

PARTIAL DECISION - ORAL

IN THE MATTER OF an Application by Enbridge Gas New Brunswick Limited Partnership, as represented by its general partner, Enbridge Gas New Brunswick Inc. for approval to change its Small General Service, Mid-General Service, Large General Service, Contract General Service, Industrial Contract General Service and Off-Peak Service distribution rates, for approval of its 2014 regulatory financial statements and for a determination as to whether or not the development period is over.

(Matter No. 306)

April 27, 2016

ORAL DECISION

- [1] This oral decision arises out of an application by Enbridge Gas New Brunswick Limited Partnership, as represented by its general partner, Enbridge Gas New Brunswick Inc. for approval to change its Small General Service, Mid-General Service, Large General Service, Contract General Service, Industrial Contract General Service and Off-Peak Service distribution rates, and for approval of its 2014 regulatory financial statements and for a determination as to whether or not the development period is over.
- [2] This decision is being rendered at this time in order to enable Enbridge Gas New Brunswick to establish its 2016 distribution rates in a timely fashion.
- [3] With respect to the 2016 revenue requirement, the Board makes the following findings, resulting in a net reduction of approximately \$2,500 to the revenue requirement:
 - 1. **Corporate Allocations**: The expense for executive risk insurance is reduced by \$60,000;
 - 2. **Miscellaneous Revenues**: Miscellaneous revenues are increased by \$25,000 in order to account for red-lock fees; and
 - 3. **Capitalization of Sales and Marketing Expenses**: The capitalization rates for both research and sponsorship are reduced to 25%, resulting in an increased expense of \$82,500.
- [4] There are no other changes to the revenue requirement.
- [5] The Board finds that the net reduction of approximately \$2,500 to the revenue requirement resulting from the above adjustments is not material. Accordingly, the Board approves the schedules of rates and tariffs applied for by Enbridge Gas New Brunswick and orders that they come into effect as soon as practicable.
- [6] Enbridge Gas New Brunswick is to refile its cost of service study with the above adjustments.
- [7] The Board will issue a written decision with reasons at a later date. In the event that there is any difference between the written decision and this oral decision, the written decision will govern.

Dated in Saint John, New Brunswick, this 27th day of April, 2016.

Raymond Gorman, Q.C. Chairman

François Beaulieu Vice-Chairperson

Member