

GAZIFÈRE INC.
PRE-FILED EVIDENCE OF MARGARITA SUAREZ-SHARMA
2010 RATE CASE

Q.1 Please state your full name and your current position.

A.1 My name is Margarita Suarez-Sharma. I am Manager, Cost Allocation at Enbridge Gas Distribution.

Q.2 What are your professional qualifications, experience, and previous appearances before this or other regulatory tribunals?

A.2 Please refer to my Curriculum Vitae filed at Exhibit GI-26, document 3.

Q.3 What is the purpose of this testimony?

A.3 I am presenting the results of the fully allocated cost study for the 2010 test year. The study allocates the test year distribution revenue requirement to the customer rate classes acting as a guide to rate design. Gazifère (the "Company") determined the test year revenue requirement based on its approved CPBR formula.

Q.4 Is Gazifère proposing any cost allocation methodology changes as part of this filing?

A.4 Gazifère is not proposing any changes as part of this proceeding. Gazifère used the cost allocation methodology approved by the Régie in decision D-2008-144 to allocate the 2010 distribution requirement to the customer rate classes.

Q.5 Could you please outline the derivation of the study?

A.5 Gazifère determined its 2010 distribution revenue requirement based on its CPBR formula. The Company also prepared an internal operating budget at an account level for management purposes that equals the revenue requirement determined by the CPBR formula.

The Company then used the detailed operating budget and the test year forecast of volumes to perform the study. Using the study as a guide to rate

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design ensures that cost causality is maintained during the CPBR period.

Note that the details of the operating budget are not being filed with the Régie during the CPBR term. Therefore, the Company is only filing the allocation of the total distribution revenue requirement at a rate class level. Please refer to exhibit GI-26, document 2, page 1 of 1 for the result of the study.

Q.6 Does this conclude your evidence?

A.6 Yes, it does.