

J1.3

Dawn Gateway Limited Partnership

Response to Undertaking
from Board Staff

To advise whether Dawn Gateway has considered principles in EB-2005-0001; If not, why not?

Response:

Neither Dawn Gateway nor Union have considered the principles established by the Board in its EB-2005-0001 Decision, dated February 9, 2006.

The Board's EB-2005-0001 Decision deals specifically with the principles that should be applied to evaluate inbound corporate centre charges from the parent company of an OEB regulated utility. The decision does not expressly deal with the allocation for costs between utility and non-utility operations.

As indicated by Mr. Baker (Tr. 108) and Mr. Tuckwell (Tr. 122), the methodology used by Union in assigning costs to its non-utility operations is consistent with the Board's findings in the NGEIR decision (EB-2005-0551, November 7, 2006) which stated that the 2007 cost allocation study was adequate for the purpose of separating regulated & unregulated costs (NGEIR decision, pp.73-74). Dawn Gateway notes that the NGEIR decision makes no reference to the Board's EB-2005-0001 decision.

As indicated in Dawn Gateway's response to Board Staff Interrogatory #26, Union will file evidence related to its non-utility allocation as part of its proceeding to dispose of the 2009 deferral account balances at the end of March.

EB-2009-0422

OEB BOARD SECRETARY	
File No:	SubFile: 24
Panel	GK, CCh, CS
Licensing	ZC, NMc
Other	LC
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