

BOARD STAFF INTERROGATORY #7

INTERROGATORY

Ref: 2016 Unaccounted for Gas Variance Account  
Exhibit C / Tab 1 / Schedule 4

Preamble:

Enbridge noted that Unaccounted for Gas (UAF) is the difference between natural gas delivered into the distribution system as billed by third-party transmitters and natural gas that is billed as consumption by Enbridge.

Question(s):

- a) Please explain how the balance in the account is calculated.
- b) Please explain how Enbridge accounts for the difference in timing between when meters are read and year-end (December 31).
- c) Please advise whether metered amounts are prorated to estimate usage at year-end. If so, please advise whether Enbridge has assessed the accuracy of its proration exercise to determine if a high UAF in one year is the result of variances due to inaccurate forecasts in previous years.
- d) Please advise whether Enbridge intends to present further analysis on this issue in its next rebasing proceeding.

RESPONSE

- a) As EGD responded to a similar interrogatory in the EB-2015-0122, 2014 ESM proceeding, Exhibit I.C.EGDI.EP.10, the Unaccounted for Gas variance account ("UAFVA") balance is calculated by taking the variance between actual and forecasted UAF volumes and multiplying it by its respective PGVA reference price. It also takes into account recoveries of gas loss amounts invoiced as part of 3<sup>rd</sup> party damages.
- b) The difference between when meters are read and year-end is included in the calculation of UAF through an estimation of the unbilled volumetric consumption. Unbilled volumes are estimated by utilizing actual degree days for the remaining days within the billing cycles as weighted by the number of customers within each cycle to

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arrive at a calendarized year-end value for reporting purposes. The final balance within the UAFVA is trued-up using actual billed amounts for the full year when actual billed amounts are available in January of the following year.

- c) Subsequent to year-end, an adjustment to the UAF is made to reflect the actual volumetric consumption that was billed to customers for the period that was estimated. As noted in part b) the UAF balance is determined using actual billed consumption for the year and does not include any estimation with respect to unbilled consumption.
- d) Any future UAFVA analysis will be determined and decided upon as and when necessary and useful.

Witnesses: J. Shem  
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