



**Ontario Energy Board**  
**2014** Yearbook  
of Natural Gas Distributors

Published on July 31, 2015



## Background on Statistical Yearbook of Natural Gas Distributors

The Ontario Energy Board (OEB) is the regulator of Ontario's natural gas and electricity sectors. In the natural gas sector, the OEB reviews and approves rates proposed to be charged to customers by regulated natural gas distributors.\* The OEB licenses all marketers who sell natural gas to residential and small commercial customers.

The OEB provides this Yearbook of Natural Gas Distributors to publish the financial and operational information collected from regulated natural gas distributors. It is compiled from data submitted by the distributors through the OEB's Reporting and Record-Keeping Requirements. This Yearbook is also available electronically on the OEB's website.

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\*There are five small gas companies that are exempt from rate regulation under the OEB Act, as well as two municipally owned gas companies (City of Kitchener and City of Kingston) that are not rate regulated by the OEB.

**BALANCE SHEET**

**ASSETS**

**Current Assets**

Cash

Accounts Receivable

Gas Inventories

Other Current Assets

**Total Current Assets**

**Non-Current Assets**

Property, Plant & Equipment

Long-Term Investments

Deferred Charges

Other Non-Current Assets

**Total Non-Current Assets**

**TOTAL ASSETS**

**LIABILITIES & SHAREHOLDERS' EQUITY**

**Current Liabilities**

Bank Overdraft, Loans and Notes Payable

Accounts Payable & Accrued Liabilities

Other Current Liabilities

Income Taxes Payable

Current Portion of Long-Term Debt

**Total Current Liabilities**

**Non-Current Liabilities**

Long-Term Debt

Deferred Income Taxes

Other Non-Current Liabilities

**Total Non-Current Liabilities**

**TOTAL LIABILITIES**

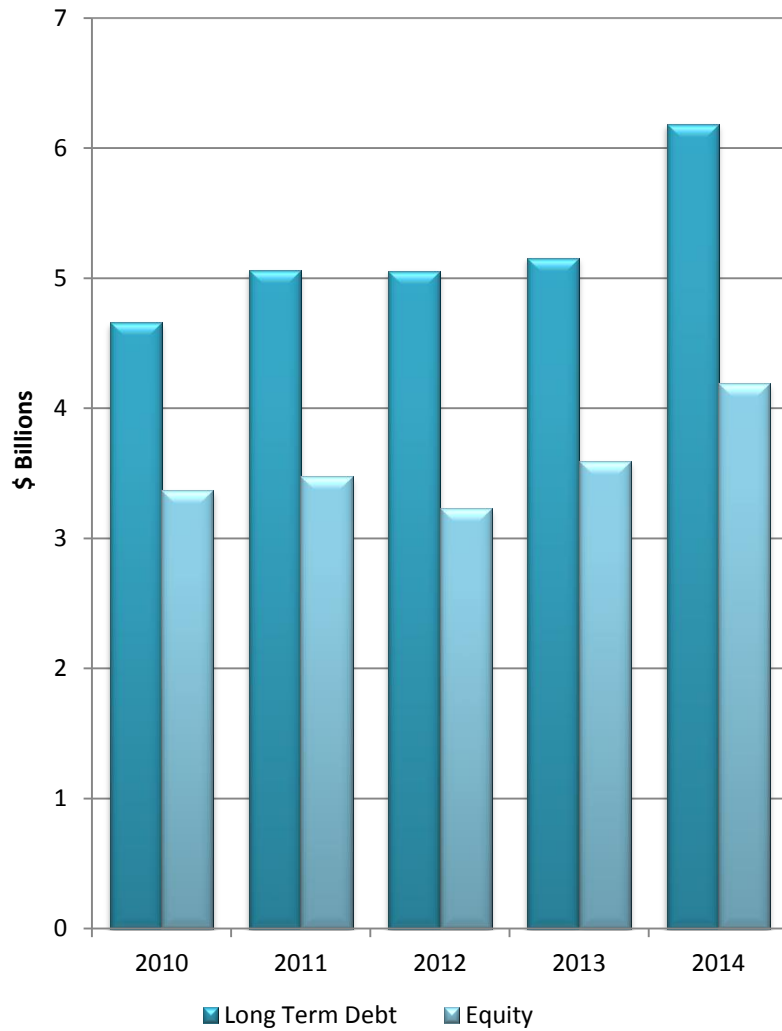
**SHAREHOLDERS' EQUITY**

Share Capital & Retained Earnings

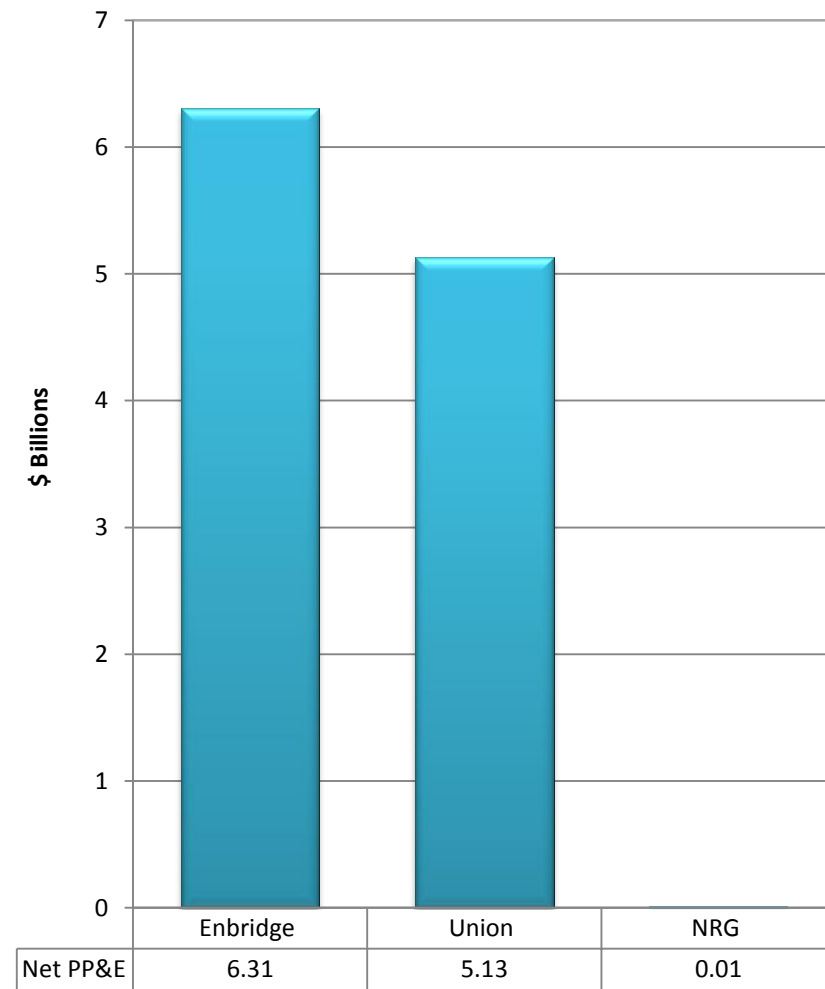
**LIABILITIES & SHAREHOLDERS' EQUITY**

	<b>ENBRIDGE</b>	<b>UNION</b>	<b>NRG</b>	<b>TOTAL</b>
	\$	\$	\$	\$
Cash	-	-	668,348	668,348
Accounts Receivable	515,569,256	1,009,129,623	1,178,488	1,525,877,367
Gas Inventories	558,423,224	221,647,777	-	780,071,001
Other Current Assets	74,491,268	3,919,082	142,832	78,553,182
<b>Total Current Assets</b>	<b>1,148,483,748</b>	<b>1,234,696,482</b>	<b>1,989,668</b>	<b>2,385,169,899</b>
Property, Plant & Equipment	6,305,667,280	5,127,251,875	12,598,341	11,445,517,496
Long-Term Investments	843,495,686	39,400,290	-	882,895,976
Deferred Charges	859,130,490	421,123,588	1,157,309	1,281,411,387
Other Non-Current Assets	283,421,557	8,832,535	1,667,001	293,921,094
<b>Total Non-Current Assets</b>	<b>8,291,715,014</b>	<b>5,596,608,288</b>	<b>15,422,651</b>	<b>13,903,745,953</b>
<b>TOTAL ASSETS</b>	<b>\$ 9,440,198,762</b>	<b>\$ 6,831,304,771</b>	<b>\$ 17,412,319</b>	<b>\$ 16,288,915,852</b>
Bank Overdraft, Loans and Notes Payable	1,115,597,977	250,321,572	-	1,365,919,549
Accounts Payable & Accrued Liabilities	560,330,740	1,075,465,205	3,970,278	1,639,766,224
Other Current Liabilities	78,447,729	46,325,095	1,290	124,774,113
Income Taxes Payable	19,867,398	3,812,971	99,734	23,780,103
Current Portion of Long-Term Debt	-	150,000,000	-	150,000,000
<b>Total Current Liabilities</b>	<b>1,774,243,845</b>	<b>1,525,924,844</b>	<b>4,071,301</b>	<b>3,304,239,990</b>
Long-Term Debt	3,485,000,000	2,694,858,600	5,717,995	6,185,576,595
Deferred Income Taxes	-	406,702,305	280,700	406,983,005
Other Non-Current Liabilities	1,455,502,927	742,547,192	-	2,198,050,119
<b>Total Non-Current Liabilities</b>	<b>4,940,502,927</b>	<b>3,844,108,097</b>	<b>5,998,695</b>	<b>8,790,609,719</b>
<b>TOTAL LIABILITIES</b>	<b>6,714,746,771</b>	<b>5,370,032,941</b>	<b>10,069,997</b>	<b>12,094,849,709</b>
Share Capital & Retained Earnings	2,725,451,991	1,461,271,830	7,342,322	4,194,066,142
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>\$ 9,440,198,762</b>	<b>\$ 6,831,304,771</b>	<b>\$ 17,412,319</b>	<b>\$ 16,288,915,852</b>

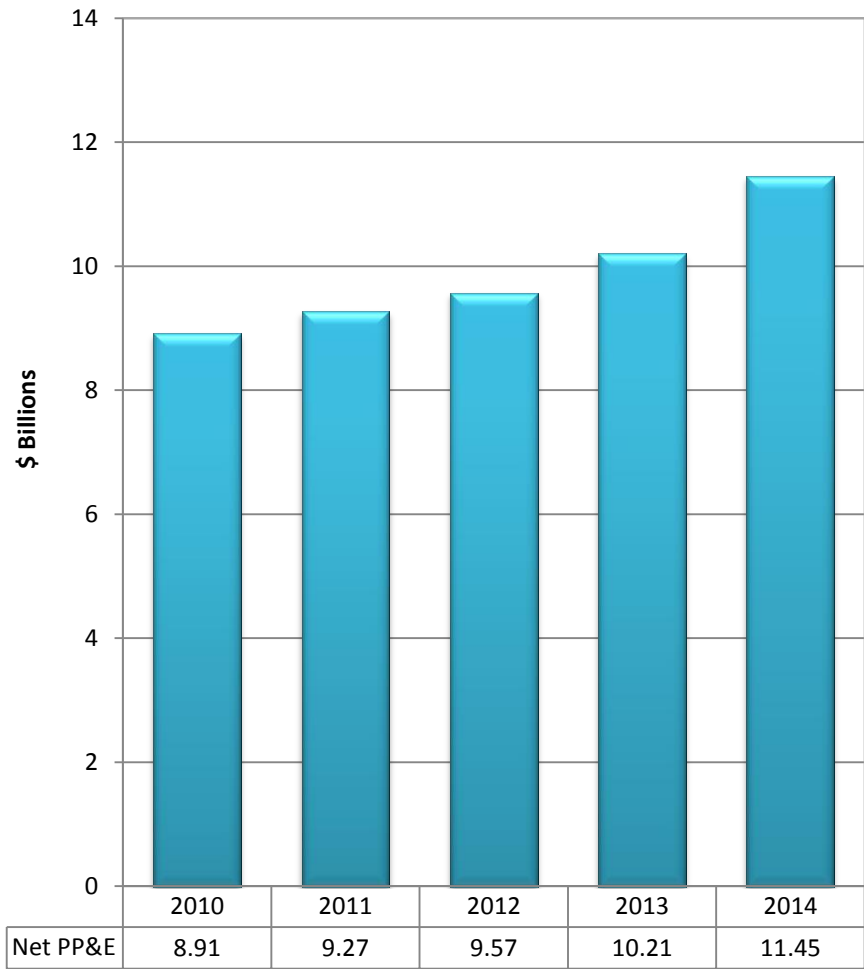
**Long-Term Debt & Equity**



**Net Property and Equipment by Distributor**



### Net Property Plant and Equipment



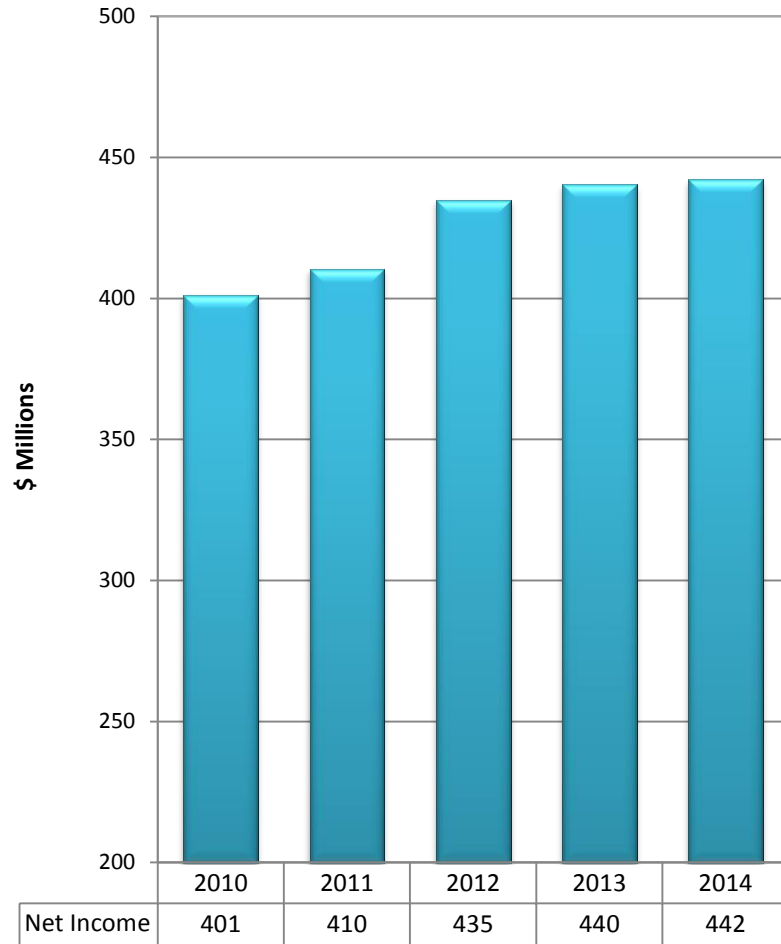
## INCOME STATEMENT

	<b>ENBRIDGE</b>	<b>UNION</b>	<b>NRG</b>	<b>TOTAL</b>
Revenues				
Operating Revenues	\$ 3,148,324,991	\$ 2,020,971,206	\$ 12,343,212	\$ 5,181,639,409
Other Income	982,804	20,432,919	32,933	21,448,656
	<b>3,149,307,795</b>	<b>2,041,404,125</b>	<b>12,376,145</b>	<b>5,203,088,065</b>
Expenses				
Gas Cost, Operating and Maintenance	2,775,703,521	1,652,151,605	11,954,085	4,439,809,211
Interest	192,624,151	159,389,569	186,579	352,200,299
	<b>2,968,327,672</b>	<b>1,811,541,174</b>	<b>12,140,664</b>	<b>4,792,009,510</b>
Net Operating Income	<b>180,980,123</b>	<b>229,862,951</b>	<b>235,481</b>	<b>411,078,555</b>
Miscellaneous Income	69,356,903	2,790,954	624,114	72,771,972
Income Before Income Taxes	<b>250,337,026</b>	<b>232,653,905</b>	<b>859,595</b>	<b>483,850,526</b>
Income Taxes	5,184,540	36,425,744	174,700	41,784,984
<b>Net Income</b>	<b>\$ 245,152,486</b>	<b>\$ 196,228,161</b>	<b>\$ 684,895</b>	<b>\$ 442,065,542</b>

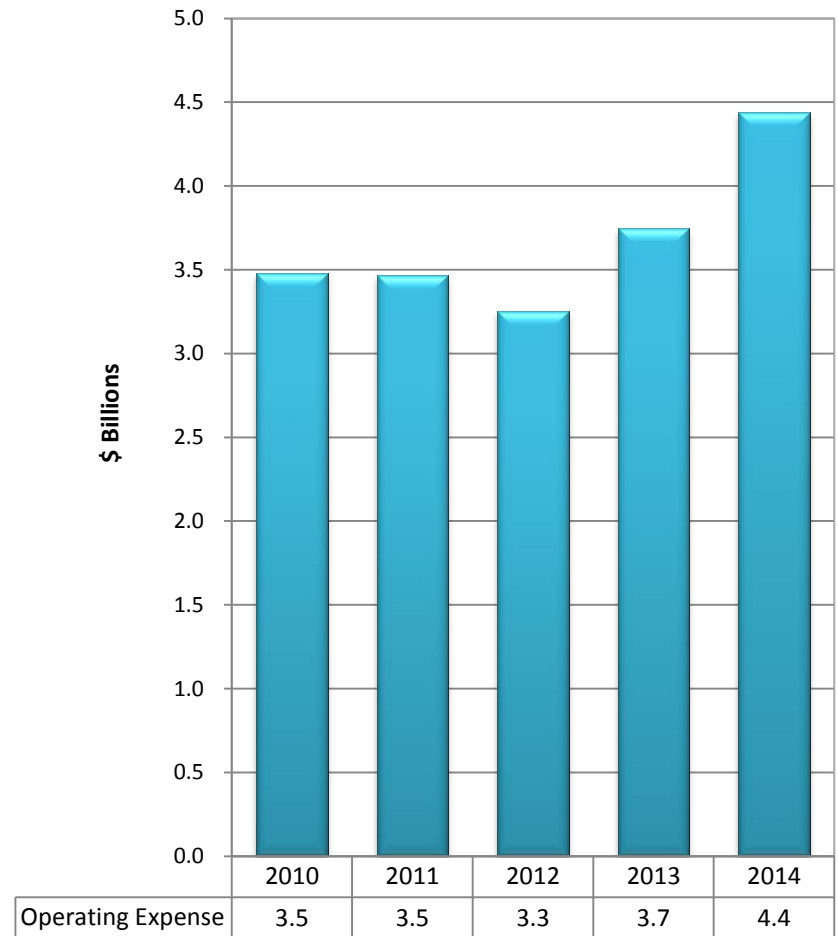
Note: Reported results include certain non-utility activities that are not regulated by the Ontario Energy Board.



### Net Income



### Total Operating and Maintenance Expense

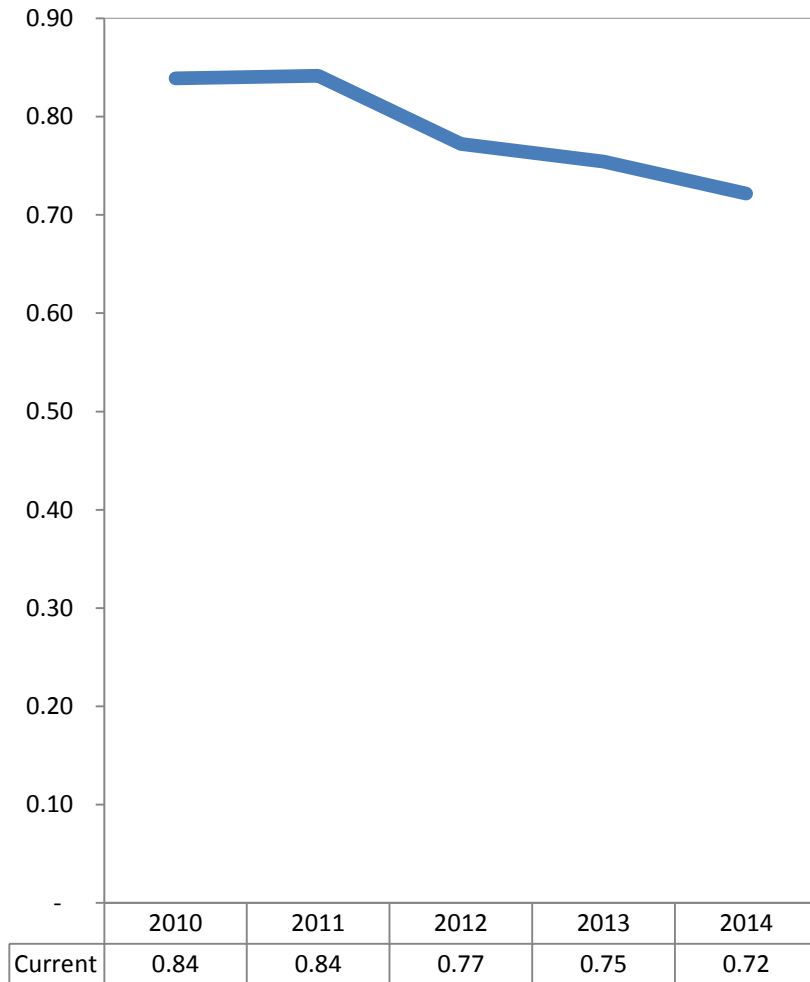


## FINANCIAL RATIOS

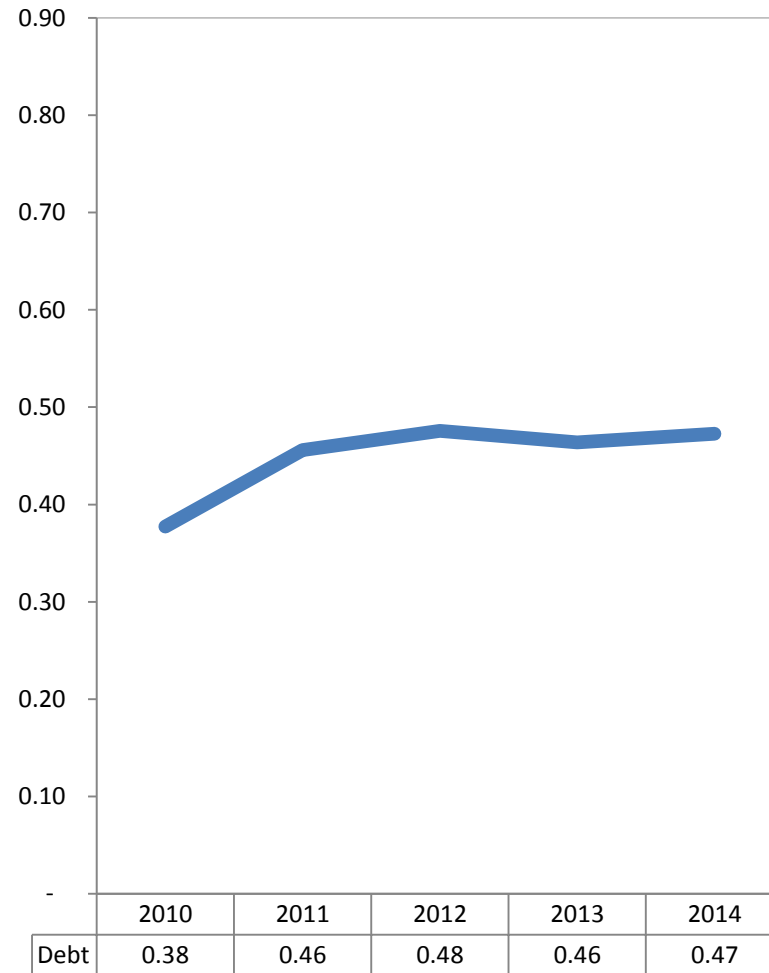
	ENBRIDGE	UNION	NRG	TOTAL
<b>Liquidity Ratios</b>				
Current Ratio (Current Assets/Current Liabilities)	0.65	0.81	0.49	0.72
<b>Leverage Ratios</b>				
Debt Ratio (Total Debt/Total Assets)	0.49	0.45	0.33	0.47
Debt to Equity Ratio (Total Debt/Shareholders' Equity)	1.69	2.12	0.78	1.84
Interest Coverage (EBIT/Interest Charges)	2.30	2.46	5.61	2.37
<b>Profitability Ratios</b>				
Financial Statement Return on Assets (Net Income/Total Assets)	2.60%	2.87%	3.93%	2.71%
Financial Statement Return on Equity (Net Income/Shareholders' Equity)	8.99%	13.43%	9.33%	10.54%



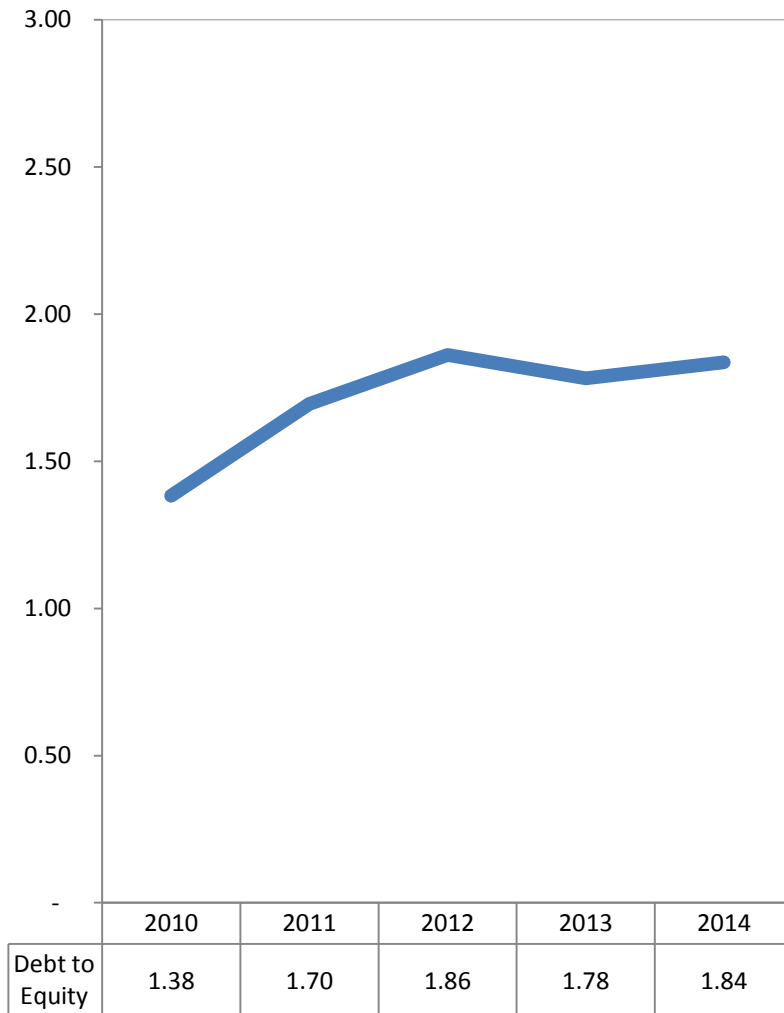
**Current Ratio  
(Current Assets/Current Liabilities)**



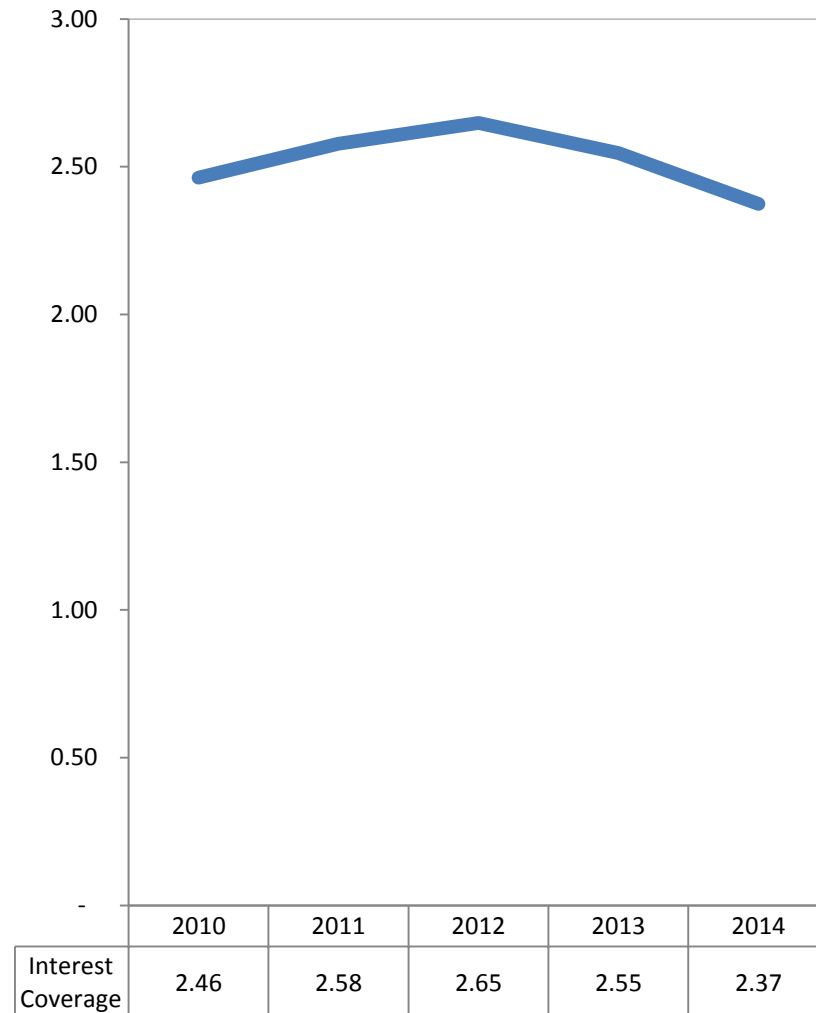
**Debt Ratio  
(Total Debt/Total Assets)**



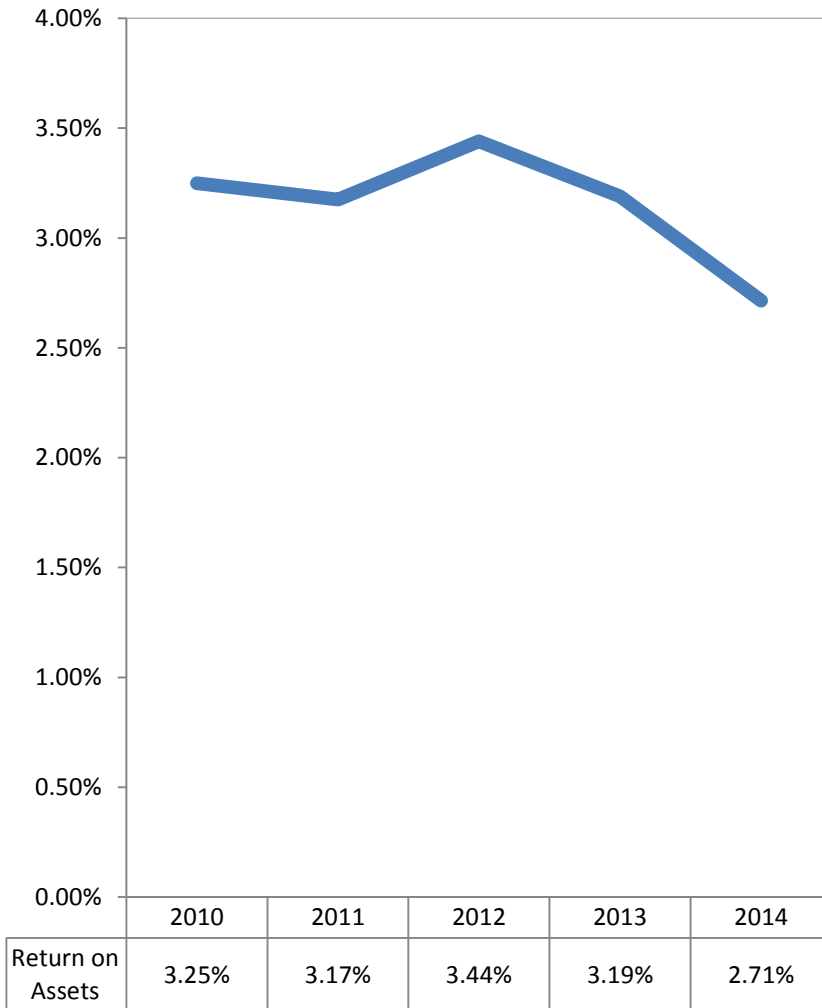
**Debt to Equity Ratio  
(Total Debt/Equity)**



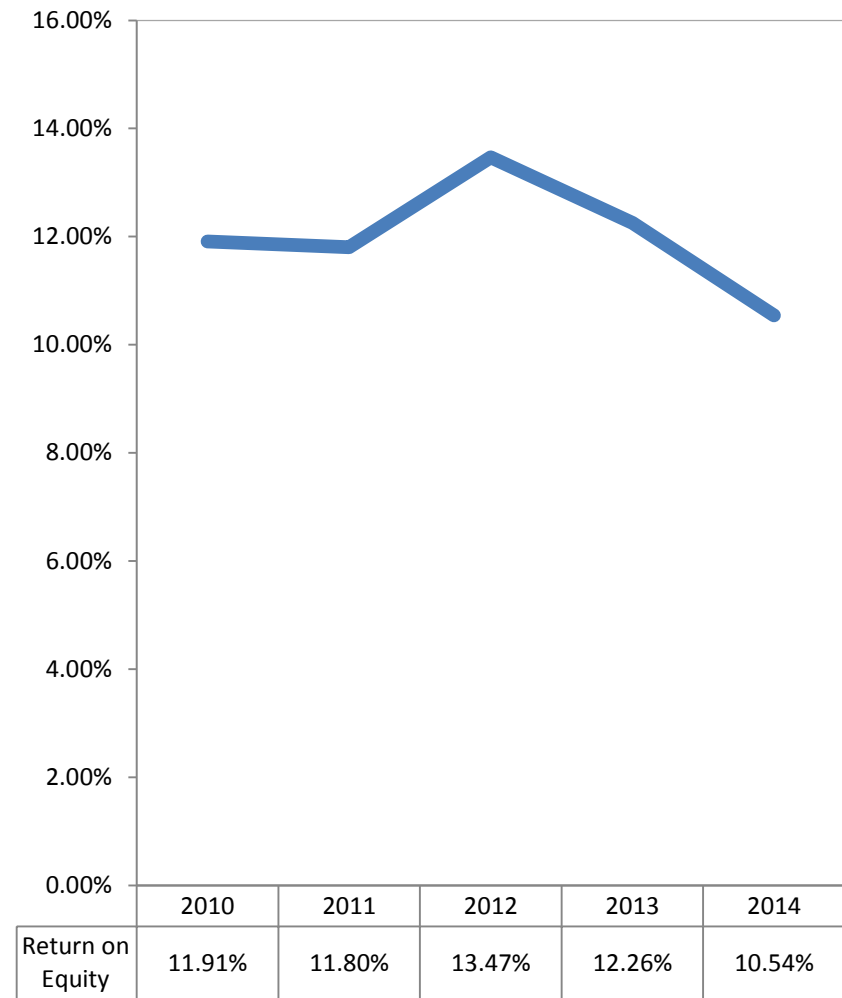
**Interest Coverage  
(EBIT/Interest Charges)**



**Financial Statement Return on Assets  
(Net Income/Total Assets)**



**Financial Statement Return on Equity  
(Net Income/Shareholders' Equity)**



## General Customer Information

### System Gas Customers \*

Low Volume

Large Volume

ENBRIDGE	UNION	NRG	TOTAL
1,873,296	1,271,332	8,123	3,152,751
8,132	5,190	6	13,328

### Total Number of Customers

Total (includes customers of marketers licensed by the OEB)

ENBRIDGE	UNION	NRG	TOTAL
2,080,547	1,400,536	8,155	3,489,238

### Service Quality Requirements

#### Call Answering Service Level

(OEB Minimum Standard: 75%)

#### Number of Calls Abandon Rate

(OEB Standard: not exceed 10%)

#### Meter Reading Performance

(OEB Standard: not exceed 0.5%)

#### Appointments Met within Designated Time Period

(OEB Minimum Standard: 85%)

#### Time to Reschedule Missed Appointments

(OEB Standard: 100%)

#### Emergency Calls Responded within One Hour

(OEB Minimum Standard: 90%)

#### Number of Days to Provide a Written Response

(OEB Minimum Standard: 80%)

#### Number of Days to Reconnect a Customer

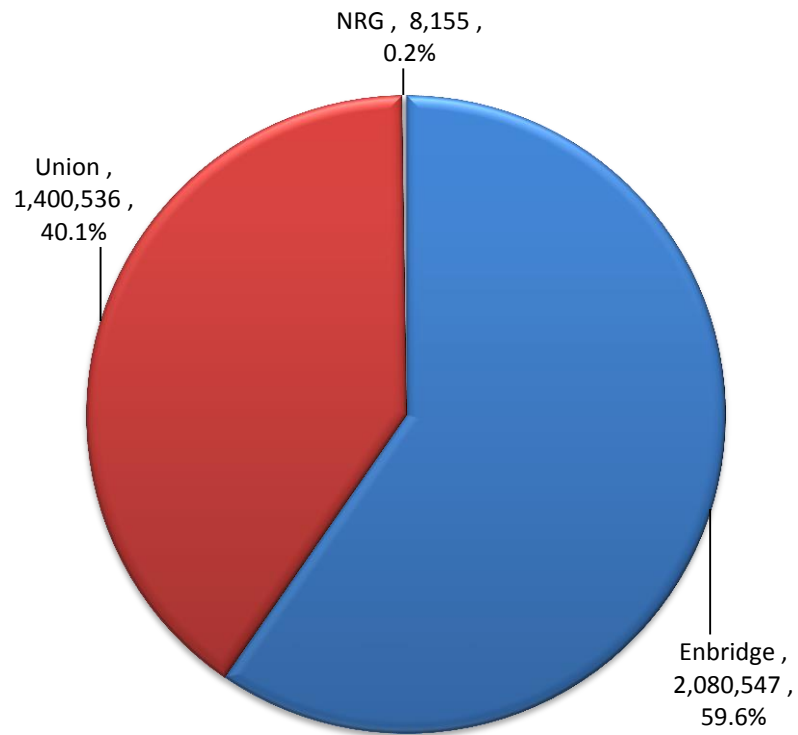
(OEB Minimum Standard: 85%)

ENBRIDGE	UNION	NRG
79.00%	73.50%	99.10%
1.90%	4.60%	0.90%
0.70%	0.40%	0.00%
95.10%	97.70%	99.00%
95.51%	99.86%	100.00%
96.90%	97.80%	93.10%
93.30%	100.00%	N/A
94.00%	91.90%	95.20%

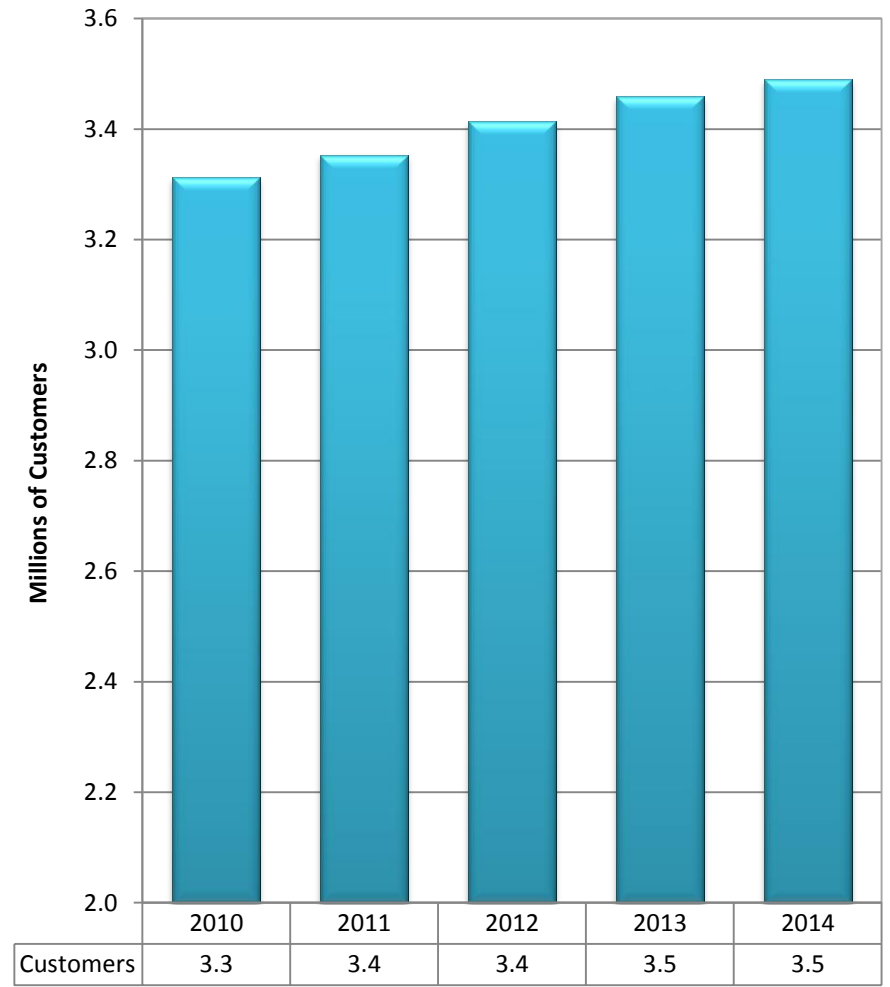
\*Low Volume Customer - Less than 50,000 cubic meters/year; Large Volume Customer - Greater than 50, 000 cubic meters/year.

N/A - Denominator is zero.

**Number of Customers**



**Total Number of Customers**



## Cross-Reference to Uniform System of Accounts

	<b>Aggregation of Trial Balance (RRR section 2.1.7) accounts</b>
<b>Cash</b>	Accounts 130-131 if debit balance
<b>Accounts Receivable - Net</b>	Accounts 132+140-147
<b>Gas Inventories</b>	Accounts 152+153
<b>Other Current Assets</b>	Accounts 150+151+160-163 + 256 if debit balance
<b>Property, Plant &amp; Equipment</b>	Accounts 100-116
<b>Long Term Investments</b>	Accounts 120-123
<b>Deferred Charges</b>	Accounts 170-179
<b>Other Non-Current Assets</b>	Accounts 180-183 + 276 if debit balance
<b>Bank Overdraft, Loans and Notes Payable</b>	Accounts 130-131 if credit balance + 250
<b>Accounts Payable &amp; Accrued Liabilities</b>	Accounts 251+252+254+259
<b>Other Current Liabilities</b>	Accounts 253+255+257+260+263
<b>Income Taxes Payable</b>	Account 256 if credit balance
<b>Current Portion of Long-term Loan</b>	Accounts 258+262
<b>Long-term Debt</b>	Accounts 220-249
<b>Total Debt</b>	Accounts 130-131 if credit balance + 220-249 + 250 + 258 + 262
<b>Deferred Income Taxes</b>	Account 276 if credit balance
<b>Other Non-Current Liabilities</b>	Accounts 270+271+278+279+290
<b>Share Capital Retained Earnings</b>	Accounts 200-216
<b>Operating Revenues</b>	Account 300
<b>Other Income</b>	Account 319
<b>Gas Cost, Operating and Maintenance Expenses</b>	Accounts 301-305+311+321+326-331
<b>Interest Expense</b>	Accounts 320+322+323
<b>Miscellaneous Income (Expense)</b>	Accounts 307+308+310+312-316+324+325+333
<b>Income Taxes (Current and Deferred)</b>	Account 306
<b>Extraordinary Items</b>	Accounts 338-339