

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

Reference: Exhibit B1, Tab 2, Schedule 1, pp4-5 of 36; ICM

Question:

- (a) Please add a column for 2018 actuals to Tables 1 and 2.
  - (b) Please confirm that, for 2019, in Tables 1 and 2, the word "Budget" is equivalent to "Forecast".
  - (c) Comparing Tables 1 and 2, why is the EGD "Overhead" percentage of in-service capital much greater than Union, approximately one-third versus one-sixth, or twice as great a share of the total?
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**Response**

- a) Please see Exhibit I.LPMA.10.
- b) Confirmed.
- c) The capitalization process and composition of overheads differs between the EGD and Union rate zones. Both utilities follow the Enbridge Harmonized Enterprise-wide Capitalization Policy, however the overhead capitalization processes are still legacy based. A key difference is the use of burden rates. Union directly capitalizes labour (burdens) to capital projects whereas EGD treats these costs as overheads (DLC, or Departmental Labour Costs). Please refer to Exhibit I.STAFF.32 (c) for an explanation of the components of overheads.