



**EB-2014-0276**

**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 or fixing rates for the sale, distribution, transmission and storage of gas commencing January 1, 2015.

**BEFORE:** Emad Elsayed  
Presiding Member

Christine Long  
Member

**ACCOUNTING ORDER**  
**May 14, 2015**

Enbridge Gas Distribution Inc. (Enbridge) filed an application dated November 28, 2014 with the Ontario Energy Board (the OEB) under section 36 of the *Ontario Energy Board Act 1998* for an order or orders approving rates commencing January 1, 2015.

Enbridge filed a Draft Accounting Order on April 28, 2015 requesting that the OEB approve and issue an Accounting Order by May 28, 2015. The Draft Accounting Order is comprised of written descriptions of each of the deferral and variance accounts that would be effective during 2015.

OEB staff in its submission dated May 7, 2015 indicated that it had no concerns with the Draft Accounting Order. No other party filed a comment on the Draft Accounting Order.

The OEB has reviewed the materials and finds that an accounting order to give effect to the Enbridge 2015 deferral and variance accounts is appropriate.

**THE OEB THEREFORE ORDERS THAT:**

1. The accounting treatment for Enbridge's deferral and variance accounts, including the applicable interest rate, shall be in accordance with the descriptions contained in the attached Appendix A.

**DATED** at Toronto, May 14, 2015

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary

**APPENDIX A**

**2015 DEFERRAL AND VARIANCE ACCOUNTS**

**OEB FILE NO. EB-2014-0276**

**MAY 14, 2015**

ACCOUNTING TREATMENT FOR A  
PURCHASED GAS VARIANCE ACCOUNT  
("2015 PGVA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 PGVA is to record the effect of price variances between actual 2015 gas purchase prices and the forecast prices that underpin the revenue rates to be charged in 2015. Without this deferral account, the ratepayers and the Company are exposed to the risk of purchased gas price variances, which could unduly penalize or benefit one party at the benefit or expense of the other. Lower than forecast gas purchase prices would result in an over recovery from the customers and higher prices would result in an under recovery to the Company. This deferral account ensures that such effects are eliminated.

Methodology

The actual unit cost is determined by dividing the total commodity and transportation costs (less the demand charges related to unutilized TransCanada firm service transportation capacity, if any) plus any other costs associated with emerging gas pricing mechanisms incurred in the month by the actual volumes purchased in the month. The rate differential between the PGVA reference price and the actual unit cost of the purchases, multiplied by the actual volumes purchased, is recorded in the PGVA monthly.

The fixed cost component of the TransCanada firm service transportation costs (i.e., Transportation Demand Charge) is included in the determination of the reference price. However, any demand charges relating to unutilized transportation capacity, either forecast or actual, are excluded. This treatment of forecast and actual Transportation Demand Charges for unutilized transportation capacity is consistent with the Board's concerns that these amounts be excluded from the PGVA.

Since all transportation costs on volumes purchased by the Company related to forecast utilized capacity are included in the determination of the PGVA reference price, any changes in the TransCanada tolls will be recorded in the PGVA. Any toll changes related to the cost of forecast unutilized capacity will not be recorded in the PGVA and therefore, requires separate adjustment. The inclusion of changes in TransCanada tolls in the PGVA is consistent with past practice.

Since the transportation tolls for the Alliance and Vector pipelines that were used in the determination of the PGVA reference price were based upon an estimate, any variation between the actual transportation costs (including associated fuel costs) and the estimated transportation costs will be recorded in the PGVA.

Since transportation costs related to the transport of Western Canada Bundled T-service volumes are not included in the derivation of the PGVA reference price, changes in TransCanada tolls will be recorded in the PGVA as a separate adjustment.

For the period January 1, 2015 to December 31, 2015 expenditures related to TransCanada's Storage Transportation Services, including balancing fees related to TransCanada's Limited Balancing Agreement, will be recorded in the 2015 PGVA. The 2015 PGVA will also record amounts related to a Limited Balancing Agreement with Union Gas.

The PGVA will record adjustments related to transactional services activities which are designed to record the impact of direct and avoided costs between the PGVA and the TSDA. These adjustments are required to ensure appropriate allocation of costs and benefits to the underlying transactions and appropriate recording of amounts in the 2015 PGVA and 2015 TSDA for purposes of deferral account dispositions.

In addition, the 2015 PGVA will record the amounts related to unforecast penalty revenues received from interruptible customers who do not comply with the Company's curtailment requirements, unauthorized overrun gas revenues, the use of electronic bulletin boards, and the unforecast Unabsorbed Demand Charge ("UDC") that arises as a consequence of the Company voluntarily leaving transportation capacity unutilized in order to gain a net benefit for the customer by purchasing lower priced unforecast discretionary delivered supplies.

The 2015 PGVA will also record an inventory valuation adjustment every time a recalculated "Utility Price" or PGVA Reference Price comes into effect at the beginning of a quarter. The adjustment consists of the storage inventory valuation adjustment necessary to price actual opening inventory volumes at a rate equal to the Board approved quarterly PGVA reference price.

The 2015 PGVA will also record any refund/collection associated with Board approved Gas Cost Adjustment Riders.

The Company will record, at the time a Banked Gas Account Balance is purchased from a customer, the difference in the amount payable to the customer and the amount included in the PGVA (Transportation Service Rider A). This amount would be credited to a sub-account of the PGVA. In the event the Company incurs unforecast UDC costs as a result of having to purchase Banked Gas Account Balances then the amount in such sub-account will be used to offset corresponding UDC costs. All amounts remaining in this sub-account, after offsetting these UDC costs, will be rolled up into the PGVA.

The commodity sale price on the disposition of Banked Gas Account Balances, the incentive sale price, is set at 120% of an average Empress price over the 12 months of the contractual year. Any amount in excess of 100% of the gas supply charge stated in the applicable rate schedule, net of the commodity related bad debt, will be included in the PGVA.

Simple interest is to be calculated on the opening monthly balance of the 2015 PGVA using the Board Approved EB-2006-0117 interest rate methodology. The balance of the 2015 PGVA, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the monthly gas purchase variance:

Debit:	2015 PGVA	(Account 179.705)
Credit:	Gas in Storage	(Account 152.000)
	or	
Debit:	Gas in Storage	(Account 152.000)
Credit:	2015 PGVA	(Account 179.705)

To record the total rate variance on the current month's gas purchases.

2. TransCanada Toll changes related to forecast unutilized transportation capacity:

Debit:	2015 PGVA	(Account 179.705)
Credit:	Accounts Payable	(Account 259.000)
	or	
Debit:	Gas in Storage	(Account 152.000)
Credit:	2015 PGVA	(Account 179.705)

To record the amounts related to TransCanada toll changes on forecast unutilized transportation capacity.

3. TransCanada Toll changes related to Western Canada Bundled T-Service transportation capacity:

Debit:	2015 PGVA	(Account 179.705)
Credit:	Accounts Payable	(Account 259.000)
	or	
Debit:	Gas in Storage	(Account 152.000)
Credit:	2015 PGVA	(Account 179.705)

To record the amounts related to TransCanada toll changes on Western Canada Bundled T-Service transportation capacity.

4. Transactional services activities:

Debit/Credit:	2015 TSDA	(Account 179.805)
Debit/Credit:	Various accounts	(Account ____.)
Credit/Debit:	2015 PGVA	(Account 179.705)

To record adjustments for direct and avoided costs related to Transactional Services activities between the 2015 PGVA and 2015 TSDA, and other accounts such as Gas Costs, Gas Stored Underground and Storage Demand Charges.

5. Electronic bulletin boards:

Debit:	2015 PGVA	(Account 179.705)
Credit:	Accounts Payable	(Account 259.000)

To record the amounts related to the Company's use of electronic bulletin boards.

6. Unforecast penalty revenues:

Debit:	Accounts Receivable	(Account 140.010)
Credit:	2015 PGVA	(Account 179.705)

To record unforecast penalty revenues received from interruptible customers who do not comply with the Company's curtailment requirements.

7. Voluntary UDC:

Debit:	2015 PGVA	(Account 179.705)
Credit:	Accounts Payable	(Account 259.000)

To record voluntary UDC as a result of purchasing lower priced unforecast discretionary delivered supplies.

8. Inventory valuation adjustment:

Credit/Debit:	Gas In Storage	(Account 152.000)
Debit/Credit:	2015 PGVA	(Account 179.705)

To record the adjustment necessary to value actual inventory volumes at a rate equal to the 2015 PGVA reference price.

9. Refund or collection of the Gas Cost Adjustment Rider:

Debit/Credit:	2015 PGVA	(Account 179.705)
Credit/Debit:	Accounts Receivable	(Account 140.010)

To record the amounts refunded or collected from customers through the Gas Cost Adjustment Rider.

10. Purchase of banked gas account balance:

Debit:	Gas In Storage	(Account 152.000)
Credit:	2015 PGVA	(Account 179.705)

To record the purchase of the Banked Gas Account Balance less the Transportation Service Rider A.

11. Unforecast UDC:

Debit:	2015 PGVA	(Account 179.705)
Credit:	Accounts Payable	(Account 259.000)

To record unforecast UDC costs resulting from the purchase of Banked Gas Account Balances from T-Service customers.

12. Sales in excess of 100% of the applicable gas supply charge:

Debit:	Other Income	(Account 319.010)
Credit:	2015 PGVA	(Account 179.705)

To record the amount of sales in excess of 100% of the gas supply charge stated in the applicable rate schedule, net of the commodity related bad debt amount.

13. Interest accrual:

Debit:	2015 PGVA - Interest Receivable	(Account 179.715)
Credit:	Interest Expense	(Account 323.000)
	or	
Debit:	Interest Expense	(Account 323.000)
Credit:	2015 PGVA - Interest Payable	(Account 179.715)

To record simple interest on the opening monthly balance of the 2015 PGVA using the Board Approved EB-2006-0117 interest rate methodology.



ACCOUNTING TREATMENT FOR A  
TRANSACTIONAL SERVICES DEFERRAL ACCOUNT  
("2015 TSDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 TSDA is to record the incremental ratepayer share of net revenue from transportation and storage related transactional services, to be shared 90/10 between EGD's ratepayers and shareholders.

In the event that the ratepayer share of 2015 TS net revenues exceeds \$12 million, then such amounts over \$12 million will be credited to the TSDA. In the event that the ratepayer share of 2015 TS net revenues is less than \$12 million, then Enbridge will be credited with the difference between the actual ratepayer share of 2015 TS net revenues and \$12 million, which would be reflected as a debit in the TSDA.

Net revenue is defined as gross revenues for providing these services less any direct incremental costs incurred, plus, any avoided costs. Direct incremental costs represent those direct costs incurred as a result of a transactional service activity and avoided costs are those costs that have been avoided as a result of a transactional service activity. Typical direct incremental costs and avoided costs would include transportation costs, fuel costs, charges for name changes, re-direct charges, etc.

Simple interest is to be calculated on the opening monthly balance of the 2015 TSDA using the Board Approved EB-2006-0117 interest rate methodology. The balance of the 2015 TSDA, together with carrying charges, will be disposed of in a manner designed by the Board in a future rate hearing.

Accounting Entries

1. To record incremental Transactional Services revenues and costs:

Debit:	Other Income	(Account 319.010)
Credit:	Operating Revenue	(Account 300.000)
Debit/Credit:	2015 TSDA	(Account 179.805)

To record either the incremental ratepayer portion of net revenues generated from transactional services activities in excess of the \$12 million included in rates or the recognition of amounts recoverable by EGD where net TS revenue is less than \$12 million.

2. Allocation of costs and benefits to Transactional Services activities:

Debit/Credit:	2015 TSDA	(Account 179.805)
Debit/Credit:	Various accounts	(Account _____.____)
Credit/Debit:	2015 PGVA	(Account 179.705)

To record adjustments for direct and avoided costs related to transactional services activities between the 2015 PGVA and 2015 TSDA, and other accounts such as Gas Costs, Gas Stored Underground and Storage Demand Charges.

3. Interest accrual:

Debit/Credit:	Interest Expense	(Account 323.000)
Credit/Debit:	2015 TSDA - Interest Payable	(Account 179.815)

To record simple interest on the opening monthly balance of the 2015 TSDA using the Board Approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR AN  
UNACCOUNTED FOR GAS VARIANCE ACCOUNT  
("2015 UAFVA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 UAFVA is to record the cost of gas that is associated with volumetric variances between the actual volume of unaccounted for gas ("UAF") and the 2015 Board approved UAF volumetric forecast.

The gas costs associated with the UAF variance account will be calculated at the end of calendar 2015 based on the estimated volumetric variance between the 2015 Board approved level and the estimate of the 2015 actual UAF. An adjustment will be made to the UAFVA in the subsequent year to record any differences between the estimated UAF and actual UAF.

The UAF annual variance will be allocated on a monthly basis in proportion to actual sales and costed at the monthly PGVA reference price.

Where there are recoveries of gas loss amounts invoiced as part of 3<sup>rd</sup> party damages, the gas loss amounts will be removed from the UAFVA balance.

Carrying costs for the UAFVA will be calculated using the Board Approved EB-2006-0117 interest rate methodology. The balance of the UAFVA, together with the carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the estimated volumetric variance between the December 31, 2015 actual UAF and the Board Approved level:

Debit/Credit:	2015 UAFVA	(Account 179.865)
Credit/Debit:	Gas Costs	(Account 623.010)

To record the costs associated with the volumetric variance related to unaccounted for gas.

2. To record the recovery of gas loss amounts:

Debit:	Accounts Receivable	(Account 142.010)
Credit:	2015 UAFVA	(Account 179.865)

To record the recovery of gas loss amounts invoiced as part of 3<sup>rd</sup> party damages.

3. Interest accrual:

Debit/Credit:	Interest on 2015 UAFVA	(Account 179.875)
Credit/Debit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 UAFVA using the Board Approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
STORAGE AND TRANSPORTATION DEFERRAL ACCOUNT  
("2015 S&TDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 S&TDA is to record the difference between the forecast of Storage and Transportation rates (both cost of service and market based pricing) included in the Company's approved rates and the final Storage and Transportation rates (both cost of service and market based pricing) incurred by the company. It will also be used to record variances between the forecast Storage and Transportation rebate programs and the final rebates received by the company. The accounting treatment for the S&TDA is in line with that established for the 2008 S&TDA, which recognized that storage and transportation services may be provided to the Company by suppliers other than Union Gas and at market based rates.

The 2015 S&TDA will also record the variance between the forecast Storage and Transportation demand levels and the actual Storage and Transportation demand levels. In addition, this account will be used to record amounts related to deferral account dispositions received or invoiced from Storage and Transportation suppliers.

The 2015 S&TDA will also record the variance between the forecasted commodity cost for fuel and the updated QRAM Reference Price.

Simple interest is to be calculated on the opening monthly balance of the 2015 S&TDA using the Board Approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. Storage and Transportation rate variance:

$$[(\text{Final Storage and Transportation rates}) - (\text{Storage and Transportation rates underpinning the Company's 2015 rates})] \times \text{Actual storage and/or transportation volumes}$$

Debit/Credit:	2015 S&TDA	(Account 179.885)
Credit/Debit:	Gas in Storage	(Account 152.000)
	or	
Credit/Debit:	Gas Costs	(Account 623.010)

To record the difference between the Storage and Transportation rates included in the Company's 2015 rates and the final Storage and Transportation rates.

2. To record variances in the Storage and Transportation rebate programs:

Debit:	Sundry Accounts Receivable	(Account 141.030)
Credit:	2015 S&TDA	(Account 179.885)
	or	
Debit:	2015 S&TDA	(Account 179.885)
Credit:	Accounts Payable	(Account 259.000)

To record the difference between the Storage and Transportation rebate programs included in the Company's 2015 rates and the final rebates received by the Company.

3. To record Storage and Transportation deferral account dispositions:

Debit:	Sundry Accounts Receivable	(Account 141.030)
Credit:	2015 S&TDA	(Account 179.885)
	or	
Debit:	2015 S&TDA	(Account 179.885)
Credit:	Accounts Payable	(Account 259.000)

To record amounts related to deferral account dispositions received or invoiced from Storage and Transportation.

4. Inventory valuation adjustment:

Debit/Credit:	2015 S&TDA	(Account 179.885)
Credit/Debit:	Gas In Storage	(Account 152.000)

To record adjustments to storage and transmission fuel costs associated with quarterly price changes.

5. Interest accrual:

Debit/Credit:	Interest on 2015 S&TDA	(Account 179.895)
Credit/Debit:	Interest Expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 S&TDA using the Board Approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR AN  
UNABSORBED DEMAND COST DEFERRAL ACCOUNT  
("2015 UDCDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 UDCDA is to record the actual cost consequences of unutilized transportation capacity contracted by the Company to meet its Peak Day requirements in 2015. A consequence of contracting for incremental long haul capacity is the possibility of unabsorbed demand charges. The Company estimates that the cost consequences of unutilized transportation capacity will be approximately \$166.4 million in the 2015 UDCDA. That is the maximum amount that may be recorded within the 2015 UDCDA.

To address concerns with the amount of potential UDC that could be borne by ratepayers, Enbridge will apply the principles and basis of the 2015 UDC Management Plan that was approved in the EB-2014-0276 Supplemental Settlement Agreement. The UDC Management Plan was developed as a means to mitigate potential UDC. Any revenues associated with that mitigation will be recorded in the UDCDA, and offset the cost of UDC.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record unabsorbed demand charges:

Debit:	2015 UDCDA	(Account 179.765)
Credit:	Accounts Payable	(Account 251.010)

To record the unabsorbed demand charges incurred as a result of not being able to utilize 100% of incremental long haul TCPL FT capacity contracted to meet 2015 peak day requirements.

2. To record revenue from mitigation of Unutilized Transportation costs:

Debit:	Accounts receivable	(Account 142.010)
Credit:	2015 UDCDA	(Account 179.765)

To record the revenue received through the mitigation of unutilized transportation costs.

3. Interest accrual:

Debit:	Interest on 2015 UDCDA	(Account 179.775)
Credit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 UDCDA using the Board approved EB-2006-0117 interest rate methodology.



ACCOUNTING TREATMENT FOR A  
GREENHOUSE GAS EMISSIONS IMPACT DEFERRAL ACCOUNT  
("2015 GGEIDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 GGEIDA is to record any impacts to EGD resulting from federal and or provincial regulations related to greenhouse gas emission requirements, along with the impacts resulting from the sale of, or other dealings in earned carbon dioxide offset credits.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the impact of any greenhouse gas emission requirements, and or from the sale or other dealings in earned carbon dioxide offset credits:

Debit/Credit:	Various accounts	(Account ____.)
Credit/Debit:	2015 GGEIDA	(Account 179.325)

Costs/proceeds arising from greenhouse gas emission requirements, or carbon dioxide offset credits dealings.

2. Interest accrual:

Debit/Credit:	Interest expense	(Account 323.000)
Credit/Debit:	Interest on 2015 GGEIDA	(Account 179.335)

To record simple interest on the opening monthly balance of the 2015 GGEIDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
CUSTOMER CARE CIS RATE SMOOTHING DEFERRAL ACCOUNT  
("2015 CCCISRSDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 CCCISRSDA is to capture the difference between the forecast customer care and CIS costs versus the amount to be collected in revenues as approved by the Board in the EB-2011-0226 CIS Customer Care Settlement Agreement and proceeding. The amount to be debited or credited to the deferral account, for each of 2013 through 2018 years, will be calculated by multiplying the difference in cost per customer and smoothed cost per customer by the updated customer forecast for that year. The balances in the account will not be cleared during the 2013 through 2018 period. The cumulative balance will build up during the years 2013 to 2015 when the cost per customer exceeds the smoothed cost per customer being collected in rates, and then will be drawn down during the years 2016 to 2018 when the cost per customer is lower than the smoothed cost per customer being collected in rates. After 2018, any remaining balance in the account it is to be cleared along with the clearance of other deferral and variance accounts.

Interest is to be calculated on the opening monthly balance of this account at a fixed annual rate of 1.47%, and will not change during the period the deferral account is allowed to continue through 2018. The interest carrying charges will be disposed of annually at the same time of clearance of all other deferral and variance accounts.

Accounting Entries

1. To record the approved 2015 treatment of revenue and costs associated with customer care and CIS costs:

Debit:	2015 CCCISRSDA	(Account 179.165)
Credit:	Various accounts	(Account ____.)

To record the variance between customer care and CIS costs versus the amount to be collected in revenues as approved by the Board in the EB-2011-0226 for CCCISRSDA.

2. Interest accrual:

Debit:	Interest on 2015 CCCISRSDA	(Account 179.175)
Credit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 CCCISRSDA using a fixed annual rate of 1.47%, as approved by the Board in the EB-2011-0226.

ACCOUNTING TREATMENT FOR A  
DEFERRED REBATE ACCOUNT  
("2015 DRA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 DRA is to record any amounts payable to, or receivable from, customers of Enbridge Gas Distribution as a result of the clearing of deferral and variance accounts authorized by the Board which remain outstanding due to the Company's inability to locate such customers.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. Disposition of deferral and variance accounts:

Debit/Credit:	D/VA's approved for clearance	(Account 179.____)
Debit/Credit:	Interest on D/VA's – various	(Account 179.____)
Credit/Debit:	2015 DRA	(Account 179.005)

2. Refund or collection:

Debit/Credit:	2015 DRA	(Account 179.005)
Credit/Debit:	Accounts Receivable	(Account 140.010)

To record the actual amounts refunded to / recovered from customers.

3. Interest accrual:

Debit/Credit:	Interest expense	(Account 323.000)
Credit/Debit:	Interest on the 2015 DRA	(Account 179.015)

To record simple interest on the opening monthly balance of the 2015 DRA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
GAS DISTRIBUTION ACCESS RULE IMPACT DEFERRAL ACCOUNT  
("2015 GDARIDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2014)

The purpose of the 2015 GDARIDA is to record all incremental unbudgeted capital and operating impacts associated with the development, implementation, and operation of the Gas Distribution Access Rule and any ongoing amendments to the rule. Such costs would include, but not be limited to, market restructuring oriented customer education and communication programs, legal or expert advice required, operating cost or revenue changes in relation to the establishment of contractual agreements, and developing revised business processes and related computer hardware and software required to meet the requirements of the GDAR.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record costs related to Gas Distribution Access Rule requirements:

Debit:	2015 GDARIDA	(Account 179.205)
Credit:	Accounts payable	(Account 251.010)

To record the unbudgeted costs associated with GDAR development, implementation, and operation.

2. Interest accrual:

Debit:	Interest on 2015 GDARIDA	(Account 179.215)
Credit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 GDARIDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
MANUFACTURED GAS PLANT DEFERRAL ACCOUNT  
("2015 MGPDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 MGPDA is to capture all costs incurred in managing and resolving issues related to the Company's manufactured gas plant ("MGP") legacy operations. Amounts recorded in the 2014 MGPDA will also be transferred to the 2015 MGPDA. Costs charged to the account could include, but are not limited to:

- Responding to all enquiries, demands and court actions relating to former MGP sites;
- All oral and written communications with existing and former third party liability and property insurers of the Company;
- Conducting all necessary historical research and reviews to facilitate the Company's responses to all enquiries, demands, court actions and communications with claimants, third parties and insurers;
- Engaging appropriate experts (for example, environmental, insurance archivists, engineers, etc.) for the purposes of evaluating any alleged contamination that may have resulted from former MGP operations and providing advice regarding the appropriate steps to remediate/contain/monitor such contamination, if any;
- Engaging legal counsel to respond to all demands and court actions by claimants, and to take appropriate steps in relation to the Company's existing and former third party liability and property insurers; and
- Undertaking appropriate research into the regulatory treatment of costs resulting from former MGP operations in the United States.

The MGPDA would also be used to record any amounts which are payable to any claimant following settlement or trial, including any damages, interest, costs and disbursements and any recoveries from insurers or third parties.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record costs:

Debit:	2015 MGPDA	(Account 179.305)
Credit:	Accounts Payable	(Account 251.010)
Credit:	2014 MGPDA	(Account 179.304)

To record the unbudgeted costs incurred in managing and resolving manufactured gas plants legal proceedings and litigation and to roll forward any un-cleared 2014 MGPDA amounts.

2. Interest accrual:

Debit:	Interest on 2015 MGPDA	(Account 179.315)
Credit:	Interest expense	(Account 323.000)
Credit:	Interest on 2014 MGPDA	(Account 179.314)

To record simple interest on the opening monthly balance of the 2015 MGPDA using the Board approved EB-2006-0117 interest rate methodology and to roll forward any un-cleared interest amounts on the 2014 MGPDA.

ACCOUNTING TREATMENT FOR A  
CUSTOMER CARE SERVICES PROCUREMENT DEFERRAL ACCOUNT  
("2015 CCSPDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 CCSPDA is to capture the costs associated with the benchmarking, tendering and potential transition of customer care services to a new service provider(s). The majority of EGD's 2013 through 2018 customer care costs were established and approved for recovery in the EB-2011-0226 proceeding, including services provided by two major outsourced customer care agreements which expire on December 31, 2017, subject to extension rights available to the Company. However, the costs related to the process of benchmarking and tendering for services provided by these agreements, to confirm the validity of pricing and quality for such services, and where appropriate identify new service provider(s), were not included, nor were any potential transition costs to new providers. The Ontario Energy Board's EB-2012-0459 Decision approves the continuation of this account through 2016, but limits the total amount recordable in the account to \$5 million.

Simple interest is to be calculated on the opening monthly balance of the 2015 CCSPDA using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the customer care services procurement costs:

Debit:	2015 CCSPDA	(Account 179.185)
Credit:	Accounts payable	(Account 251.010)

To record benchmarking, tendering and transition costs in relation to customer care service providers.

2. Interest accrual:

Debit:	Interest on 2015 CCSPDA	(Account 179.195)
Credit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 CCSPDA using the Board approved EB-2006-0117 interest rate methodology.



ACCOUNTING TREATMENT FOR AN  
AVERAGE USE TRUE-UP VARIANCE ACCOUNT  
("2015 AUTUVA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 AUTUVA is to record ("true-up") the revenue impact, exclusive of gas costs, of the difference between the forecast of average use per customer, for general service rate classes (Rate 1 and Rate 6), embedded in the volume forecast that underpins Rates 1 and 6 and the actual weather normalized average use experienced during the year. The calculation of the volume variance between forecast average use and actual normalized average use will exclude the volumetric impact of Demand Side Management programs in that year. The revenue impact will be calculated using a unit rate determined in the same manner as for the derivation of the Lost Revenue Adjustment Mechanism (LRAM), extended by the average use volume variance per customer and the number of customers.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record the revenue impact of forecast versus actual normalized average use:

Debit/Credit:	2015 AUTUVA	(Account 179.665)
Credit/Debit:	Operating revenue	(Account 300.000)

To record the revenue impact associated with the variance in forecast average use per customer versus actual normalized average use per customer.

2. Interest accrual:

Debit/Credit:	Interest on 2015 AUTUVA	(Account 179.675)
Credit/Debit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 AUTUVA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
POST-RETIREMENT TRUE-UP VARIANCE ACCOUNT  
("2015 PTUVA")

For the 2015 Fiscal Year  
January 1, 2015 to December 31, 2015)

The purpose of the Post-Retirement True-Up Variance Account (PTUVA) is to record the differences between the 2015 forecast pension and post-employment benefit expenses of \$37.3 million and the actual pension and post-employment benefit expenses (both determined on an accrual basis). The 2015 PTUVA will be cleared in a manner that will allow for all variances between \$37.3 million and actual pension and OPEBs expenses to be recorded and cleared, subject to the condition that any amounts in excess of \$5 million (credit or debit) will be transferred into a next year's account, so that large variances can be cleared over time (smoothed). Under this approach, the maximum amount (debit or credit) that will be cleared from the 2015 PTUVA will be \$5 million, and any remaining amounts will be transferred to the 2016 PTUVA for future clearance.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the pension and post-employment benefit true-up amounts:

Debit:	2015 PTUVA	(Account 179.245)
Credit:	Accounts payable	(Account 251.010)
	Or	
Debit:	Operating revenue	(Account 300.000)
Credit:	2015 PTUVA	(Account 179.245)

To record variances between actual pension and post-employment benefits, on an accrual basis, and amounts embedded in rates.

2. To transfer amounts from the 2014 PTUVA to the 2015 PTUVA:

Debit/Credit:	2015 PTUVA	(Account 179.245)
Credit/Debit:	2014 PTUVA	(Account 179.244)

To transfer any amount in excess of \$5 million (debit or credit) recorded in the 2014 PTUVA to the 2015 PTUVA.

3. Interest accrual:

Debit/Credit:	Interest on 2015 PTUVA	(Account 179.255)
Credit/Debit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 PTUVA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
TRANSITION IMPACT OF ACCOUNTING CHANGE DEFERRAL ACCOUNT  
("2015 TIACDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 Transition Impact Accounting Change Deferral Account (TIACDA) is to track and roll forward un-cleared amounts recorded in the 2014 TIACDA. In EB-2011-0354, the Board approved the recovery of Other Post Employment Benefit (OPEB) costs, forecast to be \$90 million at the end of 2012, over a 20 year period, commencing in 2013. The OPEB costs needed to be recognized as a result of Enbridge having to account for post-employment expenses on an accrual basis, upon transition to USGAAP for corporate reporting purposes in 2012. The use of USGAAP for regulatory purposes was approved within the 2013 rate proceeding, EB-2011-0354. The final estimate of OPEB costs to be recovered over 20 years, which was recorded in the TIACDA at the end of 2012, was \$88.7 million. The first and second installments of \$4.4 million each (1/20 of \$88.7 million), were approved for recovery in EB-2013-0046 and EB-2014-0195. The balance in the account will continue to be drawn down and cleared to ratepayers by \$4.4 million annually, with the un-cleared balance to be rolled forward to the subsequent year's TIACDA until clearance is complete.

Interest is not applicable to the balance of this account.

Accounting Entries

1. To track and record the accounting changes transition amounts as approved:

Debit:	2015 TIACDA	(Account 179.025)
Credit:	2014 TIACDA	(Account 179.024)

To roll forward un-cleared amounts recorded in the 2014 TIACDA.

ACCOUNTING TREATMENT FOR AN  
OPEN BILL REVENUE VARIANCE ACCOUNT  
("2015 OBRVA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 OBRVA is to track and record the ratepayer portion of net revenue for Open Bill Services. The account allows for net annual revenue amounts in excess of \$7.389 million to be shared 50/50 with ratepayers, and allows for a credit to Enbridge in the event that net annual revenues are less than \$4.889 million, equal to the shortfall between actual net revenues and \$4.889 million. The net revenue amounts will be determined in accordance with the EB-2009-0043 Board Approved Open Bill Access Settlement Proposal dated October 15, 2009, with updated Fees and Costs as determined in the EB-2013-0099 proceeding.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To track and record Open Bill services net revenue:

Debit:	Other income	(Account 319.010)
Credit:	2015 OBRVA	(Account 179.485)
	Or	
Debit:	2015 OBRVA	(Account 179.485)
Credit:	Operating revenue	(Account 300.000)

To record the variance in the ratepayer porting of net revenue associated with Open Bill Service programs in excess of \$7.389 million or below \$4.889 million.

2. Interest accrual:

Debit/Credit:	Interest on 2015 OBRVA	(Account 179.495)
Credit/Debit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 OBRVA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR AN  
EX-FRANCHISE THIRD PARTY BILLING SERVICES DEFERRAL ACCOUNT  
("2015 EFTPBSDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 EFTPBSDA is to record and track the ratepayer portion of revenues net of incremental costs generated from third party billing services provided to ex-franchise parties. The net revenue is to be shared on a 50/50 basis with ratepayers. The net revenue amounts will be determined in accordance with the EB-2009-0043 Board Approved Open Bill Access Settlement Proposal dated October 15, 2009, with updated Fees and Costs as determined in the EB-2013-0099 proceeding.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To track and record the ratepayer portion of net revenue:

Debit/Credit:	2015 EFTPBSDA	(Account 179.085)
Credit/Debit:	Various accounts	(Account __. __)

To record net revenue associated with Ex-Franchise third party Billing Services.

2. Interest accrual:

Debit/Credit:	Interest on 2015 EFTPBSDA	(Account 179.095)
Credit/Debit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 EFTPBSDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR AN  
EARNINGS SHARING MECHANISM DEFERRAL ACCOUNT  
("2015 ESMDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 ESMDA is to record the ratepayer share of utility earnings that result from the application of the earnings sharing mechanism. If the 2015 actual utility return on equity, calculated on a weather normalized basis, exceeds the Board's approved formula ROE, which was utilized in determining 2015 allowed revenues, the resultant amount will be shared equally (i.e., 50/50) between the Company's ratepayers and shareholders. The calculation of a utility return for earnings sharing determination purposes, will include all revenues that would otherwise be included in earnings and only those expenses (whether operating or capital) that would otherwise be allowable deductions from earnings as within a cost of service application. In addition, the following are examples of shareholder incentives and other amounts which are outside of the ambit of the earnings sharing mechanism: amounts related to Demand Side Management incentives ("DSMIDA") and Lost Revenue Adjustment Mechanism ("LRAM"), amounts related to Transactional Services incentives, amounts related to Open Bill program incentives, and amounts related to Electric Program Earnings Sharing incentives ("EPESDA").

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record the ratepayers' share of earnings as a result of the earning sharing mechanism:

Debit:	Operating revenue	(Account 300.000)
Credit:	2015 ESMDA	(Account 179.585)

To record the ratepayers' 50% share of utility earnings when the actual weather normalized ROE is greater than the Board approved formula ROE.

2. Interest accrual:

Debit:	Interest expense	(Account 323.000)
Credit:	Interest on 2015 ESMDA	(Account 179.595)

To record simple interest on the opening monthly balance of the 2015 ESMDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
CONSTANT DOLLAR NET SALVAGE ADJUSTMENT DEFERRAL ACCOUNT  
("2015 CDNSADA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 CDNSADA is to record and clear the 2015 credit to ratepayers that results from the adoption of the Constant Dollar Net Salvage (CDNS) approach for determining the net salvage percentages to be included within EGD's depreciation rates. As a result of the adoption of the CDNS approach, the Company has an estimated excess net salvage reserve when compared to the reserve which accumulated while the Company employed the Traditional Method for determining net salvage percentages. The net salvage reserve is recorded within a liability account which, for utility rate base determination purposes, is accounted for as an offset against specific property, plant and equipment asset category accumulated depreciation balances. Within EGD's EB-2012-0459 decision (2014 – 2018 Rate Application), the Board ordered the refund to ratepayers of \$379.8 million in net salvage reserve over the 2014 – 2018 period, through rate rider D. The annual refund amounts are: 2014 - \$96.8 million, 2015 - \$90.4 million, 2016 - \$83.9 million, 2017 - \$77.5 million, and 2018 - \$31.1 million.

On a monthly basis each year, the net salvage liability (or accumulated depreciation for utility rate base purposes) will be debited by the forecast monthly rider amount, with a corresponding credit recorded in the CDNSADA. Within the same month, the CDNSADA will be debited, with a corresponding credit to accounts receivable, for the actual amount refunded to customers through rate rider D.

In each year, the final balance in the account will be the cumulative variance between the amounts proposed for clearance and the actual amounts cleared. The balance will be transferred to the following year's CDNSADA, and at the end of 2018 any residual balance will be cleared in a post 2018 true up, ensuring the actual amount cleared is equivalent to the required \$379.8 million.

No interest is to be calculated on the balance in this account.

Accounting Entries

1. To record the forecast monthly net salvage refund:

Debit:	Other LT Liabilities (Accum. Dep.)	(Account 279.000)
Credit:	2015 CDNSADA	(Account 179.345)

To record the forecast monthly net salvage refund amount to be returned to ratepayers through rate rider D.



2. To record the actual monthly net salvage refund:

Debit:	2015 CDNSADA	(Account 179.345)
Credit:	Accounts Receivable	(Account 140.010)

To record the actual monthly net salvage refund amount returned to ratepayers through rate rider D.

3. To transfer the 2014 CDNSADA balance to the 2015 CDNSADA:

Debit/Credit:	2015 CDNSADA	(Account 179.345)
Credit/Debit:	2014 CDNSADA	(Account 179.344)

To transfer the closing 2014 CDNSADA balance to the 2015 CDNSADA.

ACCOUNTING TREATMENT FOR AN  
ELECTRIC PROGRAM EARNINGS SHARING DEFERRAL ACCOUNT  
("2015 EPESDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 EPESDA is to track and account for the ratepayer share of all net revenues generated by DSM services provided for electric CDM activities. The ratepayer share is 50% of net revenues, using fully allocated costs, as was determined in DSM guidelines proceeding EB-2008-0346.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record the ratepayer share of net revenues from electric DSM/CDM:

Debit:	Other income	(Account 319.010)
Credit:	Operating & Maintenance	(Various accounts)
Credit:	2015 EPESDA	(Account 179.605)

To record the ratepayer share of net revenues generated by providing DSM/CDM services.

2. Interest accrual:

Debit:	Interest expense	(Account 323.000)
Credit:	Interest on 2015 EPESDA	(Account 179.615)

To record simple interest on the opening monthly balance of the 2015 EPESDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
DEMAND SIDE MANAGEMENT VARIANCE ACCOUNT  
("2015 DSMVA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 DSMVA is to record the difference between the actual 2015 DSM spending and the budgeted \$35.0 million included within 2015 rates. Amounts determined to be over or under the budget included within rates will be incorporated into the DSMVA. In addition, any further variance in 2015 DSM spending and results beyond the forecast included within rates, which occurs as a result of the Board's decision in Enbridge's 2015-2020 DSM Plan proceeding, EB-2015-0049, or any other DSM related proceeding, will also be included within the DSMVA.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record variances in relation to appropriate DSM program costs only:

Debit/Credit:	2015 DSMVA	(Account 179.065)
Credit/Debit:	Operating & Maintenance	(Various accounts)

To record the difference between actual and approved Demand Side Management operating expenditures.

2. Interest accrual:

Debit/Credit:	Interest on 2015 DSMVA	(Account 179.075)
Credit/Debit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 DSMVA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
LOST REVENUE ADJUSTMENT MECHANISM  
("2015 LRAM")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 LRAM is to record the amount of distribution margin gained or lost when the Company's DSM programs are less or more successful than budgeted, for the period January 1, 2015 to December 31, 2015.

When the utility's DSM programs are less successful in the Test Year than budgeted, the utility gains distribution margin. Similarly, the utility loses distribution margin in the Test Year when its DSM programs are more successful than budgeted.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record LRAM amounts:

Debit/Credit:	Operating revenue	(Account 623.010)
Credit/Debit:	2015 LRAM	(Account 179.105)

To record in the LRAM, the distribution margin impact of differences between actual and budget gas savings forecast in the Company's DSM programs.

2. Interest accrual:

Debit/Credit:	Interest expense	(Account 323.000)
Credit/Debit:	Interest on 2015 LRAM	(Account 179.115)

To record simple interest on the opening monthly balance of the 2015 LRAM using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
DEMAND SIDE MANAGEMENT INCENTIVE DEFERRAL ACCOUNT  
("2015 DSMIDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 DSMIDA is to record the actual amount of the shareholder incentive earned by the Company as a result of its DSM programs. The criteria and formula used to determine the amount of any shareholder incentive, to be recorded in the DSMIDA, will be in accordance with the methodology established in the current DSM Framework and Guidelines proceeding, EB-2014-0134, and Enbridge's 2015-2020 DSM Plan proceeding, EB-2015-0049.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. Shareholder incentive earned by the Company related to DSM programs:

Debit:	2015 DSMIDA	(Account 179.265)
Credit:	Other income	(Account 319.010)

To record the shareholder incentive earned by the Company related to its DSM programs.

2. Interest accrual:

Debit:	Interest on 2015 DSMIDA	(Account 179.275)
Credit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 DSMIDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
DAWN ACCESS COSTS DEFERRAL ACCOUNT  
("2015 DACDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 DACDA is to record for recovery the revenue requirement impact of the incremental costs incurred to implement the Dawn Transportation Service ("DTS"), including the costs for required system changes. Recovery of amounts recorded in the DACDA will be from all bundled customers, regardless of whether they are system or direct purchase and regardless of the service to which they currently subscribe, because all have the option of taking DTS if they so choose.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. Dawn Access Costs Deferral Account:

Debit:	2015 DACDA	(Account 179.405)
Credit:	Operating revenue	(Account 300.000)

To record the revenue requirement impact of costs associated with the implementation of the DTS.

2. Interest accrual:

Debit:	Interest on 2015 DACDA	(Account 179.415)
Credit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 DACDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A  
CREDIT FINAL BILL DEFERRAL ACCOUNT  
("2015 CFBDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 CFBDA is to address a billing related issue which the Company has identified as resulting from the 2009 CIS implementation, specifically final bills with credit balances. The account will be used to track un-refunded customer final bill credit amounts, aged two years or more, while continuing efforts are made to return as much of the amounts as possible to the former account holders. Therefore, final bill credit balances aged two years or more will be credited to the account. As the affected customers will always be entitled and able to receive refunds, any future refund amounts paid relating to amounts already credited to the CFBDA will be debited to the account.

However, as per the terms of the EB-2014-0276 Settlement Agreement, the outstanding balance of un-refunded final bills with credit balances, aged two years or more, will be requested for clearance within the 2014 Earnings Sharing and Deferral Account Clearance Application. In addition, also as per the terms of the EB-2014-0276 Settlement Agreement, the account will also be credited by an amount of \$319,000 in relation to estimated interest savings that resulted from the Company holding refund balances. This interest amount will also be included as part of the amount requested for clearance within the 2014 Earnings Sharing and Deferral Account Clearance Application. Clearance is anticipated to occur in October 2015. Therefore, the balance in the account at the end of 2015 will be comprised of any additional un-refunded customer final bill credit amounts, aged two years or more, net of any refund amounts paid relating to amounts already credited to the CFBDA, incremental to those which were included in the amount cleared in 2015.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To transfer un-refunded customer final bill credit amounts:

Debit:	Accounts Receivable	(Account 140.010)
Credit:	2015 CFBDA	(Account 179.625)

To transfer un-refunded customer final bill credit amounts, aged two years or more, to the CFBDA.

2. To record estimated interest savings:

Debit:	Interest expense	(Account 323.000)
Credit:	2015 CFBDA	(Account 179.625)

To credit the CFBDA with estimated interest savings as per the EB-2014-0276 Settlement Agreement.

3. To recognize amounts refunded to affected customers:

Debit:	2015 CFBDA	(Account 179.625)
Credit:	Accounts Receivable	(Account 140.010)

To recognize refunds made to affected customers which have already been credited to the CFBDA.

4. Interest accrual:

Debit/Credit:	Interest expense	(Account 323.000)
Credit/Debit:	Interest on 2015 CFBDA	(Account 179.635)

To record simple interest on the opening monthly balance of the 2015 CFBDA using the Board approved EB-2006-0117 interest rate methodology.



ACCOUNTING TREATMENT FOR A  
GREATER TORONTO AREA INCREMENTAL TRANSMISSION CAPITAL REVENUE  
REQUIREMENT DEFERRAL ACCOUNT  
("2015 GTAITCRRDA")

For the 2015 Fiscal Year  
(January 1, 2015 to December 31, 2015)

The purpose of the 2015 GTAITCRRDA is to record the revenue requirement related to an incremental \$55 million of forecast capital costs which resulted from the upsizing of Segment A of the GTA project to an NPS 42 pipeline from an NPS 36 pipeline. The account will only be required in the event that at the time Segment A is put into service there are no transportation customers, or there is no ability for transportation customers to utilize Segment A. The revenue requirement will represent revenue to be collected from transportation service customers once they are able to take service under Rate 332. The rationale for calculating the revenue requirement associated with the incremental \$55 million is to determine the annual impact of the incremental costs to be paid by transportation customers as a result of upsizing the pipeline for transportation purposes.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record the revenue requirement related to incremental capital costs:

Debit:	2015 GTAITCRRDA	(Account 179.145)
Credit:	Transportation revenue	(Account 570.000)

To record the revenue requirement impact of \$55 million of incremental capital associated with the transmission customer use of the GTA Segment A pipeline.

2. Interest accrual:

Debit:	Interest on 2015 GTAITCRRDA	(Account 179.155)
Credit:	Interest expense	(Account 323.000)

To record simple interest on the opening monthly balance of the 2015 GTAITCRRDA using the Board approved EB-2006-0117 interest rate methodology.