

GAZIFÈRE INC.
PRE-FILED EVIDENCE OF JACKIE COLLIER AND ANTON KACICNIK
2018 RATE CASE

- Q.1 Please state your full name, and your current position.
- A.1 My name is Jackie Collier, I am Rate Design Specialist, at Enbridge Gas Distribution Inc (“EGD”). I am Anton Kacicnik, I am Manager Rate Design at EGD.
- Q.2 What are your professional qualifications, experience, and previous appearances before this or other regulatory tribunals?
- A.2 Please refer to our Curriculum Vitae filed at Exhibit GI-41, documents 3 and 4.
- Q.3 What is the purpose of this testimony?
- A.3 This testimony addresses the derivation of Gazifère’s (the “Company”) distribution and gas costs rates for 2018. In addition to the 2018 distribution rates filed in Exhibit G1-41, Document 1, the Company has designed rates to reflect the impact of the gas cost consequences stemming from the proposed forecast of 2018 volumes, contract demand, lost and unaccounted for gas and Niagara Gas costs. This impact results in a gas cost revenue sufficiency for 2018 of \$(178.7) thousand. This sufficiency combined with the distribution deficiency of \$746.0 thousand results in a total Company deficiency inclusive of gas costs of \$567 thousand effective January 1, 2018. The gas cost sufficiency of \$(178.7) thousand is based on October 1, 2017 Rate 200 gas costs. The derivation of the \$(178.7) thousand is presented in evidence at Exhibit GI-32, document 1.

The development of the distribution rates is outlined in Exhibit GI-41, Document 1. The development of the gas supply, load balancing and transportation rates are based on the results of the fully allocated cost study. These rates are entirely cost based and contain no rate design adjustments. The fully allocated cost study inclusive of gas costs is filed at Exhibit GI-40,

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Document 2. The rates including the impacts of the 2018 gas costs consequences can be found at Exhibit G1-41, Documents 2 to 2.5

Q.4 What are the proposed customer rate impacts resulting from the 2018 deficiency of \$567.0 thousand inclusive of 2018 gas costs?

A.4 Below is a summary of the proposed 2018 rate impacts for all customer classes expressed on a Sales service and T-service (excludes commodity) basis.

<u>Rate Class</u>	<u>Sales Service</u>	<u>T-Service</u>
Rate 1	0.6%	0.9%
Rate 2	1.6%	2.0%
Rate 3	0.2%	0.3%
Rate 4	-4.0%	-7.8%
Rate 5	0.0%	0.0%
Rate 9	-0.8%	-2.1%

Q.5 Are you proposing any changes to the rate design methodology for 2018?

A.5 No, the Company is proposing no changes to its 2018 rate design methodology. However, the Company is proposing a new Dawn Transportation Service (“DTS”) offering. As explained in Phase II at Exhibit G-21, Document 1, DTS is a bundled direct purchase transportation service with a delivery point at Dawn. Dawn is a major gas market hub in southwestern Ontario. The DTS service option will be made available to customers in addition to the Sales Service, Western Buy/Sell Service, Western Transportation Service (“WTS”), and Ontario Transportation Service (“OTS”) which are currently available to Gazifere’s customers. The DTS service offering has no impact to the Company’s current service offerings. The Company has revised its rate design exhibits to include the DTS offering and developed the 2018 Dawn Transportation rate based on the results of the fully allocated cost study.

Q.6 Does this conclude your evidence?

A.6 Yes, it does.