



EB-2008-0271

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 July 1,
2009.

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 August 18, 2008, under section 36 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, (Schedule B), requesting approval and clearance of the final balances in three variance accounts, all associated with Demand Side Management (“DSM”). In its application, EGD sought disposition of the balances and inclusion into rates as at July 1, 2009. The Board assigned File No. EB-2008-0271 to this application.

On September 16, 2008, the Board directed EGD to serve the Notice of Application on all intervenors in the Natural Gas DSM Generic Issues proceeding (EB-2006-0021) and on all intervenors in EGD’s 2007 rates case (EB-2008-0034). Several parties requested and were subsequently granted intervenor status: the Industrial Gas Users Association (“IGUA”), Pollution Probe (“PP”), the School Energy Coalition (“SEC”), the Green Energy Coalition (“GEC”) and the Canadian Manufacturers & Exporters (“CME”). Each party was found eligible for an award of costs.

GEC, CME and IGUA filed submissions which supported disposition of the variance accounts put forth by EGD in its application.

The variance accounts and the balances sought for disposition are shown in the table below.

2007 Lost Revenue Adjustment Mechanism Variance Account (2007 LRAM)	(\$301,289)
2007 Demand Side Management Variance Account (2007 DSMVA)	(\$616,134)
2007 Shared Savings Mechanism Variance Account (2007 SSMVA) (Comprised of \$8,069,895 for Resource Acquisition programs, and \$178,151 for Market Transformation)	\$8,248,046
TOTAL	\$7,330,623

Board Findings

While no party objected to the approval and clearance of the requested amounts, certain parties raised other issues with regard to the determination of the 2008 SSM target, including “spillover” and the role of the Evaluation and Audit Committee. These other issues are outside the scope of this proceeding: they were not part of the Notice; they were not part of the original application; and there is limited evidence on the record. The Board will be addressing these issues through upcoming DSM proceedings.

Based on the evidence, the Board finds that the amounts for disposition and the proposed allocation methodology are reasonable. Also, the Board finds that July 1, 2009 is a reasonable date to include the amounts into rates as this date coincides with other rate adjustments ordered by the Board.

Intervenors eligible for an award of costs shall file their cost submissions in accordance with the *Practice Direction on Cost Awards* with the Board Secretary and with EGD within 14 days of the date of this Decision and Order. EGD may make submissions regarding the cost claims within 21 days of this Decision and Order and the intervenors may reply within 28 days of this Decision and Order. A decision and order on cost awards and the Board’s own costs will be issued in due course.

THE BOARD ORDERS THAT:

Enbridge Gas Distribution Inc. is granted approval to clear the amounts in its 2007 Demand Side Management Variance Accounts, in the amounts listed below:

2007 Lost Revenue Adjustment Mechanism Variance Account (2007 LRAM)	(\$301,289)
2007 Demand Side Management Variance Account (2007 DSMVA)	(\$616,134)
2007 Shared Savings Mechanism Variance Account (2007 SSMVA) (Comprised of \$8,069,895 for Resource Acquisition programs, and \$178,151 for Market Transformation)	\$8,248,046
TOTAL	\$7,330,623

The clearance of the balances shall be as of July 1, 2009.

DATED at Toronto January 9, 2009.

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary