

ENBRIDGE GAS INC. 2024 REBASING APPLICATION

EB-2022-0200

**ONTARIO ENERGY BOARD STAFF INTERROGATORIES ON EVIDENCE OF
INDUSTRIAL GAS USERS ASSOCIATION ON COST OF CAPITAL (EXHIBIT M6)**

M6.Staff-1

Ref: Exhibit M6, p. 15

Dr. Cleary makes the following statement on page 15 of his evidence:

Section 3 shows that EG [Enbridge Gas] possesses very low business risk, which is seen as its number one strength by debt rating agencies. The same can likely be said for most other Canadian regulated utilities that operate in supportive regulatory environments, and in fact *my written evidence provided in the current Alberta GCOC Proceedings* confirms this to be the case for Alberta operating utilities as well. *[Emphasis added]*

Please provide copies of the written evidence of Dr. Cleary filed in the Alberta GCOC Proceedings being referred to in the quoted paragraph.

M6.Staff-2

Ref: Exhibit M6, p. 17

On page 17, Dr. Cleary states:

For example, a recent Oliver Wyman report on North American utilities suggested that the “average utility does not earn its allowed return on equity.”⁵

Footnote 5 states:

Source: Page 10 of “North America Utilities: Still a Smart Bet for the New Grid,” Oliver Wyman, 2015. Appended to my evidence as Exhibit BK.

There is no attachment labelled as Exhibit BK filed with Exhibit M – IGUA Cost of Capital. Please file a copy of the report documented in Footnote 5.

M6.Staff-3

Ref: Exhibit M6, p. 25

In its evidence, Dr. Cleary notes that EG reported \$37.558 billion in 2021 revenues.

- a) Please confirm that EG above refers to Enbridge Gas.
- b) Please confirm the source of the \$37.588 billion in annual revenues for 2021.
Please explain how the \$37.588 billion number corresponds to Enbridge Gas's 2021 operating revenues of \$4.893 billion as noted in its financial statements (Exhibit 1, Tab 8, Schedule 1, Attachment 2, page 6).
- c) Please update relevant parts of the document if Enbridge Gas's 2021 revenues are different from that used in IGUA's evidence.