the amounts recorded in the account? If so, please provide an example.

h) With respect to the Greenhouse Gas Emissions Administration Variance Account (Account 179-309), what amount has EGI included in the 2024 revenue requirement for each of administration costs and bad debt costs?

i) In calculating the amounts to be added to account 179-309 will the base administration and bad debt amounts included in 2024 be escalated by the I-X factor proposed by EGI in its ICM for 2025 and beyond to reflect that the I-X factor includes these administration and bad debt costs? If not, please explain why not.

j) With respect to the Volume Variance Deferral Account (Account 179-310), please explain the need for this account taking into consideration the evidence at Exhibit 8, Tab 2,Schedule 3, page

14 that states that the SFVD rate design *"Eliminates the need for deferral and variance accounts to capture delivery revenue variances related to declining consumption."*

k) If Account 179-310 is only to be used until the SFVD rate design is implemented as proposed by EGI on April 1, 2025, please confirm that the account would only be used for 2024 and the first three months of 2025. If not confirmed, please explain.

l) Please confirm that this account removes the weather risk from EGI and customers of revenues being higher or lower than forecast in 2024 and the first three months of 2025 and the SFVD rate design removes the weather risk from EGI and customers of revenues being higher or lower in the remainder of 2025 and future years. If not confirmed, please explain fully.

m) With respect to the Earnings Sharing Mechanism Deferral Account (Account 179-311), the evidence states that *"the excess earnings will be shared at a rate agreed upon between the Company's ratepayers and shareholders"*. What if the ratepayers and shareholders cannot agree upon a sharing rate?

n) With respect to the Lost Revenue Adjustment Mechanism Variance Account (Account 179-314), will this account record amounts for the general service rate classes during 2014 and the first three months of 2015? With the implementation of SFVD rate design on April 1, 2025, will this account include any amounts for rates E01 and E02? If yes, please explain fully.

o) With respect to the Expansion of Natural Gas Distribution Systems Variance Account (Account 179-317), please explain how an excess amount would collected and remitted to the IESO above the required funding for the Expansion of Natural Gas Distribution Systems, in accordance with Section 4 of Ontario Regulation 24/19.

p) With respect to the Integrated Resource Planning (IRP) Operating Costs Deferral Account (Account 179-318), what is the amount, if any, included in IRP general administrative costs, as well as incremental operating and maintenance costs and ongoing evaluation costs for approved IRP Plans for 2024?

q) With respect to the Green Button Initiative Deferral Account (Account 179-320), what, if any costs, have been included in the 2024 revenue requirement that are directly attributable to the Green Button Initiative?

r) With respect to the Rate Harmonization Variance Account (Account 179-322), please explain how the amounts recorded in this account would be calculated, including but not limited to how it would be determined if a customer switched because of rate harmonization or some other factor.

s) With respect to the Dawn Parkway System Surplus Capacity Deferral Account (Account 179-323), would this account only be applicable in 2024 for the 2023/2024 winter or would it be applicable to subsequent winters? If yes please explain how the amounts would be determined for the winter of 2024/2025 and so on.

t) With respect to the Locate Delivery Services Variance Account (Account 179-324), what is the cost included in base rates for 2024? Would this amount be increased by the I-X factor for subsequent years and incremental amounts be based on this growing amount in rates?

u) With respect to the Enhanced Distribution Integrity Management Program Deferral Account (Account 179-326), it appears that there are no general administrative costs, as well as operating and maintenance and ongoing integrity inspection-related costs incurred to implement and execute the Enhanced DIMP included in the 2024 base forecast as this is a deferral account rather than a variance account. Please explain why no costs have been included in the 2024 forecast.

9.2-LPMA-48

Ref: Exhibit 9, Tab 2, Sch. 1, Table 1

Please update Table 1 to reflect the most recent OEB prescribed interest rate.

9.2-LPMA-49

Ref: Exhibit 9, Tab 2, Sch. 1, Table 2

Please add two columns to Table 2 to reflect the impact on the EGD and Union rate zones separate from one another.

9.2-LPMA-50

Ref: Exhibit 9, Tab 2, Sch. 1, page 18

a) Please explain why the amortization of the APCDA is only $14.2 million over the 2022 to 2023 period when it was $41.8 million for the 2019 through 2021 period.

b) What is the actual amount amortized for 2022?

9.2-LPMA-51

Ref: Exhibit 9, Tab 2, Sch. 2

a) If the OEB were to determine some of the APCDA, ICMDA and other balances shown in Table 1 should first be allocated to the EGD and Union rate zones for clearance in 2024, how would EGI determine the allocation of the separate EGD and Union balances for these amounts? For example, if the OEB determined that the $31.2 million credit for depreciation expense should be allocated to the Union rate zone and allocated to rate classes within that rate zone based on rate base, what Union specific rate base is available to EGI to do this?

b) What rate base figure has EGI used during the IRM period to allocate Union specific deferral and account balances to rate classes within the Union rate zone?