

BOARD STAFF INTERROGATORY #1

INTERROGATORY

Ref: A1/T3/S1/para5

Please summarize what changes, if any, were made to the cost allocation and rate design models to create 2017 rates. Please briefly identify any departures in the models since the beginning of the Custom IR.

RESPONSE

As outlined in Exhibit G1, Tab 1, Schedule 1, page 1, paragraph 1, the Company is proposing to maintain its cost allocation methodology approved in EB-2012-0459 (2014 to 2018 Custom IR Plan) for the 2017 Test Year. The Company is also proposing to maintain its existing rate design methodology for the derivation of the 2017 proposed rates.

Dawn Transportation Service (“DTS”) is forecast to commence in November 2017 as a result of the Dawn Access Settlement Agreement (EB-2014-0323). A description of the cost allocation methodology relating to DTS is outlined at Exhibit G1, Tab 1, Schedule 1, page 4, paragraphs 12 to 19. The rate design evidence describing the DTS rate offering can be found at Exhibit H1, Tab 1, Schedule 1, page 8.

The Company has modified the Rate 332 (Parkway to Albion King’s North Transportation Service) rate schedule as approved in EB-2016-0028. The Company has included a Monthly Contract Demand Charge which is derived based on the Daily Contract Demand Charge. The rate design evidence describing this change can be found at Exhibit H1, Tab 1, Schedule 1, page 7.

Witnesses: J. Collier
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