



DECISION ADDENDUM

IN THE MATTER of an application by Enbridge Gas New Brunswick Limited Partnership regarding the approval or fixing of rates and tariffs pursuant to section 52.2 of the *Gas Distribution Act, 1999*

And

IN THE MATTER of a review of Enbridge Gas New Brunswick Limited Partnership 2011 Regulatory Financial Results

September 26, 2012

NEW BRUNSWICK ENERGY AND UTILITIES BOARD

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IN THE MATTER of an application by Enbridge Gas New Brunswick Limited Partnership regarding the approval or fixing of rates and tariffs pursuant to section 52.2 of the *Gas Distribution Act, 1999* and

IN THE MATTER of a review of Enbridge Gas New Brunswick Limited Partnership 2011 Regulatory Financial Results

NEW BRUNSWICK ENERGY AND UTILITIES BOARD:

CHAIRMAN: Raymond Gorman, Q.C.

VICE-CHAIRMAN: Cyril Johnston

Pat Darrah

MEMBERS: Edward McLean

Terry Totten

SECRETARY: Lorraine Légère

COUNSEL: Ellen Desmond

APPLICANT:

Enbridge Gas New Brunswick

Len Hoyt, Q.C.
David MacDougall

INTERVENORS:

Atlantic Wallboard L.P. and Flakeboard Company Ltd.

Christopher Stewart

Competitive Energy Services

Jon Sorenson

Department of Energy

Patrick Ervin

Public Intervenor

René Basque

Truefoam Ltd

Debbie Coles

Introduction

In a decision dated September 20, 2012, Enbridge Gas New Brunswick LP (EGNB) was ordered as follows:

- To re-file its Revenue Requirement in accordance with the Board's decision of September 20, 2012;
- To re-file the approved Cost of Service Study using the updated Revenue Requirement;
- To re-file the updated Rate Schedules in accordance with the Board's decision of September 20, 2012 and
- To re-file its proof of revenue to ensure that the revenue to cost ratio does not exceed 1.2:1 for any class.

EGNB filed these documents on September 25, 2012. The Board has reviewed these documents and finds that they are in compliance with the Board's decision.

By letter dated September 26, 2012 AWL and FCL requested that the Board adopt a different rate design for the ICGS class than the one submitted by EGNB in compliance with the Board's September 20, 2012 decision.

AWL and FCL assert that the submitted rate design does not reduce intra-class subsidization in the ICGS class.

Intra-class subsidization can never be totally eliminated. As the Board states at page 18 of the decision, the use of rate design tools "**reduces** the intra-class subsidization." (Emphasis added)

In the present case the Board considered the issue of intra-class subsidization within the ICGS class. The Board added a customer charge of \$3,300 per month, as recommended by Mr. Amen. This charge applies equally to all members of the class, regardless of their volume of use and has the effect of reducing the intra-class subsidization from the rates originally proposed by EGNB.

AWL and FCL suggest that the Board use tiered rates for the ICGS class. The Board approved a rate design for the ICGS class which did not include tiered rates and confirms that it does not direct the use of tiered rates in the ICGS class at this time.

The Board issues the following addendum to its decision:

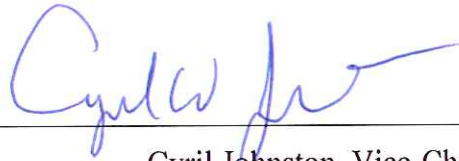
ADDENDUM

The Board orders that the rates and tariffs, as attached hereto, shall take effect on October 1, 2012.

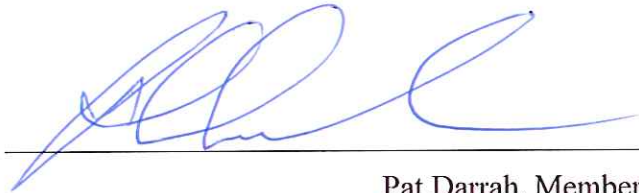
Dated at the City of Saint John, New Brunswick this 26th day of September, 2012.



Raymond Gorman, Q.C., Chairman



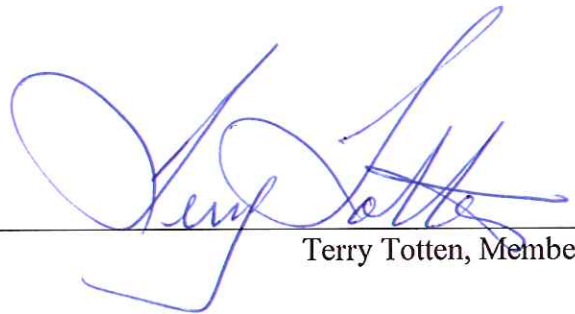
Cyril Johnston, Vice-Chairman



Pat Darrah, Member



Edward McLean, Member



Terry Totten, Member

SCHEDULE 20(a)
Revised Rate Schedules

RATE CLASS
SGS

SMALL GENERAL SERVICE

APPLICABILITY

Small General Service (SGS) Rate is applied to any Applicant requiring to use EGNB’s Distribution System to have a supply of natural gas delivered to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants with a maximum consumption less than 60 GJs per billing month.

RATE	
Monthly Distribution Customer Charge:	
\$ per billing month	16.00
Monthly Distribution Delivery Charge:	
For all volumes delivered per billing month (\$ per GJ)	11.6763

The rates quoted above shall be subject to adjustments that reflect all taxes including HST. The rates will also be subject to the Revenue Adjustment Rate Rider contained in Rider A.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Customer Charge.

Minimum Annual Charge:

None.

Term of Service:

One year with automatic annual renewal unless the Applicant notifies EGNB not less than 30 days prior to the annual roll over date and not more than 180 days prior to such date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of EGNB’s Handbook of Rates and Distribution Services and the applicable Distribution Service Agreement apply to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for natural gas delivered on and after October 1, 2012.

**RATE CLASS
MGS**

MID-GENERAL SERVICE

APPLICABILITY

Mid-General Service (MGS) Rate is applied to any Applicant requiring to use EGNB’s Distribution System to have a supply of natural gas delivered to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants with a maximum consumption of at least 60 GJs per billing month and less than 250 GJs per billing month.

RATE	
Monthly Distribution Customer Charge:	
\$ per billing month	50.00
Monthly Distribution Delivery Charge:	
For the first 100 GJs delivered per billing month (\$ per GJ)	11.1248
For volumes delivered in excess of 100 GJs per billing month (\$ per GJ)	6.7274

The rates quoted above shall be subject to adjustments that reflect all taxes including HST.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Customer Charge.

Minimum Annual Charge:

The minimum annual charge will be imposed in the event the Applicant does not consume the qualifying maximum monthly consumption specified in the applicability criteria for the Mid-General Service class. The Customer will be charged the difference between the actual annual distribution charges (customer or demand and delivery) billed and the amount that would have been billed under the Small General Service class, plus 5%.

Term of Service:

One year with automatic annual renewal unless the Applicant notifies EGNB not less than 30 days prior to the annual roll over date and not more than 180 days prior to such date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of EGNB’s Handbook of Rates and Distribution Services and the applicable Distribution Service Agreement apply to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for natural gas delivered on and after October 1, 2012.

RATE CLASS

LGS

LARGE GENERAL SERVICE

APPLICABILITY

Large General Service Rate is applied to any Applicant requiring to use EGNB’s Distribution System to have a supply of natural gas delivered to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants with a maximum consumption of at least 250 GJs per billing month.

RATE	
Monthly Distribution Customer Charge:	
For Customers with maximum consumption up to 650 GJs per month (\$ per month)	125.00
For Customers with maximum consumption greater than 650 GJs per month (\$ per month)	225.00
Monthly Distribution Delivery Charge:	
For the first 250 GJs delivered per billing month (\$ per GJ)	7.0779
For volumes delivered in excess of 250 GJs per billing month (\$ per GJ)	
- between September 1 and April 30	4.3461
- between May 1 and August 31	1.3684

The rates quoted above shall be subject to adjustments that reflect all taxes including HST.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Customer Charge.

Minimum Annual Charge:

The minimum annual charge will be imposed in the event the Applicant does not consume the qualifying maximum monthly consumption specified in the applicability criteria for the Large General Service class. The Customer will be charged the difference between the actual annual distribution charges (customer or demand and delivery) billed and the amount that would have been billed under the Mid-General Service class, plus 5%.

Term of Service:

One year with automatic annual renewal unless the Applicant notifies EGNB not less than 30 days prior to the annual roll over date and not more than 180 days prior to such date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of EGNB's Handbook of Rates and Distribution Services and the applicable Distribution Service Agreement apply to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for natural gas delivered on and after October 1, 2012.

RATE CLASS
CGS

CONTRACT GENERAL SERVICE

APPLICABILITY

Contract General Service (CGS) Rate is applied to any Applicant requiring to use EGNB’s Distribution System to have a supply of natural gas delivered to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants with a maximum consumption of at least 1,000 GJs per billing month and less than 10,000 GJs per billing month who enter into a Distribution Service Agreement with EGNB for a Contract Demand of not less than 36 GJs per day.

RATE	
Monthly Distribution Delivery Charge:	
Contract Demand Charge per GJ of Contract Demand (\$ per GJ)	13.30
For volumes delivered (\$ per GJ)	
- between September 1 and April 30	3.5812
- between May 1 and August 31	1.3704

The rates quoted above shall be subject to adjustments that reflect all taxes including HST.

Billing Demand:

The Billing Demand shall be the Contract Demand. However, in the event that any Applicant exceeds such Contract Demand during any contract year, Applicant’s actual maximum daily demand shall be the Billing Demand for the entire applicable contract year. The Applicant will be charged, and shall pay, accordingly for both prospective use and for use since the beginning of the then current contract term. Authorized Overrun will not institute application of this ratchet provision.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Delivery Charge.

Minimum Annual Charge:

None.

Term of Service:

One year with automatic annual renewal unless the Applicant notifies EGNB not less than 30 days prior to the annual roll over date and not more than 180 days prior to such date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of EGNB's Handbook of Rates and Distribution Services and the applicable Distribution Service Agreement apply to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for natural gas delivered on and after October 1, 2012.

Special Metering Provision:

For Applicants taking service under this Rate Schedule, EGNB shall install metering and communication devices, which will provide EGNB with hourly and daily consumption data.

**RATE CLASS
ICGS**

INDUSTRIAL CONTRACT GENERAL SERVICE

APPLICABILITY

Industrial Contract General Service (ICGS) Rate is applied to any Applicant requiring to use EGNB’s Distribution System to have a supply of natural gas delivered to a single Terminal Location served through one meter. Service under this Rate Schedule is limited to Applicants with a maximum consumption of at least 10,000 GJs per billing month who enter into a Distribution Service Agreement with EGNB for a Contract Demand of not less than 360 GJs per day.

RATE	
Monthly Distribution Customer Charge:	
\$ per billing month	3,300.00
Monthly Distribution Delivery Charge:	
Contract Demand Charge per GJ of Contract Demand (\$ per GJ)	
For volumes delivered (\$ per GJ)	
- between September 1 and April 30	1.5832
- between May 1 and August 31	0.5672

The rates quoted above shall be subject to adjustments that reflect all taxes including HST.

Billing Demand:

The Billing Demand shall be the Contract Demand. However, in the event that any Applicant exceeds such Contract Demand during any contract year, Applicant’s actual maximum daily demand shall be the Billing Demand for the entire applicable contract year. The Applicant will be charged, and shall pay, accordingly for both prospective use and for use since the beginning of the then current contract term. Authorized Overrun will not institute application of this ratchet provision.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Delivery Charge.

Minimum Annual Charge:

None.

Term of Service:

One year with automatic annual renewal unless the Applicant notifies EGNB not less than 30 days prior to the annual roll over date and not more than 180 days prior to such date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of EGNB's Handbook of Rates and Distribution Services and the applicable Distribution Service Agreement apply to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for natural gas delivered on and after October 1, 2012.

Special Metering Provision:

For Applicants taking service under this Rate Schedule, EGNB shall install metering and communication devices, which will provide EGNB with hourly and daily consumption data.

RATE CLASS**OPS****OFF-PEAK SERVICE****APPLICABILITY**

Off-Peak Service (OPS) Rate is applied to any Applicant requiring to use EGNB's Distribution System to have a supply of natural gas delivered to a single Terminal Location served through one meter for the months of April through November.

RATE	
Monthly Distribution Customer Charge:	
\$ per month	50.00
Monthly Distribution Delivery Charge:	
For the volumes delivered per month (\$ per GJ)	3.2195

The rates quoted above shall be subject to adjustments that reflect all taxes including HST.

Minimum Monthly Charge:

The minimum monthly charge shall be the Monthly Distribution Customer Charge.

Minimum Annual Charge:

None.

Seasonal Overrun Charge:

Any volume of natural gas consumed during the months of December through March inclusively will be subject to a Seasonal Overrun Charge of \$10 per GJ in addition to the rates applicable to this service.

Term of Service:

One year with automatic annual renewal unless the Applicant notifies EGNB not less than 30 days prior to the annual roll over date and not more than 180 days prior to such date that service is to be discontinued.

Terms and Conditions of Service:

The provisions of EGNB's Handbook of Rates and Distribution Services and the applicable Distribution Service Agreement apply to service under this Rate Schedule.

Effective Date:

To apply to all bills rendered for natural gas delivered on and after October 1, 2012.

RATE CLASS
AGENT BILLING AND COLLECTION

APPLICABILITY

Agent Billing and Collection Rates are available to any Service Provider applying to use EGNB's billing and/or collection services.

RATE	
Monthly Agent Billing and Collection Charge:	
Payable by Service Provider for each SGS Customer (\$ per bill)	1.30
Payable by Service Provider for each MGS Customer (\$ per bill)	2.25
Payable by Service Provider for each LGS Customer (\$ per bill)	5.25
Monthly Agent Billing Charge:	
Payable by Service Provider for each CGS Customer (\$ per bill)	4.30
Payable by Service Provider for each ICGS Customer (\$ per bill)	4.30
Payable by Service Provider for each OPS Customer (\$ per bill)	4.30
Monthly Line Item Billing Charge:	
Any Additional Line Item Charge (\$ per line per bill)	0.75

The rates quoted above shall be subject to adjustments that reflect all taxes including HST.

Terms and Conditions of Service:

Each Service Provider served under this Rate Schedule shall enter into a Collection Service Agreement with EGNB. The provisions of the Collection Service Agreement apply to service under this Rate Schedule.

The Agent Billing and Collection Service includes collection risk, set-up and maintenance functions required to perform billing and collection of the Service Provider's Recurring Charges on EGNB's monthly invoice for Distribution Services.

The Agent Billing Service includes set-up and maintenance functions required to perform billing of the Service Provider's Recurring Charges on EGNB's monthly invoice for Distribution Services. While EGNB will perform some collection functions, EGNB does not take on the Service Provider's collection risk with this service.

The Line Item Billing Service includes set-up and maintenance functions required to perform billing of the Service Provider's Recurring Charge(s) on EGNB's monthly invoice for Distribution Services. While EGNB will perform some collection functions, EGNB does not take on the Service Provider's collection risk with this service.

Effective Date:

To apply to Billing and Collection Services rendered on and after October 1, 2012.

RATE RIDER A

REVENUE ADJUSTMENT RATE RIDER

The following adjustment shall be applicable to all bills issued on and after the Effective Date indicated below.

<u>Rate Class</u>	Unit Rate Reduction <u>(\$/GJ)</u>	<u>Effective Date</u>
Small General Service		