

VECC INTERROGATORY #2

INTERROGATORY

Reference: Issue 4.1, Enbridge Evidence para.47

Preamble: It appears from the discussion that balances in Enbridge's single PGVA are allocated (i) amongst rate classes and (ii) between sales, Western Bundled T, and Ontario Bundled T customers, on the basis of established principles. Under Union's structure, however, given the nature of its services, all PGVA balances are allocated to sales customers.

Requests:

- (a) Would Enbridge be able to disaggregate its current PGVA into separate accounts that would individually track variances to be allocated to sales, Western Bundled T, and Ontario Bundled T customers? Why or why not?
- (b) Please discuss the advantages and disadvantages of adopting the suggested approach.

RESPONSE

- a) EGD disaggregates the balance in the PGVA into commodity, transportation and load balancing components and then allocates those amounts to Sales, Western Bundled T and Ontario T-Service customers by rate class in accordance with its cost allocation methodology. Tracking the PGVA balance into separate accounts (which could not be done until an analysis of the account is performed) is unnecessary and would provide no benefit.
- b) See response to part a) above.

Witnesses: J. Collier
M. Giridhar
A. Kacicnik
D. Small

VECC INTERROGATORY #3

INTERROGATORY

Reference: Enbridge Evidence para. 53

Preamble: Enbridge proposes to adopt Union's approach to clearing the PGVA by clearing the account quarterly based on a 12 month forward volume forecast, with individual riders applicable to sales, Western Bundled T, and Ontario Bundled T services.

Request: If the Union approach is adopted, so that new rates and applicable riders would be determined for each type of service quarterly, is it necessary to state, and is there any purpose for stating, the adjusted rate and adjusted rider separately for billing purposes? Why or why not? Would there be any advantage, from the perspective of bill presentation and customer acceptance, of combining the rates and applicable riders for presentation purposes? Why or why not?

RESPONSE

GRAM rate changes and applicable riders capture different impacts, are derived differently and, consequently, need to be stated separately. GRAM rate changes capture impacts stemming from changes in the forecast of gas costs. The gas cost adjustments (i.e., applicable riders) reflect the difference between the forecast gas costs collected in rates and the actual cost of gas. The difference is tracked in the Purchased Gas Variance Account ("PGVA") which provides the means of ensuring ratepayers and the Company are held whole with respect to gas costs.

Therefore, stating applicable rates and applicable rate adjustments (i.e., riders) separately on customer bills is necessary and provides for an easy reconciliation of charges and/or impacts.

Witnesses: J. Collier
A. Kacicnik

VECC INTERROGATORY #8

INTERROGATORY

Reference: General

Requests:

- (a) Please provide a breakdown of residential customers over the last five years indicating the number of sales (system) customers and the number of direct purchase customers. Please also indicate approximately what percentage of Enbridge's residential customers are served via (i) sales service, (ii) Western Bundled T service, (iii) Ontario Bundled T Service and (iv) unbundled service.
- (b) If known or if the information is available, for each of the last five years please provide the number of residential customers that migrated from being system sales customers to become direct purchase customers.
- (c) If known or if the information is available, for each of the last five years please provide the number of residential customers that returned to system sales service from the direct purchase option.

RESPONSE

- (a) Please see Table 1 on the next page for the requested information. Due to a limitation in the legacy billing system, Table 1 only presents the information by sales service and total direct purchase (or total bundled T-service). As the Company does not provide unbundled services to residential customers, there are no residential unbundled customers on the system.

Witness: I. Chan

TABLE 1 - RESIDENTIAL CUSTOMER METERS
2003-2007 ACTUAL

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
Item No.	2003 <u>Customers</u> (Average)	2004 <u>Customers</u> (Average)	2005 <u>Customers</u> (Average)	2006 <u>Customers</u> (Average)	2007 <u>Customers</u> (Average)
<u>General Service</u>					
1.1.1 Residential - Sales	882 007	941 826	972 744	981 599	1 019 738
1.1.2 Total Residential - Direct Purchase	608 079	599 474	613 199	648 637	650 448
1.1 Total Residential	<u>1 490 086</u>	<u>1 541 300</u>	<u>1 585 943</u>	<u>1 630 236</u>	<u>1 670 186</u>

	2003 <u>Customers</u> (Percentage)	2004 <u>Customers</u> (Percentage)	2005 <u>Customers</u> (Percentage)	2006 <u>Customers</u> (Percentage)	2007 <u>Customers</u> (Percentage)
<u>General Service</u>					
2.1.1 Residential - Sales	59.19%	61.11%	61.34%	60.21%	61.06%
2.1.2 Total Residential - Direct Purchase	40.81%	38.89%	38.66%	39.79%	38.94%
2.1 Total Residential	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

(b) The information is not available.

(c) The information is not available.

Witness: I. Chan