

EB-2007-0606/EB-2007-0615
BOMA-LPMA-WGSPG QUESTIONS TO ENBRIDGE
FOR TECHNICAL CONFERENCE

1. Ex. B, Tab 3, Schedules 5 & 6

Does Enbridge expect to file updates to either of these schedules, any other schedules or any new evidence based on the PEG evidence dated November 20, 2007? If yes, please indicate the expected timing of these filings.

2. Ex. B, Tab 3, Schedule 6

a) Why has EIA data only been obtained for the period 1997 – 2003? If EIA data can be obtained for any part of the 1994 – 1996 period, please provide updated Tables 1 – 6 showing the additional years and the longer term averages.

b) On a best efforts basis, please update the analysis to include 2004 and provide the corresponding Tables 1 – 6.

c) Given that the revenue data from EIA is incompatible with PEG's cost of gas data for 2004, are there any concerns about the incompatibility of the data for previous years? Please explain why or why not.

3. Ex. B, Tab 3, Schedule 6, Page 14

Please provide the output quantity indexes for each of the 36 firms referred to at the top of this page and please provide the associated TFP figures for each firm.

4. Ex. B, Tab 3, Schedule 6, Page 12

a) Do any of the 36 firms included in the analysis have a direct purchase option where customers can purchase their gas directly from a marketer? If yes, please indicate how many.

b) If the answer to (a) is yes, is the cost of gas paid by customers to a marketer included in the EIA bundled revenues?

c) If the answer to (b) is yes, how is this cost of gas calculated for inclusion in the EIA bundled revenues?

d) If the answer to (b) is no, how have the unbundled revenues (bundled revenue less cost of gas) for each of the three classes of customers been accurately determined when the bundled revenues from some customers include the cost of gas and others do not?

e) Does the bundled revenue data from EIA include revenue associated with the recovery of upstream transportation costs?

f) If the answer to (e) is yes, does this mean that the industry TFP estimates calculated include a component related to upstream transportation costs? If so, how does the proposal to include upstream transportation costs as a Y factor affect the determination of an appropriate X factor for the Ontario industry? Please explain.

g) With regard to footnote 18, is it not true that because of different margin levels in the different customer classes, the customer's share of the cost of gas would not equal the customer's share of bundled revenues? Please consider the following simplified example where there is a residential and other customer class using the same amount of gas and the distribution margin for the other class is 40% of that for the residential class.

	<u>Residential</u>	Residential <u>Share</u>	<u>Other</u>	Other <u>Share</u>
Cost of Gas	25	50.00%	25	50.00%
Distribution	<u>25</u>		<u>10</u>	
Bundled Revenue	50	<u>58.82%</u>	35	41.18%
Difference in Share		8.82%		

In this example, the cost of gas shares and the bundled revenues shares are significantly different. Does this violate the assumption relied on in footnote 18? If not, please explain why not.

h) What are the implications for the data and the analysis if it cannot be concluded that footnote 18 is a reasonable assumption?