

NEW BRUNSWICK ENERGY AND UTILITIES BOARD

IN THE MATTER OF Enbridge Gas New Brunswick's 2017 financial report of its commodity sales activities for the fiscal year ended December 31, 2017.

DECISION

WHEREAS paragraph 3(1)(f) of the *Gas Distributor Marketing Regulation – Gas Distribution Act, 1999*, New Brunswick Regulation 2003-19 under the *Gas Distribution Act, 1999* (Regulation), requires that Enbridge Gas New Brunswick (EGNB) file annually with the New Brunswick Energy and Utilities Board (Board) for its review, a financial report that complies with section 6 of the Regulation;

AND WHEREAS by letter with attachment dated March 26, 2018, EGNB filed with the Board the financial report of its gas sales activities for the fiscal year ended December 31, 2017 (Financial Report) in accordance with section 6 of the Regulation;

AND WHEREAS having reviewed the information supplied by EGNB, Board staff submitted to the Board a report dated November 5, 2018, entitled a *Report on the Purchase and Sale of Natural Gas by Enbridge Gas New Brunswick During 2017* (Staff Report);

AND WHEREAS the Board circulated the Staff Report to EGNB and holders of gas marketers' certificates and the Staff Report was posted on the Board's website on November 5, 2018;

AND WHEREAS the Board requested comments from EGNB and holders of gas marketers' certificates on or before November 26, 2018;

AND WHEREAS the Board has received no comments;

AND WHEREAS the Staff Report raised the issue of the method of calculating the price of Standard Offer Gas (Enbridge Utility Gas);

HAVING reviewed the Financial Report and considered the Staff Report, the Board finds that EGNB has complied with all relevant regulations and Board Orders from 2017, and is satisfied that:

- a. EGNB is not cross-subsidizing between the sale of gas and the distribution of gas;
- b. The prices charged by EGNB for gas are reasonable and sufficiently competitive to protect the interests of customers;
- c. The prices to be charged by EGNB to customers for gas has been calculated in accordance with section 4 or 4.1 of the Regulation, as the case may be; and
- d. EGNB has purchased gas for sale to customers in accordance with its Gas Purchasing Plan filed pursuant to paragraph 3(1)(e) of the Regulation.

With respect to the issue of the method of calculating the price of Enbridge Utility Gas, the Board orders as follows:

The price of gas for any month shall be calculated as the average of the forecasted monthly cost of purchasing and selling gas to customers over the next 12 months, which shall also include one-twelfth of the previous month's balance or estimated balance of the Purchased Gas Variance Account (PGVA). The PGVA is the accumulated difference between the monthly forecasted costs and the actual monthly costs of purchasing and selling gas.

DATED in Saint John, New Brunswick, this 13th day of December, 2018.



Raymond Gorman, Q.C.
Chairperson



Patrick Ervin
Member



John Patrick Herron
Member