

ONTARIO ENERGY BOARD

**Enbridge Gas Inc.
2024 Rebasing – Phase 3
EB-2025-0064**

INTERROGATORIES

from

INDUSTRIAL GAS USERS ASSOCIATION (IGUA)

7.0-IGUA-1

Reference: Exhibit 7, Tab 0, Schedule 1, page 20 of 55, paragraph 46.

Preamble: The evidence states:

The administrative simplicity of one rate zone is another significant benefit. The Company's regulatory applications and reporting to the OEB can be simplified when only providing information regarding one rate zone. This benefit extends to the Company, the OEB and other stakeholders involved in the regulatory review process. Additionally, the Company's internal processes, procedures and internal systems can be simplified when only managing the detail of one rate zone.

Question:

Please provide the Company's best estimate of the cost savings that can be achieved by the Company and other stakeholders from the adoption of a one rate zone approach (as compared to the current approach). Please state all assumptions relied upon in the calculation and further explain whether any of the savings contemplated have been considered in the Company's revenue requirement as applied for in Phase 1.

7.0-IGUA-2

Reference: Exhibit 7, Tab 0, Schedule 1, page 21 of 55, paragraph 50.

Preamble: The evidence states:

The use of common or postage stamp rates is a widely accepted industry practice for setting utility rates, as it provides a consistent rate treatment across geographic regions or service areas and provides additional rate stability due to the larger base of customers. The rate design proposals reflecting one rate zone balance the guiding principles provided in Section 3, which include differences in cost of service, customer experience, customer

bill impacts, availability of information, administrative simplicity and customer engagement feedback. The customer engagement results also provide general support for one rate

zone, as provided at Section 5.

Question:

Please list all other Canadian or U.S. jurisdictions known to the Company that have implemented postage stamp rates for gas utility service which applies to an entire province or state. As part of the response, please also provide any other context that may be known to the Company in respect of the use of postage stamp rates in each identified jurisdiction, including how long the rates have been in place, what approach to rate zones was used before in the jurisdiction, whether there are exceptions, and any other information the Company may consider to be relevant.

8.1-IGUA-3

Reference: Exhibit 8, Tab 1, Schedule 1, Attachment 1 and Attachment 2.

Preamble: To understand the implications of the Company's proposed shift to largely fixed charges for recovery of delivery revenue, the following request seeks to obtain data and calculations that can illustrate the impacts of different changes in rate design on the costs paid by customers with varying levels of consumption. The information requested should allow modelling of the impacts of alternative rate design approaches against both the proposed harmonized rates and the existing rates.

Question:

For each new rate class proposed to be included in the harmonized rates per Attachment 2, please provide the following information in an Excel spreadsheet with formulas and links intact. Please provide each new proposed rate class in a separate tab of the same spreadsheet:

- (a) A column showing the varying levels of consumption that the Company experienced for the comparable current rate classes in the most recently known year, showing the lowest level of reported consumption and the highest level for the comparable rate classes with reasonable ranges in between.
- (b) A column showing the varying level of demand that the Company experienced for the comparable current rate classes in the most recently known year, showing the lowest level of reported demand and the highest level for the comparable rate classes with reasonable ranges in between.
- (c) The percentage or number of customers in the previous year that were charged delivery revenues at each of the provided levels of consumption and demand.
- (d) The detailed calculation of the customer charges, demand charges and volumetric charges (separately in individual columns) using the proposed harmonized rates. Please provide all detailed calculations and formulas in a manner which allows for modifications to be made.

- The detailed calculation of the customer charges, demand charges and volumetric charges (separately in individual columns) using the comparable current rates for each of the proposed harmonized rate classes. Please provide all detailed calculations and formulas in a manner which allows for modifications to be made. Please also provide each
- (e)

current rate class and related components in its own set of columns.

- (f) Calculation of the difference between the customer charges, demand charges and volumetric charges for each of the proposed rate classes as compared to the current rate classes that are comparable to each of the proposed rate classes, using the data provided in response to the other parts of this request.

8.2-IGUA-4

Reference: Exhibit 8, Tab 2, Schedule 2, page 9 of 18 to 17 of 18.

Preamble: IGUA seeks to better understand the Gas Supply Transportation Charge change.

Question:

- (a) Please prepare a detailed calculation in an Excel spreadsheet showing the impact of the proposed Gas Supply Transportation Charge change on impacted customers under the different scenarios modeled by the Company.
- (b) Please fully explain how the proposed change aligns with the principle of cost causation for customers operating in different zones or geographical areas.

8.2-IGUA-5

Reference: Exhibit 8, Tab 2, Schedule 4, page 8 of 33.

Preamble: IGUA requires further information to understand the proposed demand block tier structure for proposed rate classes E10, E20, E22, and E24.

Question:

- (a) Please fully explain why a demand block tier structure is being proposed instead of a non-tiered structure. As part of the response please fully explain the pros and cons of each proposal.
- (b) Please explain all other alternative rate design approaches that were contemplated by the Company for demand-related costs.