

ENBRIDGE GAS INC.  
Answer to Interrogatory from  
London Property Management Association (LPMA)

Reference: Exhibit B1, Tab 1, Schedule 1, pages 26-29

Question:

- a) Please expand Table 10 to reflect the revenue requirement for each of the projects shown for each of 2020 through 2023.
- b) Please confirm that the EB-2017-0306/EB-2017-0307 Decision and Order referenced in footnote 19 directed Enbridge Gas Inc. to include the rate base and depreciation of the noted projects in the calculation of the eligible incremental capital amount of the Union service territory.
- c) Please confirm that the above noted Decision and Order did not direct Enbridge Gas Inc. to adjust rates to reflect the net difference between the 2018 and 2019 revenue requirements associated with capital pass-through projects in the Union service territory. If this cannot be confirmed, please provide a reference to where this direction occurred.
- d) Does Enbridge Gas Inc. propose to adjust rates in each of 2020 through 2023 to reflect the net difference between the test year and the previous year revenue requirements associated with the capital pass-through projects in the Union service territory in the same way as it is proposing for 2019 and 2018? If not, why not?

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**Response**

- a) Please refer to the Table on the following page.

Table 1  
Summary of 2019-2023 Forecast Revenue Requirement of Capital Pass-Through Projects

Line No.	Particulars (\$000's)	2019 Forecast(1)	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast
		(a)	(b)	(c)	(d)	(e)
1	Parkway West	19,227	19,673	19,971	20,178	20,307
2	Brantford-Kirkwall/Parkway D	14,874	15,142	15,329	15,447	15,506
3	2016 Dawn-Parkway Expansion	25,059	25,609	26,024	26,328	26,537
4	Burlington to Oakville	5,447	5,596	5,707	5,787	5,840
5	2017 Dawn-Parkway Expansion	40,916	43,394	45,153	46,495	47,480
6	Panhandle Reinforcement (2)	11,715	11,139	10,702	10,177	9,576
7	Total (3)	117,238	120,552	122,887	124,411	125,245

Notes:

- (1) Exhibit F1, Tab 2, Rate Order, Working Papers, Schedule 16, pp.4-5.
- (2) Panhandle Reinforcement project revenue requirement net of incremental project revenue.
- (3) Exhibit I.SEC.6, Attachment 1, line 15.

- b) Confirmed.
- c) Confirmed. Enbridge Gas is proposing to update rates to reflect the 2019 forecast revenue requirement associated with Union’s capital pass-through projects as part of this application. By updating the revenue requirement in 2019 rates, Enbridge Gas will reduce the variance between the actual revenue requirement and the revenue requirement included in rates that would otherwise be recorded in the capital pass-through deferral accounts in 2019. Without this proposal, the revenue requirement included in rates would continue to be based on the 2018 forecast approved in the leave to construct application for each project.<sup>1</sup> The update also supports Enbridge Gas’s proposal to fix the capital pass-through revenue requirement in rates and discontinue recording differences in the deferral account with the exception of utility tax timing differences. Please see Exhibit I.STAFF.8, part (a).

<sup>1</sup> EB-2017-0087, Exhibit A, Rate Order, Appendix G, pages 1 to 7.

- d) No. Enbridge Gas is proposing to fix the capital pass-through revenue requirement in 2019 rates and discontinue recording differences in the deferral account with the exception of utility tax timing differences. Please see Exhibit I.STAFF.8, part (a).