

ENBRIDGE GAS INC.  
Answer to Interrogatory from  
Vulnerable Energy Consumers Coalition (VECC)

Reference: Exhibit B/T2/S1/pgs. 12-

Question:

- a) EGI explains that it has used a weather-normalized revenue for the calculation of the growth factor. Is the weather normalization methodology used for the EGD and Union Rate Zones the same?
- b) For the both rate zones please calculate the growth rate if only revenues derived from the fixed charge were used in the calculation (i.e. showing the growth in fixed charge revenues only).

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**Response**

- a) No, the weather normalization methodology for the EGD and Union rate zones are not the same, however, Board approved weather methodologies were used for both. Weather-normalized revenues are derived by using the Board approved degree days methodologies for Union rate zones which is the 50:50 (average of 20 year trend and 30 year moving average), for EGD rate zone are the 50:50 Hybrid (average of 20 year trend and 10 year moving average) for the Central region, the De Bever with trend for the Eastern region and the 10 year moving average for the Niagara region.
- b) Assuming that the general service fixed charges are the only component of the growth factor, that is, it does not include the variable revenue, the contract market revenue and the ex-franchise market revenue, the estimated results are as follows:

Union rate zones average growth factor from 2013 to 2017 : 1.42%  
EGD rate zone growth factor from 2017 to 2018 : 1.14%