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August 15, 2017

**VIA RESS, EMAIL and COURIER**

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
Suite 2700  
Toronto, ON M4P 1E4

Dear Ms. Walli

**Re: Enbridge Gas Distribution Inc. ("Enbridge")  
2016 Earnings Sharing Mechanism and Other Deferral and Variance  
Accounts Clearance Review  
Ontario Energy Board ("Board") File Number EB-2017-0102  
Settlement Proposal - Correction**

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Enclosed please find the corrected Settlement Proposal (Exhibit N, Tab 1, Schedule 1)

The following chart outlines the corrections to the Settlement Proposal:

| Exhibit                                | Correction   |
|--|--|
| N-1-1 pg. 6,<br>paragraph 2            | The reference to columns 3 and 4 has been corrected to columns 5 and 6 |
| N-1-1 pg. 15,<br>paragraphs 2<br>and 3 | The reference to columns 3 and 4 has been corrected to columns 5 and 6 |

This submission was filed through the Board's RESS and will be available on the Company's website at [www.enbridgegas.com/ratecase](http://www.enbridgegas.com/ratecase)

Please contact the undersigned if you have any questions.

Yours truly,

[original signed]

Stephanie Allman  
Regulatory Coordinator

cc: Mr. D. Stevens, Aird & Berlis LLP (via email)

## **SETTLEMENT PROPOSAL**

**Enbridge Gas Distribution Inc.**

**2016 Earnings Sharing and Deferral and Variance Account Clearances**

**August 11, 2017**

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## **PREAMBLE**

This Settlement Proposal is filed with the Ontario Energy Board (the "OEB" or the "Board") in connection with the application of Enbridge Gas Distribution Inc. ("Enbridge" or the "Company"), for an order or orders approving the clearance or disposition of amounts recorded in certain Deferral or Variance Accounts.

On May 25, 2017, the OEB issued its Notice of Application and Direction Letter in this proceeding.

In Procedural Order No. 1, dated June 14, 2017, the Board established the process to address the application, up to and including a Settlement Conference.

In Procedural Order No. 2, dated June 29, 2017, the OEB indicated that it would defer consideration of the final disposition of Enbridge's 2016 Greenhouse Gas Emissions Impact Deferral Account (GGEIDA), but would consider whether the balance in that account should be disposed of on an interim basis in this proceeding.

A Settlement Conference was held on July 26, 27 and 28, 2017. Chris Haussmann acted as facilitator for the Settlement Conference. This Settlement Proposal arises from the Settlement Conference.

Enbridge and the following intervenors, as well as Ontario Energy Board technical staff ("OEB Staff"), participated in the Settlement Conference:

- Association of Power Producers of Ontario (APPrO)
- Building Owners and Managers Association – Greater Toronto (BOMA)
- Consumers Council of Canada (CCC)
- Energy Probe Research Foundation (Energy Probe)
- Federation of Rental-Housing Providers of Ontario (FRPO)
- Industrial Gas Users Association (IGUA)
- School Energy Coalition (SEC)
- TransCanada PipeLines (TCPL)
- Vulnerable Energy Consumers Coalition (VECC)

The Settlement Proposal deals with all of the relief sought in this proceeding. There is no Issues List, but the parties have agreed that the issues to be addressed are: (i) the Deferral and Variance Accounts proposed for disposition within Appendix A to Enbridge's Application; and (ii) the appropriate unit rates and timing for implementation of the clearances of certain accounts. The first issue is addressed with reference to each of the Deferral and Variance Accounts for which clearance is requested, under items (a) to (s) of Issue 1.

All intervenors listed above participated in the Settlement Conference and subsequent discussions. OEB Staff is not a party to the Settlement Proposal. Although it is not a party to the Settlement Proposal, once the Settlement Proposal is filed, OEB Staff will file a submission commenting on two aspects of the settlement: whether the settlement represents an acceptable outcome from a public interest perspective, and whether the accompanying explanation and rationale is adequate to support the settlement. Also, as noted in the Practice Direction on Settlement Conferences, OEB Staff who participated in the Settlement Conference are bound by the same confidentiality and privilege rules that apply to the parties to the proceeding.

This document is called a "Settlement Proposal" because it is a proposal by the parties to the Board to settle the issues in this proceeding. It is termed a proposal as between the parties and the Board. However, as between the parties, and subject only to the Board's approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and is binding and enforceable in accordance with its terms. As set forth below, this Settlement Proposal is subject to a condition subsequent, that if it is not accepted by the Board in its entirety, then unless amended by the parties it is null and void and of no further effect. In entering into this agreement, the parties understand and agree that, pursuant to the *Ontario Energy Board Act, 1998*, the Board has exclusive jurisdiction with respect to the interpretation or enforcement of the terms hereof.

Enbridge and all intervenors listed above, except for TCPL, have agreed to the settlement of the issues as described on the following pages. TCPL has agreed to certain aspects of the settlement (as specifically identified in the following pages), but TCPL takes no position on any of the other issues listed in the Settlement Proposal. Any reference to "parties" in this Settlement Proposal is intended to refer to Enbridge and the intervenors listed above, taking into account that TCPL takes no position on any issue except as otherwise expressly identified below. The description of each issue assumes that all parties participated in the negotiation of the issue, unless specifically noted otherwise.

Best efforts have been made to identify all of the evidence that relates to each settled issue. The supporting evidence for each settled issue is identified individually by reference to its exhibit number in an abbreviated format; for example, Exhibit B, Tab 3, Schedule 1 is referred to as B-3-1. The identification and listing of the evidence that relates to each settled issue is provided to assist the Board.

The Settlement Proposal describes the agreements reached on the issues. The Settlement Proposal provides a direct link between each settled issue and the supporting evidence in the record to date. In this regard, the parties are of the view that the evidence provided is sufficient to support the Settlement Proposal in relation to the settled issues and, moreover, that the quality and detail of the supporting evidence, together with the corresponding rationale, will allow the Board to make findings agreeing with the proposed resolution of the settled issues.

None of the parties can withdraw from the Settlement Proposal except in accordance with Rule 30 of the *Ontario Energy Board Rules of Practice and Procedure*. Further, unless stated otherwise, a settlement of any particular issue in this proceeding is without prejudice to the positions parties might take with respect to the same issue in future proceedings, whether during the term of Enbridge's 2014 to 2018 Incentive Regulation plan, or thereafter.

The parties acknowledge that all data, documents or information provided and any discussions, including negotiations, admissions, concessions, offers and counter-offers occurring during the course of the Settlement Conference (settlement information), including subsequent related discussions, are privileged and confidential and without prejudice in accordance with (and subject to the exceptions set out in) the Board's *Practice Direction on Settlement Conferences* (see pages 5-6 of the OEB's *Practice Direction on Settlement Conferences*, as Revised October 28, 2016).

It is fundamental to the agreement of the parties that none of the provisions of this Settlement Proposal are severable. If the Board does not accept the provisions of the Settlement Proposal in their entirety, there is no Settlement Proposal (unless the parties agree that any portion of the Settlement Proposal that the Board does accept may continue as a valid Settlement Proposal).

## OVERVIEW

Enbridge's prefiled evidence details its 2016 Earnings Sharing Mechanism calculation, and the amount recorded in the 2016 Earnings Sharing Mechanism Deferral Account. The prefiled evidence also sets out and explains the other Deferral and Variance Account balances that Enbridge seeks to have cleared, along with several Deferral and Variance Account balances to be carried forward for review and approval in a future proceeding. The list of Deferral and Variance Accounts for which Enbridge has requested clearance was attached to the Application, and is reproduced at Appendix A to this Settlement Proposal (with a small number of changes, as noted below).

Through the Settlement Conference process, all parties have agreed that it is appropriate for Enbridge to clear the balances from the Deferral and Variance Accounts as set out and explained within the prefiled evidence and interrogatories, subject to three changes: (i) Enbridge will not clear the DSM-related accounts in this proceeding, as the final amounts are still subject to review in other proceedings; (ii) the principal balance in the 2016 Credit Final Bill Deferral Account (CFBDA) has been increased by \$480,000; and (iii) Enbridge will not clear the Greenhouse Gas Emissions Impact Deferral Account (GGEIDA) in this proceeding.

All parties have agreed that it is appropriate that the balances in the relevant accounts be cleared over two months, in conjunction with Enbridge's October 1, 2017 QRAM proceeding.

Details of the settlement are set out in the Issues section that follows.

## THE ISSUES

### 1. Are the proposed balances for recovery / refund recorded in the following deferral and variance accounts appropriate?

The Deferral and Variance accounts for which Enbridge seeks clearance are set out in Exhibit A, Tab 2, Schedule 1, Appendix A, from Enbridge's prefiled evidence. A copy of that document (with the updates to reflect the three changes noted in the Overview above) is attached as Appendix A to this Settlement Proposal.

The parties have agreed to the clearance of each of the Deferral and Variance Account balances, and interest amounts, listed in Columns 5 and 6 of Appendix A. All parties have also agreed that the balances in the other accounts listed in Appendix A (those for which clearance is not requested at this time) will be carried forward for review and approval in a future proceeding. /c

Details of the agreements in relation to each of the relevant accounts are set out in the following sub-issues.

**Evidence:** The evidence in relation to this issue includes the following:

|                  |   |
|------------------|---|
| C-1-1            | Balances Requested for Clearance at October 1, 2017 |
| C-2-1            | Clearance of Deferral and Variance Account Balances |
| C-2-2            | Derivation of Proposed Unit Rates                   |
| I.A.EGDI.STAFF.1 | Board Staff Interrogatory #1                        |

#### (a) 2015 Demand Side Management Variance Account (2015 DSMVA)

As set out in response to Board Staff Interrogatory #3, the audit of Enbridge's 2015 DSM program is still underway, and there has been no final approval of the amount recorded in the 2015 DSMVA. All parties agree that the balance in the 2015 DSMVA should be carried forward to be cleared in a future proceeding after the final approval of the amount recorded in that account.

**Evidence:** The evidence in relation to this issue includes the following:

|                  |   |
|------------------|---|
| C-1-1            | Deferral & Variance Accounts Requested for Clearance at October 1, 2017 |
| C-2-1            | Clearance of Deferral and Variance Account Balances                     |
| C-2-2            | Derivation of Proposed Unit Rates                                       |
| I.C.EGDI.STAFF.3 | OEB Staff Interrogatory #3  |

**(b) 2015 Lost Revenue Adjustment Mechanism (2015 LRAM)**

As set out in response to Board Staff Interrogatory #3, the audit of Enbridge's 2015 DSM program is still underway, and there has been no final approval of the amount recorded in the 2015 LRAM. All parties agree that the balance in the 2015 LRAM should be carried forward to be cleared in a future proceeding after the final approval of the amount recorded in that account.

**Evidence:** The evidence in relation to this issue includes the following:

|                  |   |
|------------------|---|
| C-1-1            | Deferral & Variance Accounts Requested for Clearance at October 1, 2017 |
| C-2-1            | Clearance of Deferral and Variance Account Balances                     |
| C-2-2            | Derivation of Proposed Unit Rates                                       |
| I.C.EGDI.STAFF.3 | OEB Staff Interrogatory #3  |

**(c) 2015 Demand Side Management Incentive Deferral Account (2015 DSMIDA)**

As set out in response to Board Staff Interrogatory #3, the audit of Enbridge's 2015 DSM program is still underway, and there has been no final approval of the amount recorded in the 2015 DSMIDA. All parties agree that the balance in the 2015 LRAM should be carried forward to be cleared in a future proceeding after the final approval of the amount recorded in that account.

**Evidence:** The evidence in relation to this issue includes the following:

|                  |   |
|------------------|---|
| C-1-1            | Deferral & Variance Accounts Requested for Clearance at October 1, 2017 |
| C-2-1            | Clearance of Deferral and Variance Account Balances                     |
| C-2-2            | Derivation of Proposed Unit Rates                                       |
| I.C.EGDI.STAFF.3 | OEB Staff Interrogatory #3  |

**(d) 2016 Deferred Rebate Account (2016 DRA)**

There are no unsettled issues with respect to this account. All parties agree that the principal balance in the 2016 DRA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 2, below.

**Evidence:** The evidence in relation to this issue includes the following:

|                   |   |
|-------------------|---|
| C-1-1             | Deferral & Variance Accounts Requested for Clearance at October 1, 2017 |
| C-1-8             | 2016 Deferred Rebate Account  |
| C-2-1             | Clearance of Deferral and Variance Account Balances                     |
| C-2-2             | Derivation of Proposed Unit Rates                                       |
| I.C.EGDI.STAFF.10 | OEB Staff Interrogatory #10   |



**(e) 2016 Gas Distribution Access Rule Impact Deferral Account (2016 GDARIDA)**

There are no unsettled issues with respect to this account. All parties agree that the principal balance in the 2016 GDARIDA, which is shown in Appendix A, will be cleared as set out under Issue 2, below.

**Evidence:** The evidence in relation to this issue includes the following:

|                |   |
|----------------|---|
| C-1-1          | Deferral & Variance Accounts Requested for Clearance at October 1, 2017 |
| C-1-7          | 2016 Gas Distribution Access Rule Impact Deferral Account               |
| C-2-1          | Clearance of Deferral and Variance Account Balances                     |
| C-2-2          | Derivation of Proposed Unit Rates                                       |
| I.C.EGDI.CCC.8 | CCC Interrogatory #8  |

**(f) 2016 Average Use True-Up V/A (2016 AUTUVA)**

All parties agree that the principal balance in the 2016 AUTUVA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 2, below.

The AUTVA was first established in EB-2007-0615 and continued in Enbridge's current approved 5 year IR Plan.

The purpose of the AUTUVA (as set out in the Accounting Order establishing the account) 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.

While there are no unsettled issues with respect to the disposition of the 2016 AUTUVA balance, parties sought clarity on the derivation of the AUTUVA balance and on the average use forecast determined through the Board-approved average use models. Enbridge confirmed that the average use models are used to set the volume forecasts that are "trued-up" through the AUTUVA. The average use models are not used in the AUTUVA calculations.

In light of the foregoing, parties have asked Enbridge to provide more clarity about the elements of the AUTUVA calculation. In response, Enbridge has agreed that it will provide the following evidence in its 2018 Rate Adjustment proceeding:

- a. Evidence, regarding how Enbridge undertakes:
  - i. Establishment of baseload;
  - ii. Establishment of heatload per customer; and
  - iii. Customer count
- b. If applicable, evidence outlining any changes made since rebasing, to the methodology, parameters and assumptions of related to the determination of the items above.
- c. If there were any changes made to its calculation of the AUTUVA balances since rebasing, an analysis of the impact of the change by showing the difference between the actual normalized average use for each year, and what the amount would have been if no changes had been made.
- c. Forecast volumes and customer meters on a monthly basis including the forecast monthly figures for baseload and heatload per customer. In the 2018 Earnings Sharing Mechanism proceeding, Enbridge will provide these figures on an actual basis.

Enbridge also agrees that if it requests an average use true-up mechanism in its next rebasing case, then Enbridge will file a study reviewing what other practices regarding average use true-up are approved for other utilities and how they compare to what Enbridge proposes. As part of this study, Enbridge would indicate the impacts of using the different practices and what is industry best practice, if this differs from Enbridge's proposed average use true-up approach.

**Evidence:** The evidence in relation to this issue includes the following:

|                        |  |
|------------------------|--|
| C-1-1                  | Balances Requested for Clearance at October 1, 2017          |
| C-1-5                  | 2016 Actual Average Use True-Up Variance Account Explanation |
| C-2-1                  | Clearance of Deferral and Variance Account Balances          |
| C-2-2                  | Derivation of Proposed Unit Rates                            |
| I.C.EGDI.STAFF.8       | OEB Staff Interrogatory #8                                   |
| I.C.EGDI.BOMA.22       | BOMA Interrogatory #22                                       |
| I.C.EGDI.EP.7          | Energy Probe Interrogatory #7                                |
| I.C.EGDI.FRPO.11 to 13 | FRPO Interrogatories #11 to 13                               |
| I.C.EGDI.SEC.4         | SEC Interrogatory #4   |

#### **(g) 2016 Earnings Sharing Mechanism D/A (2016 ESMDA)**

There are no unsettled issues with respect to this account. All parties agree that the principal balance in the 2016 ESMDA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 2, below.

All parties agree that the clearance of this account does not signify any agreement with or acceptance of Enbridge's changes to capitalization rates for certain expenses, which are set out in response to BOMA Interrogatory #18. All parties agree that Enbridge's approach to capitalization of these expenses may be addressed in Enbridge's next rebasing case and that the acceptance of Enbridge's ESM amounts in this proceeding shall not be taken as agreement with or acceptance of Enbridge's changes to capitalization rates.

**Evidence:** The evidence in relation to this issue includes the following:

|                         |  |
|-------------------------|--|
| B-1-1                   | 2016 ESM Amount and Determination Process  |
| B-1-2                   | ESM Calculations and Required Rate of Return 2016 Actuals  |
| B-1-3                   | 2016 Utility Earnings - Contributors to Utility Earnings and Earnings Sharing Amounts                |
| B-1-4                   | Utility Earnings - Reconciliation of 2016 Utility Income to Audited EGD Consolidated Income          |
| B-2-1                   | Ontario Utility Rate Base – Comparison of 2016 Actuals to 2016 Board Approved                        |
| B-2-2                   | Property, Plant and Equipment Summary Statement – Average of Monthly Averages 2016 Actuals           |
| B-2-3                   | Working Capital – 2016 Actuals   |
| B-2-4                   | Comparison of Utility Capital Expenditures 2016 Actuals and 2016 Board Approved                      |
| B-3-1                   | Utility Operating Revenue 2016 Actuals   |
| B-3-2                   | Comparison of Gas Sales and Transportation Volume by Rate Class 2016 Actuals to 2016 Board Approved  |
| B-3-3                   | Comparison of Gas Sales and Transportation Revenue by Rate Class 2016 Actuals to 2016 Board Approved |
| B-3-4                   | Customer Meters, Volumes and Revenues by Rate Class 2016 Actuals                                     |
| B-3-5                   | Other Operating Revenue  |
| B-4-1                   | Operating Cost 2016 Actuals  |
| B-4-2                   | Operating and Maintenance Expense by Department Year Ending December 2016                            |
| B-5-1                   | Required Rate of Return 2016 Actuals   |
| B-5-2                   | Utility Income 2016 Actuals  |
| B-5-3                   | Cost of Capital 2016 Actuals   |
| C-1-1                   | Balances Requested for Clearance at October 1, 2017  |
| C-2-1                   | Clearance of Deferral and Variance Account Balances  |
| C-2-2                   | Derivation of Proposed Unit Rates  |
| D-6-1                   | Enbridge Gas Distribution Inc. Consolidated Financial Statements December 31, 2016                   |
| D-6-2                   | Enbridge Gas Distribution Inc. Management's Discussion and Analysis – December 31, 2016              |
| I.B.EGDI.STAFF.2        | OEB Staff Interrogatory #2   |
| I.B.BOMA.1 to 18 and 26 | BOMA Interrogatories #1 to 18 and 26   |
| I.B.EGDI.CCC.1 to 5     | CCC Interrogatories #1 to 5  |
| I.B.EGDI.EP.1 to 5      | Energy Probe Interrogatories #1 to 5   |
| I.B.EGDI.FRPO.1 to 10   | FRPO Interrogatories #1 to 10  |
| I.B.EGDI.IGUA.1         | IGUA Interrogatory #1  |
| I.B.EGDI.SEC.1 and 2    | SEC Interrogatories #1 and 2   |
| I.B.EGDI.VECC.1 to 4    | VECC Interrogatories #1 to 4   |
| I.C.EGDI.FRPO.14 and 15 | FRPO Interrogatories #14 and 15  |
| I.D.EGDI.EP.9           | Energy Probe Interrogatory #9  |

**(h) 2013-2016 Customer Care CIS Rate Smoothing Deferral Account (2013-2016 CCCISRSDA)**

There are no unsettled issues with respect to these accounts. All parties agree that the interest balances in the 2013-2016 CCCISRSDAs, which are shown in Appendix A, will be cleared as set out under Issue 2, below.

**Evidence:** The evidence in relation to this issue includes the following:

|        |   |
|--------|---|
| C-1-1  | Deferral & Variance Accounts Requested for Clearance at October 1, 2017 |
| C-1-10 | 2016 Customer Care CIS Rate Smoothing Deferral Account                  |
| C-2-1  | Clearance of Deferral and Variance Account Balances                     |
| C-2-2  | Derivation of Proposed Unit Rates                                       |

**(i) 2017 Transition Impact of Accounting Changes Deferral Account (2017 TIACDA)**

There are no unsettled issues with respect to this account. All parties agree that the principal balance in the 2017 TIACDA, which is shown in Appendix A, will be cleared as set out under Issue 2, below.

**Evidence:** The evidence in relation to this issue includes the following:

|        |   |
|--------|---|
| C-1-1  | Deferral & Variance Accounts Requested for Clearance at October 1, 2017 |
| C-1-10 | 2016 Transition Impact of Accounting Changes Deferral Account           |
| C-2-1  | Clearance of Deferral and Variance Account Balances                     |
| C-2-2  | Derivation of Proposed Unit Rates                                       |

**(j) 2016 Post-Retirement True-Up V/A (2016 PTUVA)**

In accordance with the Board approved accounting order for the 2016 PTUVA, approved in EB-2015-0114, the Company has requested clearance of (\$5) million, of the (\$9.7), recorded in the 2016 PTUVA, with the remaining (\$4.7) to be rolled forward to the 2017 PTUVA. This methodology, which is intended to smooth significant variances over future years, is consistent with the treatment and clearance of amounts which have been recorded within the previously approved PTUVAs.

There are no unsettled issues with respect to this account. All parties agree that (\$5) million from the 2016 PTUVA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 2, below. The remaining (\$4.7) will be carried forward to the 2017 PTUVA.

**Evidence:** The evidence in relation to this issue includes the following:

|                  |   |
|------------------|---|
| C-1-1            | Balances Requested for Clearance at October 1, 2017 |
| C-1-6            | 2016 Post-Retirement True-Up Variance Account       |
| C-2-1            | Clearance of Deferral and Variance Account Balances |
| C-2-2            | Derivation of Proposed Unit Rates                   |
| I.C.EGDI.STAFF.9 | OEB Staff Interrogatory #9                          |
| I.C.EGDI.CCC.7   | CCC Interrogatory #7                                |

**(k) 2016 Credit Final Bill Deferral Account (2016 CFBDA)**

In response to Board Staff Interrogatory #11, Enbridge indicated that its final attempt at refunding credit final bill balances is now complete and that there is an additional \$480,000 of unrefunded balances in addition to the amounts recorded in the 2016 CFBDA. All parties agree that this \$480,000 should be added to the balance of the CFBDA, to be credited to customers. This results in a principal balance of \$2,004,400 in the 2016 CFBDA. All parties agree that this principal balance in the 2016 CFBDA, along with applicable interest, will be cleared as set out under Issue 2, below.

**Evidence:** The evidence in relation to this issue includes the following:

|                   |   |
|-------------------|---|
| C-1-1             | Balances Requested for Clearance at October 1, 2017 |
| C-1-12            | 2016 Credit Final Bill Deferral Account             |
| C-2-1             | Clearance of Deferral and Variance Account Balances |
| C-2-2             | Derivation of Proposed Unit Rates                   |
| I.C.EGDI.STAFF.11 | OEB Staff Interrogatory #11                         |

**(l) 2016 GTA Incremental Transmission Capital Revenue Requirement Deferral Account (2016 GTAITCRRDA)**

There are no unsettled issues with respect to this account. All parties and TCPL agree that the principal balance in the 2016 GTAITCRRDA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 2, below.

**Evidence:** The evidence in relation to this issue includes the following:

|                   |  |
|-------------------|--|
| C-1-1             | Balances Requested for Clearance at October 1, 2017  |
| C-1-14            | Greater Toronto Area Incremental Transmission Capital Revenue Requirement Deferral Account |
| C-2-1             | Clearance of Deferral and Variance Account Balances  |
| C-2-2             | Derivation of Proposed Unit Rates  |
| I.C.EGDI.STAFF.13 | OEB Staff Interrogatory #13  |

**(m) 2016 Greenhouse Gas Emissions Impact Deferral Account (2016 GGEIDA)**

As set out in Procedural Order No. 2, the only matter related to the 2016 GGEIDA that is open to settlement is whether there should be an interim disposition of the amounts recorded in the account. All parties have agreed that there will be no interim disposition of the balance in the 2016 GGEIDA, and that all determinations about the disposition of the amount recorded in that account will be made in the Enbridge's 2018 Compliance Plan proceeding (EB-2017-0224) or another appropriate proceeding as determined by the Board.

**Evidence:** The evidence in relation to this issue includes the following:

|       |   |
|-------|---|
| C-1-1 | Balances Requested for Clearance at October 1, 2017 |
|-------|---|

|                        |   |
|------------------------|---|
| C-1-11                 | 2016 Greenhouse Gas Emissions Impact Deferral Account |
| C-2-1                  | Clearance of Deferral and Variance Account Balances   |
| C-2-2                  | Derivation of Proposed Unit Rates                     |
| I.C.EGDI.APPRO.1 and 2 | APPRO Interrogatories #1 and 2                        |
| I.C.EGDI.CCC.9         | CCC Interrogatory #9                                  |
| I.C.EGDI.FRPO.14       | FRPO Interrogatory #14                                |
| I.C.EGDI.IGUA.2        | IGUA Interrogatory #2                                 |

**(n) 2016 Rate 332 Deferral Account (2016 R332DA)**

There are no unsettled issues with respect to this account. All parties and TCPL agree that the principal balance in the 2016 R332DA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 2, below.

**Evidence:** The evidence in relation to this issue includes the following:

|                   |   |
|-------------------|---|
| C-1-1             | Balances Requested for Clearance at October 1, 2017 |
| C-1-15            | Rate 332 Deferral Account                           |
| C-2-1             | Clearance of Deferral and Variance Account Balances |
| C-2-2             | Derivation of Proposed Unit Rates                   |
| I.C.EGDI.STAFF.13 | OEB Staff Interrogatory #13                         |

**(o) 2016 OEB Cost Assessment Variance Account (2016 OEBCAVA)**

There are no unsettled issues with respect to this account. All parties agree that the principal balance in the 2016 OEBCAVA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 2, below.

**Evidence:** The evidence in relation to this issue includes the following:

|                   |  |
|-------------------|--|
| C-1-1             | Balances Requested for Clearance at October 1, 2017        |
| C-1-13            | 2016 Ontario Energy Board Cost Assessment Variance Account |
| C-2-1             | Clearance of Deferral and Variance Account Balances        |
| C-2-2             | Derivation of Proposed Unit Rates                          |
| I.C.EGDI.STAFF.12 | OEB Staff Interrogatory #12                                |

**(p) 2016 Transactional Services D/A (2016 TSDA)**

There are no unsettled issues with respect to this account. All parties agree that the principal balance in the 2016 TSDA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 2, below.

**Evidence:** The evidence in relation to this issue includes the following:

|       |   |
|-------|---|
| C-1-1 | Balances Requested for Clearance at October 1, 2017   |
| C-1-3 | 2016 Storage & Transportation Deferral Account and 2016 Transactional Services Deferral Account |
| C-2-1 | Clearance of Deferral and Variance Account Balances   |

|                  |                                   |
|------------------|-----------------------------------|
| C-2-2            | Derivation of Proposed Unit Rates |
| I.C.EGDI.STAFF.6 | OEB Staff Interrogatory #2        |
| I.C.EGDI.BOMA.20 | BOMA Interrogatory #20            |
| I.C.EGDI.SEC.3   | SEC Interrogatory #3              |

**(q) 2016 Storage and Transportation D/A (2016 S&TDA)**

There are no unsettled issues with respect to this account. All parties agree that the principal balance in the 2016 S&TDA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 2, below.

**Evidence:** The evidence in relation to this issue includes the following:

|                  |   |
|------------------|---|
| C-1-1            | Balances Requested for Clearance at October 1, 2017   |
| C-1-3            | 2016 Storage & Transportation Deferral Account and 2016 Transactional Services Deferral Account |
| C-2-1            | Clearance of Deferral and Variance Account Balances   |
| C-2-2            | Derivation of Proposed Unit Rates   |
| I.C.EGDI.STAFF.5 | OEB Staff Interrogatory #5  |
| I.C.EGDI.BOMA.19 | BOMA Interrogatory #19  |

**(r) 2016 Unaccounted for Gas V/A (2016 UAFVA)**

There are no unsettled issues with respect to this account. All parties agree that the principal balance in the 2016 UAFVA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 2, below.

Enbridge agrees that as part of its 2018 Rate Adjustment Application, it will file evidence explaining the steps that have been taken to address UAF that may be associated with metering differences at gate stations (as described in response to BOMA Interrogatory #21). Enbridge's evidence will address any reductions in UAF achieved to date from review of metering at gate stations, as well as plans for any future actions to address this item.

**Evidence:** The evidence in relation to this issue includes the following:

|                  |   |
|------------------|---|
| C-1-1            | Balances Requested for Clearance at October 1, 2017 |
| C-1-4            | 2016 Unaccounted For Variance Account explanation   |
| C-2-1            | Clearance of Deferral and Variance Account Balances |
| C-2-2            | Derivation of Proposed Unit Rates                   |
| I.C.EGDI.STAFF.7 | OEB Staff Interrogatory #7                          |
| I.C.EGDI.BOMA.21 | BOMA Interrogatory #21                              |
| I.C.EGDI.EP.6    | Energy Probe Interrogatory #6                       |
| I.C.EGDI.VECC.5  | VECC Interrogatory #5                               |

**(s) 2015 Unabsorbed Demand Cost D/A (2016 UDCDA)**

There are no unsettled issues with respect to this account. All parties agree that the principal balance in the 2016 UDCDA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 2, below.

|       |  |
|-------|--|
| C-1-1 | Balances Requested for Clearance at October 1, 2017        |
| C-1-2 | 2016 Unabsorbed Demand Charge Deferral Account explanation |
| C-2-1 | Clearance of Deferral and Variance Account Balances        |
| C-2-2 | Derivation of Proposed Unit Rates                          |

**2. The proposed method for allocating and disposing of the deferral account balances, inclusive of the 2016 earnings sharing amount.**

All parties agree that the principal balances in Enbridge's Deferral and Variance Accounts with applicable interest, as set out in columns 5 and 6 of Appendix A to this Settlement Proposal, will be cleared over the months of October 2017 and November 2017, in conjunction with Enbridge's October 1, 2017 QRAM Application. /c

The unit rates associated with the clearance of the amounts set out at columns 5 and 6 of Appendix A, are set out within Appendix B to this Settlement Proposal, which reproduces the information that had been set out at Exhibit C, Tab 2, Schedule 2 (updated to reflect the changes from the pre-filed evidence reflected in this Settlement Proposal). /c

**Evidence:** The evidence in relation to this issue includes the following:

|                   |   |
|-------------------|---|
| C-1-1             | Balances Requested for Clearance at October 1, 2017 |
| C-2-1             | Clearance of Deferral and Variance Account Balances |
| C-2-2             | Derivation of Proposed Unit Rates                   |
| I.C.EGDI.STAFF.14 | OEB Staff Interrogatory #14                         |
| I.C.EGDI.BOMA.25  | BOMA Interrogatory #25                              |
| I.C.EGDI.EP.8     | Energy Probe Interrogatory #8                       |



ENBRIDGE GAS DISTRIBUTION INC.  
DEFERRAL & VARIANCE ACCOUNT  
ACTUAL & FORECAST BALANCES

| Line No.                              | Account Description                           | Account Acronym | Col. 1                      | Col. 2                | Col. 3   | Col. 4                | Col. 5   | Col. 6                |
|---------------------------------------|---|-----------------|-----------------------------|-----------------------|--|-----------------------|--|-----------------------|
|                                       |   |                 | Actual at<br>March 31, 2017 |                       | As Filed<br>Forecast for clearance at<br>October 1, 2017 |                       | Settlement Agreement<br>Forecast for clearance at<br>October 1, 2017 |                       |
|                                       |   |                 | Principal<br>(\$000's)      | Interest<br>(\$000's) | Principal<br>(\$000's)                                   | Interest<br>(\$000's) | Principal<br>(\$000's)   | Interest<br>(\$000's) |
| <u>Non Commodity Related Accounts</u> |   |                 |                             |                       |  |                       |  |                       |
| 1.                                    | Demand Side Management V/A                    | 2015 DSMVA      | 825.5                       | 13.4                  | 825.5  | 18.2                  | -  | - <sup>1</sup>        |
| 2.                                    | Demand Side Management V/A                    | 2016 DSMVA      | (704.0)                     | (1.9)                 | -  | -                     | -  | - <sup>2</sup>        |
| 3.                                    | Lost Revenue Adjustment Mechanism             | 2015 LRAM       | (72.3)                      | (0.2)                 | (72.3)   | (0.8)                 | -  | - <sup>1</sup>        |
| 4.                                    | Demand Side Management Incentive D/A          | 2015 DSMIDA     | 6,068.6                     | 22.3                  | 6,068.6  | 55.9                  | -  | - <sup>1</sup>        |
| 5.                                    | Deferred Rebate Account                       | 2016 DRA        | 7,712.2                     | 62.5                  | 7,712.2  | 105.1                 | 7,712.2  | 105.1 <sup>3</sup>    |
| 6.                                    | Manufactured Gas Plant D/A                    | 2017 MGPDA      | 570.4                       | 41.1                  | -  | -                     | -  | - <sup>4</sup>        |
| 7.                                    | Gas Distribution Access Rule Impact D/A       | 2016 GDARIDA    | -                           | -                     | 280.3  | -                     | 280.3  | - <sup>5</sup>        |
| 8.                                    | Average Use True-Up V/A                       | 2016 AUTUVA     | 13,152.5                    | 36.2                  | 13,152.5   | 108.8                 | 13,152.5   | 108.8 <sup>6</sup>    |
| 9.                                    | Earnings Sharing Mechanism Deferral Account   | 2016 ESMDA      | (3,400.0)                   | (8.8)                 | (3,400.0)  | (27.4)                | (3,400.0)  | (27.4) <sup>7</sup>   |
| 10.                                   | Customer Care CIS Rate Smoothing D/A          | 2016 CCCISRSDA  | (779.9)                     | (8.1)                 | -  | (14.1)                | -  | (14.1) <sup>8</sup>   |
| 11.                                   | Customer Care CIS Rate Smoothing D/A          | 2015 CCCISRSDA  | 1,124.2                     | 8.3                   | -  | 16.7                  | -  | 16.7 <sup>8</sup>     |
| 12.                                   | Customer Care CIS Rate Smoothing D/A          | 2014 CCCISRSDA  | 2,927.0                     | 21.5                  | -  | 43.1                  | -  | 43.1 <sup>8</sup>     |
| 13.                                   | Customer Care CIS Rate Smoothing D/A          | 2013 CCCISRSDA  | 4,634.9                     | 34.1                  | -  | 68.3                  | -  | 68.3 <sup>8</sup>     |
| 14.                                   | Transition Impact of Accounting Changes D/A   | 2017 TIACDA     | 70,972.8                    | -                     | 4,435.8  | -                     | 4,435.8  | - <sup>9</sup>        |
| 15.                                   | Post-Retirement True-Up V/A                   | 2016 PTUVA      | (9,660.7)                   | (26.6)                | (5,000.0)  | (80.0)                | (5,000.0)  | (80.0) <sup>10</sup>  |
| 16.                                   | Constant Dollar Net Salvage Adjustment D/A    | 2017 CDNSADA    | 37,853.9                    | -                     | -  | -                     | -  | - <sup>11</sup>       |
| 17.                                   | Credit Final Bill D/A                         | 2016 CFBDA      | (1,524.4)                   | (4.2)                 | (1,524.4)  | (12.6)                | (2,004.4)  | (13.0) <sup>12</sup>  |
| 18.                                   | GTA Incremental Transmission Capital Rev. Req | 2016 GTAITCRRDA | 4,281.4                     | 30.0                  | 4,281.4  | 53.4                  | 4,281.4  | 53.4 <sup>13</sup>    |
| 19.                                   | Greenhouse Gas Emissions Impact D/A           | 2016 GGEIDA     | 939.8                       | 6.9                   | 840.3  | 12.3                  | -  | - <sup>14</sup>       |
| 20.                                   | Rate 332 D/A                                  | 2016 R332DA     | (1,651.6)                   | (5.0)                 | (1,651.6)  | (14.0)                | (1,651.6)  | (14.0) <sup>15</sup>  |
| 21.                                   | OEB Cost Assessment V/A                       | 2016 OEBCAVA    | 1,928.0                     | 5.3                   | 1,928.0  | 16.1                  | 1,928.0  | 16.1 <sup>16</sup>    |
| 22.                                   | Total non commodity Related Accounts          |                 | 135,198.3                   | 226.8                 | 27,876.3   | 349.0                 | 19,734.2   | 263.0                 |
| <u>Commodity Related Accounts</u>     |   |                 |                             |                       |  |                       |  |                       |
| 23.                                   | Transactional Services D/A                    | 2016 TSDA       | (4,036.3)                   | (12.8)                | (4,036.3)  | (35.0)                | (4,036.3)  | (35.0) <sup>17</sup>  |
| 24.                                   | Storage and Transportation D/A                | 2016 S&TDA      | 9,618.3                     | 80.3                  | 9,618.3  | 133.1                 | 9,618.3  | 133.1 <sup>17</sup>   |
| 25.                                   | Unaccounted for Gas V/A                       | 2016 UAFVA      | 7,921.4                     | 26.9                  | 7,921.4  | 70.7                  | 7,921.4  | 70.7 <sup>18</sup>    |
| 26.                                   | Unabsorbed Demand Cost D/A                    | 2016 UDCDA      | 282.8                       | 1.0                   | 282.8  | 2.8                   | 282.8  | 2.8 <sup>19</sup>     |
| 27.                                   | Total commodity related accounts              |                 | 13,786.2                    | 95.4                  | 13,786.2   | 171.6                 | 13,786.2   | 171.6                 |
| 28.                                   | Total Deferral and Variance Accounts          |                 | 148,984.5                   | 322.2                 | 41,662.5   | 520.6                 | 33,520.4   | 434.6                 |

Notes:

- The final 2015 DSMVA, LRAM, and DSMIDA balances to be cleared will be those determined through the on-going Board review process of 2015 DSM results.
- Clearance of the 2016 DSMVA will be requested through a separate process/application at a later date.
- DRA evidence is found at Exhibit C, Tab 1, Schedule 8.
- Clearance of the balance that was recorded in 2016 MGPDA is not being requested at this time. As was indicated in the EB-2016-0215 proceeding, the balance in the 2016 MGPDA was transferred to the 2017 MGPDA.
- The clearance amount associated with the 2016 GDARIDA is the result of a revenue requirement calculation found in evidence at Exhibit C, Tab 1, Schedule 7.
- AUTUVA evidence is found at Exhibit C, Tab 1, Schedule 5.
- Evidence within the B-series of exhibits provides details of Enbridge's 2016 utility results and 2016 earnings sharing calculation.
- CCCISRSDA evidence is found at Exhibit C, Tab 1, Schedule 10.
- TIACDA evidence is found at Exhibit C, Tab 1, Schedule 9.
- PTUVA evidence is found at Exhibit C, Tab 1, Schedule 6.
- Clearance of the balance that was recorded in 2016 CDNSADA is not being requested at this time. In accordance with the scope of the account that was approved in EB-2012-0459, and as was also indicated in EB-2016-0215, the balance was transferred to the 2017 CDNSADA. The cumulative balance at the end of each year will be transferred to the following year's CDNSADA. At the end of 2018, any residual balance will be requested for clearance in a post 2018 true-up.
- CFBDA evidence is found at Exhibit C, Tab 1, Schedule 12.
- GTAITCRRDA evidence is found at Exhibit C, Tab 1, Schedule 14.
- GGEIDA evidence is found at Exhibit C, Tab 1, Schedule 11.
- R332DA evidence is found at Exhibit C, Tab 1, Schedule 15.
- OEBCAVA evidence is found at Exhibit C, Tab 1, Schedule 13.
- TSDA and S&TDA evidence is found at Exhibit C, Tab 1, Schedule 3.
- UAFVA evidence is found at Exhibit C, Tab 1, Schedule 4.
- UDCDA evidence is found at Exhibit C, Tab 1, Schedule 2.

**UNIT RATE AND TYPE OF SERVICE: CLEARING IN OCTOBER & NOVEMBER 2017**

|                                   |                          | COL. 1    | COL. 2    | COL. 3    |
|-----------------------------------|--------------------------|-----------|-----------|-----------|
|                                   |                          | Unit Rate | October   | November  |
|                                   |                          | (¢/m³)    | Unit Rate | Unit Rate |
| <b><u>Bundled Services:</u></b>   |                          |           |           |           |
| <b>RATE 1</b>                     | - SYSTEM SALES           | 0.3453    | 0.1727    | 0.1727    |
|                                   | - BUY/SELL               | 0.0000    | 0.0000    | 0.0000    |
|                                   | - ONTARIO T-SERVICE      | 0.3728    | 0.1864    | 0.1864    |
|                                   | - WESTERN T-SERVICE      | 0.3453    | 0.1727    | 0.1727    |
| <b>RATE 6</b>                     | - SYSTEM SALES           | 0.2522    | 0.1261    | 0.1261    |
|                                   | - BUY/SELL               | 0.0000    | 0.0000    | 0.0000    |
|                                   | - ONTARIO T-SERVICE      | 0.2796    | 0.1398    | 0.1398    |
|                                   | - WESTERN T-SERVICE      | 0.2522    | 0.1261    | 0.1261    |
| <b>RATE 9</b>                     | - SYSTEM SALES           | (0.7313)  | (0.3656)  | (0.3656)  |
|                                   | - BUY/SELL               | 0.0000    | 0.0000    | 0.0000    |
|                                   | - ONTARIO T-SERVICE      | 0.0000    | 0.0000    | 0.0000    |
|                                   | - WESTERN T-SERVICE      | 0.0000    | 0.0000    | 0.0000    |
| <b>RATE 100</b>                   | - SYSTEM SALES           | 0.1587    | 0.0794    | 0.0794    |
|                                   | - BUY/SELL               | 0.0000    | 0.0000    | 0.0000    |
|                                   | - ONTARIO T-SERVICE      | 0.0000    | 0.0000    | 0.0000    |
|                                   | - WESTERN T-SERVICE      | 0.1587    | 0.0794    | 0.0794    |
| <b>RATE 110</b>                   | - SYSTEM SALES           | 0.1104    | 0.0552    | 0.0552    |
|                                   | - BUY/SELL               | 0.0000    | 0.0000    | 0.0000    |
|                                   | - ONTARIO T-SERVICE      | 0.1379    | 0.0689    | 0.0689    |
|                                   | - WESTERN T-SERVICE      | 0.1104    | 0.0552    | 0.0552    |
| <b>RATE 115</b>                   | - SYSTEM SALES           | 0.0000    | 0.0000    | 0.0000    |
|                                   | - BUY/SELL               | 0.0000    | 0.0000    | 0.0000    |
|                                   | - ONTARIO T-SERVICE      | 0.1290    | 0.0645    | 0.0645    |
|                                   | - WESTERN T-SERVICE      | 0.1015    | 0.0508    | 0.0508    |
| <b>RATE 135</b>                   | - SYSTEM SALES           | 0.1003    | 0.0501    | 0.0501    |
|                                   | - BUY/SELL               | 0.0000    | 0.0000    | 0.0000    |
|                                   | - ONTARIO T-SERVICE      | 0.1278    | 0.0639    | 0.0639    |
|                                   | - WESTERN T-SERVICE      | 0.1003    | 0.0501    | 0.0501    |
| <b>RATE 145</b>                   | - SYSTEM SALES           | 0.1080    | 0.0540    | 0.0540    |
|                                   | - BUY/SELL               | 0.0000    | 0.0000    | 0.0000    |
|                                   | - ONTARIO T-SERVICE      | 0.1354    | 0.0677    | 0.0677    |
|                                   | - WESTERN T-SERVICE      | 0.1080    | 0.0540    | 0.0540    |
| <b>RATE 170</b>                   | - SYSTEM SALES           | 0.1079    | 0.0540    | 0.0540    |
|                                   | - BUY/SELL               | 0.0000    | 0.0000    | 0.0000    |
|                                   | - ONTARIO T-SERVICE      | 0.1354    | 0.0677    | 0.0677    |
|                                   | - WESTERN T-SERVICE      | 0.1079    | 0.0540    | 0.0540    |
| <b>RATE 200</b>                   | - SYSTEM SALES           | 0.1558    | 0.0779    | 0.0779    |
|                                   | - BUY/SELL               | 0.0000    | 0.0000    | 0.0000    |
|                                   | - ONTARIO T-SERVICE      | 0.1833    | 0.0916    | 0.0916    |
|                                   | - WESTERN T-SERVICE      | 0.1558    | 0.0779    | 0.0779    |
| <b><u>Unbundled Services:</u></b> |                          |           |           |           |
| <b>RATE 125</b>                   | - All                    | (0.2309)  | (0.1155)  | (0.1155)  |
|                                   | - Customer-specific (\$) | \$0       |           |           |
| <b>RATE 300</b>                   | - All                    | (5.0354)  | (2.5177)  | (2.5177)  |
| <b>RATE 332</b>                   | - All                    | 13.6149   | 6.8074    | 6.8074    |

**DETERMINATION OF BALANCES TO BE CLEARED  
FROM THE 2016 DEFERRAL AND VARIANCE ACCOUNTS**

| ITEM<br>NO. |   | COL. 1                               | COL. 2              | COL. 3                           |
|-------------|---|--------------------------------------|---------------------|----------------------------------|
|             |   | PRINCIPAL<br>For CLEARING<br>(\$000) | INTEREST<br>(\$000) | TOTAL<br>For CLEARING<br>(\$000) |
| 1.          | TRANSACTIONAL SERVICES D/A                  | (4,036.3)                            | (35.0)              | (4,071.3)                        |
| 2.          | UNACCOUNTED FOR GAS V/A                     | 7,921.4                              | 70.7                | 7,992.1                          |
| 3.          | STORAGE AND TRANSPORTATION D/A              | 9,618.3                              | 133.1               | 9,751.4                          |
| 4.          | DEFERRED REBATE ACCOUNT                     | 7,712.2                              | 105.1               | 7,817.3                          |
| 5.          | DEMAND SIDE MANAGEMENT 2015                 | 0.0                                  | 0.0                 | 0.0                              |
| 6.          | LOST REVENUE ADJ MECHANISM 2015             | 0.0                                  | 0.0                 | 0.0                              |
| 7.          | DEMAND SIDE MANAGEMENT INCENTIVE 2015       | 0.0                                  | 0.0                 | 0.0                              |
| 8.          | RATE 332 VARIANCE ACCOUNT                   | (1,651.6)                            | (14.0)              | (1,665.6)                        |
| 9.          | CREDIT FINAL BILL D/A                       | (2,004.4)                            | (13.0)              | (2,017.4)                        |
| 10.         | GTA INCREMNTL TRANSMISSIONAL CAPITAL RR D/A | 4,281.4                              | 53.4                | 4,334.8                          |
| 11.         | OEB COST ASSESSMENT VARIANCE ACCOUNT        | 1,928.0                              | 16.1                | 1,944.1                          |
| 12.         | GAS DISTRIBUTION ACCESS RULE D/A 2016       | 280.3                                | 0.0                 | 280.3                            |
| 13.         | AVERAGE USE TRUE-UP V/A                     | 13,152.5                             | 108.8               | 13,261.3                         |
| 14.         | POST-RETIREMENT TRUE-UP V/A                 | (5,000.0)                            | (80.0)              | (5,080.0)                        |
| 15.         | 2016 CUSTOMER CARE CIS RATE SMOOTHING D/A   |                                      | (14.1)              | (14.1)                           |
| 16.         | 2015 CUSTOMER CARE CIS RATE SMOOTHING D/A   |                                      | 16.7                | 16.7                             |
| 17.         | 2014 CUSTOMER CARE CIS RATE SMOOTHING D/A   |                                      | 43.1                | 43.1                             |
| 18.         | 2013 CUSTOMER CARE CIS RATE SMOOTHING D/A   |                                      | 68.3                | 68.3                             |
| 19.         | GREEN HOUSE GAS EMISSIONS IMPACT D/A        | 0.0                                  | 0.0                 | 0.0                              |
| 20.         | UNABSORBED DEMAND COST D/A                  | 282.8                                | 2.8                 | 285.6                            |
| 21.         | DESIGN DAY CRITERIA TRANSPORTATION D/A      | 0.0                                  | 0.0                 | 0.0                              |
| 22.         | TRANSITION IMPACT OF ACCT CHANGE D/A        | 4,435.8                              | 0.0                 | 4,435.8                          |
| 23.         | EARNINGS SHARING MECHANISM                  | (3,400.0)                            | (27.4)              | (3,427.4)                        |
|             | TOTAL                                       | 33,520.4                             | 434.6               | 33,955.0                         |

**CLASSIFICATION AND ALLOCATION OF DEFERRAL AND VARIANCE ACCOUNT BALANCES**

| ITEM NO.  | COL.1         | COL. 2                | COL. 3              | COL. 4                   | COL. 5        | COL. 6                 | COL. 7                             | COL. 8         | COL. 9                      | COL. 10           |
|---|---------------|-----------------------|---------------------|--------------------------|---------------|------------------------|------------------------------------|----------------|-----------------------------|-------------------|
|   | TOTAL (\$000) | SALES AND WBT (\$000) | TOTAL SALES (\$000) | TOTAL DELIVERIES (\$000) | SPACE (\$000) | DELIVERABILITY (\$000) | DISTRIBUTION REV REQ (DRR) (\$000) | DIRECT (\$000) | NUMBER OF CUSTOMERS (\$000) | RATE BASE (\$000) |
| <b>CLASSIFICATION</b>                             |               |                       |                     |                          |               |                        |                                    |                |                             |                   |
| PGVA:   |               |                       |                     |                          |               |                        |                                    |                |                             |                   |
| 1.1 COMMODITY                                     | 0.0           |                       | 0.0                 |                          |               |                        |                                    |                |                             |                   |
| 1.2 SEASONAL PEAKING-LOAD BALANCING               | 0.0           |                       |                     |                          |               | 0.0                    |                                    |                |                             |                   |
| 1.3 SEASONAL DISCRETIONARY-LOAD BALANCING         | 0.0           |                       |                     |                          | 0.0           |                        |                                    |                |                             |                   |
| 1.4 TRANSPORTATION TOLLS                          | 0.0           | 0.0                   |                     |                          |               |                        |                                    |                |                             |                   |
| 1.5 CURTAILMENT REVENUE                           | 0.0           |                       |                     |                          |               | 0.0                    |                                    | 0.0            |                             |                   |
| 1.6 RIDER C 2009 DIRECT ALLOCATION                | 0.0           |                       |                     |                          |               |                        |                                    | 0.0            |                             |                   |
| 1.7 INVENTORY ADJUSTMENT                          | 0.0           |                       |                     |                          |               |                        |                                    |                |                             |                   |
| 1.  | 0.0           | 0.0                   | 0.0                 | 0.0                      | 0.0           | 0.0                    | 0.0                                | 0.0            | 0.0                         | 0.0               |
| 1. TRANSACTIONAL SERVICES D/A                     | (4,071.3)     | (2,359.8)             |                     |                          | (538.3)       | (1,173.3)              |                                    |                |                             |                   |
| 2. UNACCOUNTED FOR GAS V/A                        | 7,992.1       |                       |                     | 7,992.1                  |               |                        |                                    |                |                             |                   |
| 3. STORAGE AND TRANSPORTATION D/A                 | 9,751.4       |                       |                     |                          | 3,066.7       | 6,684.7                |                                    |                |                             |                   |
| 4. DEFERRED REBATE ACCOUNT                        | 7,817.3       |                       |                     | 7,817.3                  |               |                        |                                    |                |                             |                   |
| 5. DEMAND SIDE MANAGEMENT 2015                    | 0.0           |                       |                     |                          |               |                        |                                    | 0.0            |                             |                   |
| 6. LOST REVENUE ADJ MECHANISM 2015                | 0.0           |                       |                     |                          |               |                        |                                    | 0.0            |                             |                   |
| 7. DEMAND SIDE MANAGEMENT INCENTIVE 2015          | 0.0           |                       |                     |                          |               |                        |                                    | 0.0            |                             |                   |
| 8. RATE 332 VARIANCE ACCOUNT                      | (1,665.6)     |                       |                     | (1,665.6)                |               |                        |                                    |                | 0.0                         |                   |
| 9. CREDIT FINAL BILL D/A                          | (2,017.4)     |                       |                     |                          |               |                        |                                    | (2,017.4)      |                             |                   |
| 10. GTA INCREMENTAL TRANSMISSIONAL CAPITAL RR D/A | 4,334.8       |                       |                     |                          |               |                        |                                    | 4,334.8        |                             |                   |
| 11. OEB COST ASSESSMENT VARIANCE ACCOUNT          | 1,944.1       |                       |                     |                          |               |                        |                                    |                |                             | 1,944.1           |
| 12. GAS DISTRIBUTION ACCESS RULE D/A 2016         | 280.3         |                       |                     |                          |               |                        |                                    |                | 280.3                       |                   |
| 13. AVERAGE USE TRUE-UP V/A                       | 13,261.3      |                       |                     |                          |               |                        |                                    | 13,261.3       |                             |                   |
| 14. POST-RETIREMENT TRUE-UP V/A                   | (5,080.0)     |                       |                     |                          |               |                        |                                    |                |                             | (5,080.0)         |
| 15. 2016 CUSTOMER CARE CIS RATE SMOOTHING D/A     | (14.1)        |                       |                     |                          |               |                        |                                    |                | (14.1)                      |                   |
| 16. 2015 CUSTOMER CARE CIS RATE SMOOTHING D/A     | 16.7          |                       |                     |                          |               |                        |                                    |                | 16.7                        |                   |
| 17. 2014 CUSTOMER CARE CIS RATE SMOOTHING D/A     | 43.1          |                       |                     |                          |               |                        |                                    |                | 43.1                        |                   |
| 18. 2013 CUSTOMER CARE CIS RATE SMOOTHING D/A     | 68.3          |                       |                     |                          |               |                        |                                    |                | 68.3                        |                   |
| 19. GREEN HOUSE GAS EMISSIONS IMPACT D/A          | 0.0           |                       |                     | 0.0                      |               |                        |                                    |                | 0.0                         |                   |
| 20. UNABSORBED DEMAND COST D/A                    | 285.6         |                       |                     |                          |               | 285.6                  |                                    |                |                             |                   |
| 21. DESIGN DAY CRITERIA TRANSPORTATION D/A        | 0.0           |                       |                     |                          |               | 0.0                    |                                    |                |                             |                   |
| 22. TRANSITION IMPACT OF ACCT CHANGE D/A          | 4,435.8       |                       |                     |                          |               |                        | 0.0                                |                |                             | 4,435.8           |
| 23. EARNINGS SHARING MECHANISM                    | (3,427.4)     |                       |                     |                          |               |                        | 0.0                                |                |                             | (3,427.4)         |
| TOTAL   | 33,955.0      | (2,359.8)             | 0.0                 | 14,143.8                 | 2,528.5       | 5,797.0                | 0.0                                | 15,578.7       | 394.3                       | (2,127.5)         |
| <b>ALLOCATION</b>                                 |               |                       |                     |                          |               |                        |                                    |                |                             |                   |
| 1.1 RATE 1  | 15,601.7      | (1,198.2)             | 0.0                 | 5,844.6                  | 1,226.1       | 3,193.4                | 0.0                                | 7,604.0        | 363.7                       | (1,431.9)         |
| 1.2 RATE 6  | 11,573.5      | (978.3)               | 0.0                 | 5,821.2                  | 1,186.4       | 2,491.7                | 0.0                                | 3,639.9        | 30.6                        | (618.0)           |
| 1.3 RATE 9  | (1.2)         | (0.0)                 | 0.0                 | 0.2                      | 0.0           | 0.0                    | 0.0                                | 0.0            | 0.0                         | (1.4)             |
| 1.4 RATE 100                                      | 5.1           | (0.9)                 | 0.0                 | 4.2                      | 0.5           | 1.8                    | 0.0                                | 0.0            | 0.0                         | (0.4)             |
| 1.5 RATE 110                                      | 1,053.3       | (87.7)                | 0.0                 | 1,073.3                  | 46.7          | 46.6                   | 0.0                                | 0.0            | 0.0                         | (25.6)            |
| 1.6 RATE 115                                      | 635.8         | (6.0)                 | 0.0                 | 645.3                    | 0.1           | 9.0                    | 0.0                                | 0.0            | 0.0                         | (12.6)            |
| 1.7 RATE 125                                      | (22.9)        | 0.0                   | 0.0                 | 0.0                      | 0.0           | 0.0                    | 0.0                                | 0.0            | 0.0                         | (22.9)            |
| 1.8 RATE 135                                      | 71.8          | (10.8)                | 0.0                 | 83.8                     | 0.0           | 0.0                    | 0.0                                | 0.0            | 0.0                         | (1.3)             |
| 1.9 RATE 145                                      | 58.1          | (3.8)                 | 0.0                 | 59.3                     | 5.5           | 0.0                    | 0.0                                | 0.0            | 0.0                         | (2.9)             |
| 1.10 RATE 170                                     | 380.4         | (28.7)                | 0.0                 | 391.9                    | 21.1          | 0.0                    | 0.0                                | 0.0            | 0.0                         | (3.9)             |
| 1.11 RATE 200                                     | 265.4         | (45.5)                | 0.0                 | 220.0                    | 42.0          | 54.5                   | 0.0                                | 0.0            | 0.0                         | (5.7)             |
| 1.12 RATE 300                                     | (0.8)         | 0.0                   | 0.0                 | 0.0                      | 0.0           | 0.0                    | 0.0                                | 0.0            | 0.0                         | (0.8)             |
| 1.13 RATE 332                                     | 4,334.8       |                       |                     |                          |               |                        |                                    | 4,334.8        |                             |                   |
| 1.  | 33,955.0      | (2,359.8)             | 0.0                 | 14,143.8                 | 2,528.5       | 5,797.0                | 0.0                                | 15,578.7       | 394.3                       | (2,127.5)         |

| ALLOCATION BY TYPE OF SERVICE |          |                  |                |                     |         |                    |                                  |          |                        |              |
|-------------------------------|----------|------------------|----------------|---------------------|---------|--------------------|----------------------------------|----------|------------------------|--------------|
|                               | COL. 1   | COL. 2           | COL. 3         | COL. 4              | COL. 5  | COL. 6             | COL. 7                           | COL. 8   | COL. 9                 | COL. 10      |
|                               | TOTAL    | SALES<br>AND WBT | TOTAL<br>SALES | TOTAL<br>DELIVERIES | SPACE   | DELIV-<br>RABILITY | DISTRIBUTION<br>REV REQ<br>(DRR) | DIRECT   | NUMBER OF<br>CUSTOMERS | RATE<br>BASE |
|                               | (\$000)  | (\$000)          | (\$000)        | (\$000)             | (\$000) | (\$000)            | (\$000)                          | (\$000)  | (\$000)                | (\$000)      |
| <b>Bundled Services:</b>      |          |                  |                |                     |         |                    |                                  |          |                        |              |
| <b>RATE 1</b>                 |          |                  |                |                     |         |                    |                                  |          |                        |              |
| - SYSTEM SALES                | 14,554.4 | (1,157.7)        | 0.0            | 5,466.2             | 1,146.7 | 2,986.6            | 0.0                              | 7,111.7  | 340.1                  | (1,339.2)    |
| - BUY/SELL                    | 0.0      | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - T-SERVICE EXCL WBT          | 538.8    |                  |                | 187.5               | 39.3    | 102.4              | 0.0                              | 243.9    | 11.7                   | (45.9)       |
| - WBT                         | 508.4    | (40.4)           |                | 190.9               | 40.1    | 104.3              | 0.0                              | 248.4    | 11.9                   | (46.8)       |
| <b>RATE 6</b>                 |          |                  |                |                     |         |                    |                                  |          |                        |              |
| - SYSTEM SALES                | 6,515.1  | (709.7)          | 0.0            | 3,350.7             | 682.9   | 1,434.2            | 0.0                              | 2,095.1  | 17.6                   | (355.7)      |
| - BUY/SELL                    | 0.0      | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - T-SERVICE EXCL WBT          | 2,592.5  |                  |                | 1,202.3             | 245.0   | 514.7              | 0.0                              | 751.8    | 6.3                    | (127.6)      |
| - WBT                         | 2,465.9  | (268.6)          |                | 1,268.2             | 258.5   | 542.8              | 0.0                              | 793.0    | 6.7                    | (134.6)      |
| <b>RATE 9</b>                 |          |                  |                |                     |         |                    |                                  |          |                        |              |
| - SYSTEM SALES                | (1.2)    | (0.0)            | 0.0            | 0.2                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | (1.4)        |
| - BUY/SELL                    | 0.0      | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - T-SERVICE EXCL WBT          | 0.0      |                  |                | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - WBT                         | 0.0      | 0.0              |                | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| <b>RATE 100</b>               |          |                  |                |                     |         |                    |                                  |          |                        |              |
| - SYSTEM SALES                | 2.3      | (0.4)            | 0.0            | 1.9                 | 0.2     | 0.8                | 0.0                              | 0.0      | 0.0                    | (0.2)        |
| - BUY/SELL                    | 0.0      | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - T-SERVICE EXCL WBT          | 0.0      |                  |                | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - WBT                         | 2.8      | (0.5)            |                | 2.3                 | 0.3     | 1.0                | 0.0                              | 0.0      | 0.0                    | (0.2)        |
| <b>RATE 110</b>               |          |                  |                |                     |         |                    |                                  |          |                        |              |
| - SYSTEM SALES                | 52.9     | (13.1)           | 0.0            | 62.1                | 2.7     | 2.7                | 0.0                              | 0.0      | 0.0                    | (1.5)        |
| - BUY/SELL                    | 0.0      | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - T-SERVICE EXCL WBT          | 700.8    |                  |                | 659.2               | 28.7    | 28.6               | 0.0                              | 0.0      | 0.0                    | (15.7)       |
| - WBT                         | 299.6    | (74.5)           |                | 352.0               | 15.3    | 15.3               | 0.0                              | 0.0      | 0.0                    | (8.4)        |
| <b>RATE 115</b>               |          |                  |                |                     |         |                    |                                  |          |                        |              |
| - SYSTEM SALES                | 0.0      | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - BUY/SELL                    | 0.0      | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - T-SERVICE EXCL WBT          | 613.6    |                  |                | 616.9               | 0.1     | 8.6                | 0.0                              | 0.0      | 0.0                    | (12.0)       |
| - WBT                         | 22.3     | (6.0)            |                | 28.4                | 0.0     | 0.4                | 0.0                              | 0.0      | 0.0                    | (0.6)        |
| <b>RATE 135</b>               |          |                  |                |                     |         |                    |                                  |          |                        |              |
| - SYSTEM SALES                | 1.2      | (0.3)            | 0.0            | 1.6                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | (0.0)        |
| - BUY/SELL                    | 0.0      | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - T-SERVICE EXCL WBT          | 32.4     |                  |                | 32.8                | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | (0.5)        |
| - WBT                         | 38.2     | (10.5)           |                | 49.4                | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | (0.7)        |
| <b>RATE 145</b>               |          |                  |                |                     |         |                    |                                  |          |                        |              |
| - SYSTEM SALES                | 8.9      | (2.3)            | 0.0            | 10.6                | 1.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | (0.5)        |
| - BUY/SELL                    | 0.0      | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - T-SERVICE EXCL WBT          | 43.4     |                  |                | 41.6                | 3.9     | 0.0                | 0.0                              | 0.0      | 0.0                    | (2.1)        |
| - WBT                         | 5.9      | (1.5)            |                | 7.1                 | 0.7     | 0.0                | 0.0                              | 0.0      | 0.0                    | (0.3)        |
| <b>RATE 170</b>               |          |                  |                |                     |         |                    |                                  |          |                        |              |
| - SYSTEM SALES                | 35.2     | (9.0)            | 0.0            | 42.3                | 2.3     | 0.0                | 0.0                              | 0.0      | 0.0                    | (0.4)        |
| - BUY/SELL                    | 0.0      | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - T-SERVICE EXCL WBT          | 267.8    |                  |                | 256.5               | 13.8    | 0.0                | 0.0                              | 0.0      | 0.0                    | (2.6)        |
| - WBT                         | 77.5     | (19.7)           |                | 93.1                | 5.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | (0.9)        |
| <b>RATE 200</b>               |          |                  |                |                     |         |                    |                                  |          |                        |              |
| - SYSTEM SALES                | 203.2    | (35.8)           | 0.0            | 169.1               | 32.3    | 41.9               | 0.0                              | 0.0      | 0.0                    | (4.4)        |
| - BUY/SELL                    | 0.0      | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | 0.0          |
| - T-SERVICE EXCL WBT          | 7.6      |                  |                | 5.4                 | 1.0     | 1.3                | 0.0                              | 0.0      | 0.0                    | (0.1)        |
| - WBT                         | 54.7     | (9.6)            |                | 45.5                | 8.7     | 11.3               | 0.0                              | 0.0      | 0.0                    | (1.2)        |
| <b>Unbundled Services:</b>    |          |                  |                |                     |         |                    |                                  |          |                        |              |
| <b>RATE 125</b>               | (22.9)   | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | (22.9)       |
| <b>RATE 300</b>               | (0.8)    | 0.0              | 0.0            | 0.0                 | 0.0     | 0.0                | 0.0                              | 0.0      | 0.0                    | (0.8)        |
| <b>RATE 332</b>               | 4,334.8  |                  |                |                     |         |                    |                                  | 4,334.8  |                        |              |
|                               | 33,955.0 | (2,359.8)        | 0.0            | 14,143.8            | 2,528.5 | 5,797.0            | 0.0                              | 15,578.7 | 394.3                  | (2,127.5)    |

| UNIT RATE AND TYPE OF SERVICE |                        |                  |                |                     |        |                     |                  |        |                        |              |                        |
|-------------------------------|------------------------|------------------|----------------|---------------------|--------|---------------------|------------------|--------|------------------------|--------------|------------------------|
|                               | COL. 1                 | COL. 2           | COL. 3         | COL. 4              | COL. 5 | COL. 6              | COL. 7           | COL. 8 | COL. 9                 | COL. 10      | COL. 11                |
|                               | DISTRIBUTION           |                  |                |                     |        |                     |                  |        |                        |              |                        |
|                               | TOTAL                  | SALES<br>AND WBT | TOTAL<br>SALES | TOTAL<br>DELIVERIES | SPACE  | DELIVE-<br>RABILITY | REV REQ<br>(DRR) | DIRECT | NUMBER OF<br>CUSTOMERS | RATE<br>BASE | NUMBER OF<br>CUSTOMERS |
|                               | (¢/m³)                 | (¢/m³)           | (¢/m³)         | (¢/m³)              | (¢/m³) | (¢/m³)              | (¢/m³)           | (¢/m³) | (¢/m³)                 | (¢/m³)       | (\$000/user)           |
| <b>Bundled Services:</b>      |                        |                  |                |                     |        |                     |                  |        |                        |              |                        |
| <b>RATE 1</b>                 | - SYSTEM SALES         | 0.3453           | (0.0275)       | 0.0000              | 0.1297 | 0.0272              | 0.0709           | 0.0000 | 0.1687                 | 0.0081       | (0.0318) 0.0000        |
|                               | - BUY/SELL             | 0.0000           | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - ONTARIO T-SERVICE    | 0.3728           |                |                     | 0.1297 | 0.0272              | 0.0709           | 0.0000 | 0.1687                 | 0.0081       | (0.0318) 0.0000        |
|                               | - WESTERN T-SERVICE    | 0.3453           | (0.0275)       |                     | 0.1297 | 0.0272              | 0.0709           | 0.0000 | 0.1687                 | 0.0081       | (0.0318) 0.0000        |
| <b>RATE 6</b>                 | - SYSTEM SALES         | 0.2522           | (0.0275)       | 0.0000              | 0.1297 | 0.0264              | 0.0555           | 0.0000 | 0.0811                 | 0.0007       | (0.0138) 0.0000        |
|                               | - BUY/SELL             | 0.0000           | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - ONTARIO T-SERVICE    | 0.2796           |                |                     | 0.1297 | 0.0264              | 0.0555           | 0.0000 | 0.0811                 | 0.0007       | (0.0138) 0.0000        |
|                               | - WESTERN T-SERVICE    | 0.2522           | (0.0275)       |                     | 0.1297 | 0.0264              | 0.0555           | 0.0000 | 0.0811                 | 0.0007       | (0.0138) 0.0000        |
| <b>RATE 9</b>                 | - SYSTEM SALES         | (0.7313)         | (0.0275)       | 0.0000              | 0.1297 | 0.0000              | 0.0027           | 0.0000 | 0.0000                 | 0.0007       | (0.8368) 0.0000        |
|                               | - BUY/SELL             | 0.0000           | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - ONTARIO T-SERVICE    | 0.0000           |                |                     | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - WESTERN T-SERVICE    | 0.0000           | 0.0000         |                     | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
| <b>RATE 100</b>               | - SYSTEM SALES         | 0.1587           | (0.0275)       | 0.0000              | 0.1297 | 0.0148              | 0.0555           | 0.0000 | 0.0000                 | 0.0000       | (0.0138) 0.0000        |
|                               | - BUY/SELL             | 0.0000           | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - ONTARIO T-SERVICE    | 0.0000           |                |                     | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - WESTERN T-SERVICE    | 0.1587           | (0.0275)       |                     | 0.1297 | 0.0148              | 0.0555           | 0.0000 | 0.0000                 | 0.0000       | (0.0138) 0.0000        |
| <b>RATE 110</b>               | - SYSTEM SALES         | 0.1104           | (0.0275)       | 0.0000              | 0.1297 | 0.0056              | 0.0056           | 0.0000 | 0.0000                 | 0.0000       | (0.0031) 0.0000        |
|                               | - BUY/SELL             | 0.0000           | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - ONTARIO T-SERVICE    | 0.1379           |                |                     | 0.1297 | 0.0056              | 0.0056           | 0.0000 | 0.0000                 | 0.0000       | (0.0031) 0.0000        |
|                               | - WESTERN T-SERVICE    | 0.1104           | (0.0275)       |                     | 0.1297 | 0.0056              | 0.0056           | 0.0000 | 0.0000                 | 0.0000       | (0.0031) 0.0000        |
| <b>RATE 115</b>               | - SYSTEM SALES         | 0.0000           | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - BUY/SELL             | 0.0000           | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - ONTARIO T-SERVICE    | 0.1290           |                |                     | 0.1297 | 0.0000              | 0.0018           | 0.0000 | 0.0000                 | 0.0000       | (0.0025) 0.0000        |
|                               | - WESTERN T-SERVICE    | 0.1015           | (0.0275)       |                     | 0.1297 | 0.0000              | 0.0018           | 0.0000 | 0.0000                 | 0.0000       | (0.0025) 0.0000        |
| <b>RATE 135</b>               | - SYSTEM SALES         | 0.1003           | (0.0275)       | 0.0000              | 0.1297 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | (0.0019) 0.0000        |
|                               | - BUY/SELL             | 0.0000           | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - ONTARIO T-SERVICE    | 0.1278           |                |                     | 0.1297 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | (0.0019) 0.0000        |
|                               | - WESTERN T-SERVICE    | 0.1003           | (0.0275)       |                     | 0.1297 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | (0.0019) 0.0000        |
| <b>RATE 145</b>               | - SYSTEM SALES         | 0.1080           | (0.0275)       | 0.0000              | 0.1297 | 0.0121              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | (0.0064) 0.0000        |
|                               | - BUY/SELL             | 0.0000           | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - ONTARIO T-SERVICE    | 0.1354           |                |                     | 0.1297 | 0.0121              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | (0.0064) 0.0000        |
|                               | - WESTERN T-SERVICE    | 0.1080           | (0.0275)       |                     | 0.1297 | 0.0121              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | (0.0064) 0.0000        |
| <b>RATE 170</b>               | - SYSTEM SALES         | 0.1079           | (0.0275)       | 0.0000              | 0.1297 | 0.0070              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | (0.0013) 0.0000        |
|                               | - BUY/SELL             | 0.0000           | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - ONTARIO T-SERVICE    | 0.1354           |                |                     | 0.1297 | 0.0070              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | (0.0013) 0.0000        |
|                               | - WESTERN T-SERVICE    | 0.1079           | (0.0275)       |                     | 0.1297 | 0.0070              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | (0.0013) 0.0000        |
| <b>RATE 200</b>               | - SYSTEM SALES         | 0.1558           | (0.0275)       | 0.0000              | 0.1297 | 0.0248              | 0.0321           | 0.0000 | 0.0000                 | 0.0000       | (0.0033) 0.0000        |
|                               | - BUY/SELL             | 0.0000           | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | 0.0000                 |
|                               | - ONTARIO T-SERVICE    | 0.1833           |                |                     | 0.1297 | 0.0248              | 0.0321           | 0.0000 | 0.0000                 | 0.0000       | (0.0033) 0.0000        |
|                               | - WESTERN T-SERVICE    | 0.1558           | (0.0275)       |                     | 0.1297 | 0.0248              | 0.0321           | 0.0000 | 0.0000                 | 0.0000       | (0.0033) 0.0000        |
| <b>Unbundled Services:</b>    |                        |                  |                |                     |        |                     |                  |        |                        |              |                        |
| <b>RATE 125</b>               | - All                  | (0.2309)         | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | (0.2309) 0.0000        |
|                               | - Customer-specific ** |                  |                |                     |        |                     |                  |        |                        |              | 0.0000                 |
| <b>RATE 300</b>               | - All                  | (5.0354)         | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 0.0000 | 0.0000                 | 0.0000       | (5.0354) 0.0000        |
|                               | - Customer-specific ** |                  |                |                     |        |                     |                  |        |                        |              | 0.0000                 |
| <b>RATE 332</b>               | - All                  | 13.61            | 0.0000         | 0.0000              | 0.0000 | 0.0000              | 0.0000           | 13.61  | 0.0000                 | 0.0000       | 0.0000                 |

Notes:

\* Unit Rates derived based on 2016 actual volumes

**Enbridge Gas Distribution Inc.**  
**2016 Deferral and Variance Account Clearing**  
**Bill Adjustment in October and November 2017 for Typical Customers**

| Item No. | Col. 1                          | Col. 2              | Col. 3                   | Col. 4                        | Col. 5                        | Col. 6                       | Col. 7                            | Col. 8                            |
|----------|---------------------------------|---------------------|--------------------------|-------------------------------|-------------------------------|------------------------------|-----------------------------------|-----------------------------------|
|          |                                 |                     | <u>Unit Rates</u>        |                               |                               | <u>Bill Adjustment</u>       |                                   |                                   |
|          | <u>GENERAL SERVICE</u>          | Annual Volume<br>m3 | <u>Sales</u><br>cents/m3 | <u>Ontario TS</u><br>cents/m3 | <u>Western TS</u><br>cents/m3 | <u>Sales Customers</u><br>\$ | <u>Ontario TS Customers</u><br>\$ | <u>Western TS Customers</u><br>\$ |
| 1.1      | <b>RATE 1 RESIDENTIAL</b>       |                     |                          |                               |                               |                              |                                   |                                   |
| 1.2      | Heating & Water Heating         | 2,400               | 0.1727                   | 0.1864                        | 0.1727                        | 4.1                          | 4.5                               | 4.1                               |
| 2.1      | <b>RATE 6 COMMERCIAL</b>        |                     |                          |                               |                               |                              |                                   |                                   |
| 2.2      | General Use                     | 43,285              | 0.1261                   | 0.1398                        | 0.1261                        | 55                           | 61                                | 55                                |
|          | <b><u>CONTRACT SERVICE</u></b>  |                     |                          |                               |                               |                              |                                   |                                   |
| 3.1      | <b>RATE 100</b>                 |                     |                          |                               |                               |                              |                                   |                                   |
| 3.2      | Industrial - small size         | 339,188             | 0.0794                   | 0.0000                        | 0.0794                        | 269                          | -                                 | 269                               |
| 4.1      | <b>RATE 110</b>                 |                     |                          |                               |                               |                              |                                   |                                   |
| 4.2      | Industrial - small size, 50% LF | 598,568             | 0.0552                   | 0.0689                        | 0.0552                        | 330                          | 413                               | 330                               |
| 4.5      | Industrial - avg. size, 75% LF  | 9,976,121           | 0.0552                   | 0.0689                        | 0.0552                        | 5,507                        | 6,877                             | 5,507                             |
| 5.1      | <b>RATE 115</b>                 |                     |                          |                               |                               |                              |                                   |                                   |
| 5.2      | Industrial - small size, 80% LF | 4,471,609           | 0.0000                   | 0.0645                        | 0.0508                        | -                            | 2,884                             | 2,270                             |
| 6.1      | <b>RATE 135</b>                 |                     |                          |                               |                               |                              |                                   |                                   |
| 6.2      | Industrial - Seasonal Firm      | 598,567             | 0.0501                   | 0.0639                        | 0.0501                        | 300                          | 382                               | 300                               |
| 7.1      | <b>RATE 145</b>                 |                     |                          |                               |                               |                              |                                   |                                   |
| 7.2      | Commercial - avg. size          | 598,568             | 0.0540                   | 0.0677                        | 0.0540                        | 323                          | 405                               | 323                               |
| 8.1      | <b>RATE 170</b>                 |                     |                          |                               |                               |                              |                                   |                                   |
| 8.2      | Industrial - avg. size, 75% LF  | 9,976,121           | 0.0540                   | 0.0677                        | 0.0540                        | 5,383                        | 6,753                             | 5,383                             |

Notes:

Col. 6 = Col. 2 x Col. 3  
Col. 7 = Col. 2 x Col. 4  
Col. 8 = Col. 2 x Col. 5