

ENBRIDGE GAS INC.  
Answer to Interrogatory from  
Consumers Council of Canada (CCC)

Reference: Ex. A/T3/S1/p. 2

Question:

The evidence set out the annual bill impacts associate with the Application. With respect to those impacts:

- 1) Please explain whether they include the disposition of the DVA balances proposed for 2019. If they do please break out the impacts between the rate adjustment and all other factors;
- 2) Please explain why, if the bill impact of the ICM for the Union North residential customers is \$8.80, why the overall impact is \$6.81 and \$4.88 for each of the Union North rate zones (North East and North West)

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**Response**

- 1) Enbridge Gas is not seeking to dispose of 2019 deferral and variance account ('DVA') balances as part of this application. Consistent with legacy EGD and Union's past practice, Enbridge Gas will seek disposition of its 2019 DVA balances after 2019 financial results are finalized. Similarly, Enbridge Gas will seek disposition of 2018 DVA balances in the coming months.
- 2) The ICM bill impact of \$8.80 for Union North Rate 01 residential customers is higher than the overall Rate 01 residential bill impact because in the absence of ICM, residential customers would experience an overall bill decrease. The estimated bill impact excluding ICM for a Rate 01 residential customer would be a decrease of \$1.99 and \$3.92<sup>1</sup> for Union North West and Union North East, respectively.

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<sup>1</sup> Union North East bill impacts excluding ICM provided at Exhibit I.BOMA.1, Attachment 1.

The ICM bill impact of \$8.80 is partly offset by:

- a decrease in the allocation of DSM budget costs to Rate 01, and
- an increase in the forecast billing units used to derive the Rate 01 base unit rates resulting from an increase in the NAC target included in rates.

Other 2019 rate adjustments result in a bill increase to Rate 01, such as PCI, the deferred tax drawdown base rate adjustment, and capital pass-through projects adjustment.