ENBRIDGE GAS INC.
Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Reference: Exhibit B1, Tab 2, Schedule 1, Page 31, Table 11

Question:

a) Please confirm that over the 5 years the net ICM annual revenue requirement (costs and revenue) will vary, based on several factors including timing and the dates of in-service additions (ISAs).

b) Does EGI agree that an ISA RR deferral account for ICM projects, is appropriate to protect ratepayers. If not, please explain why not and/or provide alternatives to an ICM RRVA

Response

a) The Company confirms that the annual revenue requirement for each ICM project could vary from forecast for a number of reasons, which could include variances in the project's costs capitalized into service, and variances in the project's in-service timing.

b) Enbridge Gas has requested an Incremental Capital Module (ICM) Deferral Account for each of the EGD and Union rate zones as per Board policy. As indicated at Exhibit B1, Tab 1, Schedule 1, Page 16, and in each of the draft accounting orders found at Exhibit B1, Tab 1, Schedule 1, Appendix A, page 33, and Appendix B, page 34, the purpose of each of the accounts is to capture any variances between the actual revenue requirement of approved ICM projects and the actual ICM revenues collected through ICM rates. Given the scope of the proposed ICM deferral accounts, to compare actual ICM project revenue requirements against actual ICM revenues, the impact of any variances in-service addition amounts or timing (from forecast), each of which impact the actual project revenue requirement, will be one of the impacts captured within the ICM deferral accounts.