



**EB-2007-0893**

**IN THE MATTER OF** the Ontario Energy Board Act 1998,  
S.O. 1998, c.15, (Schedule B);

**AND IN THE MATTER OF** an application by Enbridge Gas  
Distribution Inc. for an order or orders approving the final  
balances and clearance of certain Demand Side  
Management variance accounts into rates, as at April 1,  
2008.

BEFORE: Paul Vlahos  
Presiding Member

Cynthia Chaplin  
Member

### **DECISION AND ORDER**

Enbridge Gas Distribution Inc. ("EGD") filed an application with the Ontario Energy Board, (the "Board") dated December 7, 2007, under section 36 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, (Schedule B), requesting approval of and clearance of the final balances in six variance accounts, all associated with Demand Side Management ("DSM"). In its application, EGD sought disposition of the balances and inclusion into rates as at April 1, 2008. The Board assigned File No. EB-2007-0893 to this application.

EGD's application was accompanied by evidence and a Settlement Proposal (attached as Appendix A) between EGD and the following seven parties: Consumers Council of Canada, Energy Probe, Green Energy Coalition, Industrial Gas Users Association, Pollution Probe, School Energy Coalition, and the Vulnerable Energy Consumers Coalition.

The variance accounts and the balances agreed to by the parties for disposition are shown in the table below.

2005 Lost Revenue Adjustment Mechanism Variance Account (2005 LRAM)	(\$832,271)
2005 Demand Side Management Variance Account (2005 DSMVA)	\$697,550
2005 Shard Savings Mechanism Variance Account (2005 SSM)	\$Nil
2006 Lost Revenue Adjustment Mechanism Variance Account (2006 LRAM)	(\$339,524)
2006 Demand Side Management Variance Account (2006 DSMVA)	\$374,734
2006 Shard Savings Mechanism Variance Account (2006 SSM) (*Comprised of \$10,929,075 for Resource Acquisition programs, plus \$300,00 for Market Transformation)	\$11,229,075
<b>TOTAL</b>	<b>\$11,129,564</b>

The evidence filed included a discussion of the DSM framework, a summary of facts and events, and the following reports:

- 2005 Monitoring and Evaluation Report prepared by EGD and Seeline Group Inc.
- 2005 Independent Audit prepared by RLW Analytics
- 2005 TRC, SSM & LRAM Verification Audit prepared by Kai Millyard Associates
- 2006 Monitoring and Evaluation Report prepared by EGD
- 2006 Independent Audit prepared by RLW Analytics
- 2006 TRC, SSM & LRAM Verification Audit prepared by Kai Millyard Associates

On February 14, 2008, the Board directed EGD to serve the Board-approved Notice of Application on all intervenors in the generic gas DSM proceeding EB-2006-0021 and on all intervenors in EGD's recent rates cases. The Board did not receive any intervention requests from parties that were not included in the above list.

By letter dated February 13, 2008, EGD proposed that, instead of April 1, 2008, the clearance of the balances into rates should take place July 1, 2008, which is the same date for rate adjustments ordered by the Board in the 2008 rates proceeding (EB-2007-0615). The Board responded to this letter with an adjusted Letter of Direction and Notice of Application on February 14, 2008, which included the new dates for clearance of the balances into rates as at July 1, 2008.

### **Board Findings**

On the basis of the record adduced, the Board accepts the amounts for disposition agreed to by the parties as reasonable. Also, the Board finds that July 1, 2008 is a reasonable date to include the amounts into rates as this date coincides with the other rate adjustments ordered by the Board in rate proceeding EB-2007-0615.

### **THE BOARD ORDERS THAT:**

Enbridge Gas Distribution Inc. is granted approval to clear the amounts in its 2005 and 2006 Demand Side Management Variance Accounts, as agreed to by the parties in the Settlement Proposal dated December 7, 2007.

The clearance of the balances shall be as of July 1, 2008.

**DATED** at Toronto May 15, 2008

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary