

ENBRIDGE GAS INC.
Answer to Interrogatory from
Building Owners and Managers Association of Greater Toronto (BOMA)

Reference: Exhibit B1, Tab 1, Schedule 1, p14

Question:

- (a) Why should the Board establish a deferral account for capital projects which are funded from ICM funds when they do not do so for capital projects funded through existing rates (price cap index plus growth adjustments)?
- (b) Open Bill Revenue Variance Account – On what basis should the ratepayers be responsible for all of the shortfall between revenue from the program and \$4,889M? Please provide the numerical analysis underpinning that feature of the account.

Response

- a) Enbridge Gas is requesting the establishment of the deferral accounts in relation to capital projects funded through ICM in accordance with the Board policy on ICM.
- b) Enbridge credits ratepayers with \$5.389 million for OBA program net revenues each year. Parties to the settlement agreements which govern the provision of Open Bill services agreed that it would be appropriate for Enbridge to be credited any shortfall between actual annual net revenues and \$4.889 million. The Board approved settlement agreement related to the provision of OBA services (EB-2009-0043) for the years 2009 to 2012 established the Open Bill Revenue Variance Account (OBRVA) and the mechanics of that variance account, including the provision that Enbridge would be credited for annual net revenues that are less than \$4.889 million. Subsequent Board approved settlement proposals - EB-2011-0354 which related to OBA services for 2013 and EB-2013-0099 which related to OBA services for 2014 to 2018 – carried forward the OBRVA as established in EB-2009-0043. In the EB-2017-0306/0307 MAADs decision, the OEB approved the continuation of the OBRVA for the deferred rebasing term. In the recent EB-2018-0319 Board-approved Settlement Proposal, all parties agreed that Enbridge will continue offering the OBA program under its existing financial terms (including the operation of the OBRVA) until such time as a decision is rendered in that proceeding.