

SEC INTERROGATORY #30

INTERROGATORY

[A/1/3, p. 28] Please explain in more detail why the Applicant believes the Board engaged in “bait and switch” tactics.

RESPONSE

For clarity, the company does not believe the Board has engaged in “bait and switch” tactics. The company believes, the Board’s direction in the DSM 2015 to 2020 Framework was clear that it expects the utilities to use 2015 as a roll over year. As specified in the Decision and Order EB-2015-0049 p.21

The OEB does not expect the gas utilities to rely on a predetermined free ridership rate for the duration of the **2017 to 2020 term**. In **2016, the free rider rates will be updated** based on the results of the net-to-gross study and the annual evaluation process. (emphasis added)

This indicates that the Board did not intend that free rider rates, which were rolled over from 2014 into 2015, would be adjusted retroactively. Updating targets going forward is an entirely different and appropriate step which is what the Company believes the Board intended by this determination.

Inconsistent with the above, the Company does have concern with Board Staff proposing that updated NTG values be applied retroactively to 2015. The Company worked under the assumptions laid out in the Board’s Framework and Decision, which does not provide for the retroactive application of a revised NTG value in 2015.

Witnesses: D. Bullock  
D. Johnson