

ENBRIDGE GAS INC. 2024 REBASING APPLICATION

EB-2022-0200

ONTARIO ENERGY BOARD STAFF INTERROGATORIES ON EVIDENCE OF INDUSTRIAL GAS USERS ASSOCIATION ON DEPRECIATION (EXHIBIT M5)

M5.Staff-1

Ref 1: Exhibit M5, p.7-9

Ref 2: Exhibit M2, p. 6-7, 9-10

The IGUA Depreciation Report recommends different average service lives and survivor curves for various accounts than those proposed by Enbridge Gas. The Ontario Energy Board (OEB) Staff Depreciation Report also recommends different asset life parameters for various accounts than those proposed by Enbridge Gas.

Furthermore, the OEB Staff Depreciation Report recommends different net salvage parameters than those proposed by Enbridge Gas.

- a) With regards to asset service life parameters, the IGUA and OEB Staff Depreciation Reports both made recommendations for Accounts 475.21 Mains – Coated and Wrapped and Account 475.3 Mains – Plastic. The OEB Staff Depreciation Report also makes recommendations for various accounts (Accounts 452, 456, 457, 465) that the IGUA Depreciation Report did not comment on. Please provide IGUA's expert's view on the asset life recommendations proposed in the OEB Staff Depreciation Report. Also, for accounts that the IGUA Depreciation Report did not comment on, please provide IGUA's expert's view on whether the asset life parameters proposed in the OEB Staff Depreciation Report or proposed by Enbridge Gas would be more appropriate.
- b) With regards to the net salvage parameters recommended in the OEB Staff Depreciation Report, please provide IGUA's expert's view on these recommendations as compared to the net salvage parameters proposed by Enbridge Gas.