EB-2008-0106

TABLE OF CONTENTS

BAC	(GROUND AND (OVERVIEW	1			
CURRENT EXPERIENCE						
ENBRIDGE'S EVIDENCE AND PROPOSALS IN THIS PROCEEDING						
		EW AND STANDARDIZATION OF QUARTERLY RATE ADJUSTMENT MECHANISM AM") FOR ALL NATURAL GAS DISTRIBUTORS				
Issue		Trigger mechanism for changing the reference price or clearing the purchased gas variance account ("PGVA")				
	Issue 1.1	Should there be a trigger mechanism to prompt a change in the reference price or to clear the PGVA?	7			
	Issue 1.2	If a trigger mechanism is desirable, what methodology or methodologies should be used by all natural gas distributors for setting the trigger to prompt a change in the reference price or to clear the PGVA?	8			
Issue	2 Price adjus	stment frequency and forecast periods	8			
	Issue 2.1	Is a price adjustment based on a 12-month price forecast appropriate for the regulated gas supply option?	8			
	Issue 2.2	If not, what alternative forecast period or periods should be used by natural gas distributors?	11			
	Issue 2.3	Is a quarterly price adjustment appropriate for the regulated gas supply option?	11			
	Issue 2.4	If not, what alternative frequency or frequencies should be used by natural gas distributors?	12			
Issue	3 Methodolo	gy for the calculation of the reference price.	12			
	Issue 3.1	Should a single Ontario-wide reference price be used as the basis for the gas supply commodity charge?	12			
	Issue 3.2	If a single Ontario-wide reference price is implemented, how and by whom should it be determined?	15			
	Issue 3.3	If not, what supply units, pricing point data and method or methods should be used to determine the reference price?	15			
	Issue 3.4	What role, if any, should the Board take in relation to the determination of the inputs and/or data to be used in calculating the reference price?	15			

EB-2008-0106

TABLE OF CONTENTS

Issue 4	Deferral and variance accounts and disposition methodology		
	Issue 4.1	What should be the deferral/variance accounts to capture variances in commodity, transportation and load balancing and inventory revaluations?	15
	Issue 4.2	What methodology or methodologies should be used by natural gas distributors to determine the deferral/variance account balances to be disposed of?	16
	Issue 4.3	What methodology or methodologies should be used by natural gas distributors to dispose of the deferral/variance account balances? How frequently should the accounts be cleared?	16
	Issue 4.4	Should there be a final adjustment to re-allocate the PGVA? What methodology or methodologies should be used for that purpose by natural gas distributors?	18
	Issue 4.5	What are the implications of the different methodologies considered in light of seasonal consumption patterns?	19
Issue 5	Effect of Change in Reference Price on Revenue Requirement		20
	Issue 5.1	What methodology or methodologies should be used by natural gas distributors for recovering the carrying costs of gas in inventory and related costs?	22
	Issue 5.2	Should the revenue requirement (other than gas costs) change as a result of a change in the reference price?	23
	Issue 5.2 i)	If so: what component(s) of the revenue requirement should be adjusted?	23
	Issue 5.2 ii)	If so: what methodology or methodologies should be used by natural gas distributors for the purpose of allocating the change in the revenue requirement to the various customer rate classes?	24
Issue 6	Implications/costs of standardizing pricing mechanisms across all natural gas distributors		25
	Issue 6.1	Should there be standardized pricing mechanisms for all natural gas distributors? What are the costs, benefits and implications for ratepayers, gas marketers and natural gas distributors of standardizing the pricing mechanisms across all natural gas distributors?	25

EB-2008-0106

TABLE OF CONTENTS

Issue 7		Filing requirements		25
		Issue 7.1	Should there be standard filing requirements for QRAM applications? If so, what should the filing requirements be?	28
B. REVIEW OF LOAD BALANCING OBLIGATIONS FOR NATURAL GA		W OF LOAD E	BALANCING OBLIGATIONS FOR NATURAL GAS DISTRIBUTORS	31
		Issue 8.1	Should there be standardized load balancing mechanisms for Union and Enbridge? What are the costs and benefits to ratepayers, gas marketers and natural gas distributors of the current load balancing mechanisms used by each of Union and Enbridge? What are the costs, benefits and implications to ratepayers, gas marketers and natural gas distributors of standardizing the load balancing mechanisms for Union and Enbridge?	35
		Issue 8.2	What mechanism(s) for load balancing should be used by natural gas distributors?	39
		Issue 8.3	What are the implications of different balancing mechanism(s) in relation to the issue of drafting?	39
		Issue 8.4	Should the MDV/DCQ reestablishment process be standardized, including in relation to the weather normalization of MDV/DCO volumes?	39
C.	COST ALLOCATION			40
		Issue 9.1	What activities and underlying costs should be incorporated into the regulated gas supply and direct purchase options?	47
		Issue 9.2	What asset-related costs should be allocated to load balancing and delivery and how should the costs of these services be allocated between system/regulated supply and direct purchase customers?	52
		Issue 9.3	Under what circumstances should natural gas distributors be permitted to change cost allocation principles, percentages, or amounts as between distribution, load balancing, and commodity?	53
D.	BILLING TERMINOLOGY			54
		Issue 10.1	Should natural gas distributors be required to use standard billing terminology? Is so, what should the standard billing terminology be?	56
E.	IMPLEMENTATION ISSUES			57
		Issue 11.1	What are the costs of implementing changes to methodologies currently used by natural gas distributors?	57
		Issue 11.2	Who should bear those costs?	59
		Issue 11.3	How and when should any such changes be implemented?	60

EB-2008-0106

TABLE OF CONTENTS

Appendix Table of methodologies

Attachment Glossary