



Andrew Mandyam
Director Regulatory Affairs

tel 416-495-5499
EGDRegulatoryProceedings@enbridge.com

Enbridge Gas Distribution
500 Consumers Road
North York, Ontario M2J 1P8
Canada

VIA COURIER

October 10, 2018

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

**Re: Enbridge Gas Distribution Inc.
2019 Federal Carbon Pricing ("Application")
Ontario Energy Board ("Board") File Number EB-2018-0205**

Please find attached copies of the Application and supporting evidence of Enbridge Gas Distribution Inc. ("Enbridge" or "Company") seeking support to start charging customers for the Government of Canada's Federal Carbon Pricing Program ("FCPP") effective January 1, 2019. In requesting approval to start charging for the FCPP, Enbridge is making the assumption that Ontario will be identified as a listed jurisdiction by the Federal Government.

The Application has been filed through the Board's Regulatory Electronic Submission System and will be available on the Enbridge website at:
www.enbridgegas.com/ratecase.

Please contact the undersigned if you have any questions.

Yours truly,

[original signed by]

Andrew Mandyam
Director, Regulatory Affairs

cc: Mr. D. O'Leary, Aird & Berlis LLP
Mr. D. Stevens, Aird & Berlis LLP
All Interested Parties EB-2018-0205 (via email)

EXHIBIT LIST

A – ADMINISTRATIVE DOCUMENTS

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<u>A</u>	1	1	Exhibit List	
		2	Executive Summary	A. Langstaff J. Murphy F. Oliver-Glasford
	2	1	Administration/Application	A. Mandyam F. Oliver-Glasford
		2	Overview and Approach	T. Bruckmueller A. Langstaff J. Murphy F. Oliver-Glasford
			Appendix A – Sample Bill Appendix B – Communication Plan Appendix C – Conditions of Service	
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B – FORECASTS

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EXHIBIT LIST

C – ADMINISTRATIVE COSTS

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D – DEFERRAL AND VARIANCE ACCOUNTS

<u>Exhibit</u>	<u>Tab</u>	<u>Schedule</u>	<u>Contents</u>	<u>Witness(es)</u>
<u>D</u>	1	1	Deferral and Variance Accounts	A. Langstaff F. Oliver-Glasford R. Small

Appendix A – Draft Accounting Orders

E – COST RECOVERY

<u>Exhibit</u>	<u>Tab</u>	<u>Schedule</u>	<u>Contents</u>	<u>Witness(es)</u>
<u>E</u>	1	1	Cost Recovery Statements	A. Kacicnik A. Langstaff J. Murphy

Appendix A – 2019 Federal Carbon
Pricing Program Unit Rate Breakdown
by Rate Class

Appendix B – Rider J – Carbon Charges

EXECUTIVE SUMMARY

1. Enbridge Gas Distribution Inc. (“Enbridge” or the “Company”) has prepared this evidence in preparation for implementation of the Federal Carbon Pricing Program (“FCPP” or “the Program”) also referred to as the “Backstop” on January 1, 2019. Enbridge has assumed that Ontario will be a covered jurisdiction. Enbridge’s Backstop obligations will occur as a result of the Greenhouse Gas Pollution Pricing Act, S.C. 2018, c. 12 (“GGPPA” or the “Act”)
2. Enbridge recognizes that the Company will be required to remit the carbon charges related to the FCPP to the Government of Canada. Enbridge has estimated the remittance value to be roughly \$417 million. This estimate includes the carbon costs related to Enbridge’s customers’ use of natural gas excluding those identifiable customers exempt by virtue of being included in the Output Based Pricing System (“OBPS”) and the Company’s own facility use of natural gas. To comply with its legal obligation under the GGPPA, Enbridge is seeking approval to start adding to customer bills an interim rate or charge, starting on January 1, 2019, which reflects the forecast of amounts that Enbridge will be required to remit to the Government under the GGPPA.
3. The following paragraphs set out a summary of Enbridge’s 2019 FCPP evidence.
4. Exhibit A – Administrative Documents: This Executive Summary, Exhibit A, Tab 1, Schedule 2, briefly reviews the Exhibits contained in the Application. The specific relief sought is set out in the Application found at Exhibit A, Tab, 2, Schedule 1. An overview of the FCPP and the Company’s approach to implementation are described at Exhibit A, Tab 2, Schedule 2. Exhibit A, Tab 3, Schedule 1 includes the

Curriculum Vitae of Company witnesses. A Glossary of Terms is found at Exhibit A, Tab 4, Schedule 1.

5. Exhibit B – Forecasting: Exhibit B, Tab 1, Schedule 1 outlines the forecasting methodologies, forecast volumes and forecast costs related to the customer and facility-related obligations that the Company is responsible for under the FCPP in 2019.
6. Exhibit C – Administrative Costs: Exhibit C, Tab 1, Schedule 1, describes the 2018 and 2019 Forecasted Administrative Costs that Enbridge will incur complying with the Act.
7. Exhibit D – Deferral and Variance Accounts: Exhibit D, Tab 1, Schedule 1 describes the need for and the mechanics of the deferral and variance accounts required by Enbridge for the FCPP activities in 2019.
8. Exhibit E – Cost Recovery Statements: Exhibit E, Tab 1, Schedule 1, sets out the FCPP Unit Rates for Customer-Related and Facility-Related obligations according to rate class.

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15, Sched. B, as amended;

AND IN THE MATTER OF an Application by Enbridge Gas
Distribution Inc. for an order or orders approving or fixing
rates and/or charges to recover the costs incurred in 2019
pursuant to the *Greenhouse Gas Pollution Pricing Act*, S.C.
2018, c. 12 (“**GGPPA**”)

A P P L I C A T I O N

1. The Applicant, Enbridge Gas Distribution (“Enbridge”, or the “Company”), is an Ontario corporation with its head office in Toronto, Ontario. It carries on the business of selling, distributing, transmitting and storing natural gas within Ontario.
2. The relevant persons affected by this Application are the customers of Enbridge, with the exception of entities covered under an Output-Based Pricing System (“OBPS”), i.e., facilities that are subject to Part 2 of the Greenhouse Gas Pollution Pricing Act (“GGPPA” or the “Act”) who are required to pay compensation for their own greenhouse gas (“GHG”) emissions but who remain responsible for applicable facility-related and administrative costs. It is impractical to set out the names and addresses of the relevant customers because they are too numerous.
3. On June 21, 2018 the GGPPA received Royal Assent. Under the GGPPA Enbridge has certain obligations which will result in the incurrence of the following costs commencing January 1, 2019:

- a. Customer-related federal carbon charge costs which Enbridge will be required to pay under the GGPPA for residential, commercial and industrial customers who are not covered under the OBPS and any resulting increase to financing costs;
 - b. Facility-related federal carbon charge costs which Enbridge will be required to pay under the GGPPA arising from the Company's facilities and operation of its gas distribution system and any resulting increase to financing costs; and
 - c. Incremental administrative and program costs: including, but not limited to costs associated with salary and benefits of management and staff required to oversee and undertake all necessary administrative functions; changes to Enbridge's billing systems; costs to retain external consultants, external legal counsel and external accounting support; costs payable in respect of current and future Ontario Energy Board (the "Board") regulatory proceedings; costs for the measurement, verification and reporting of GHG emissions; and, the resulting incremental impact on customer-related bad debt, customer care and/or customer communication expenses.
4. In EB-2012-0459, Enbridge received approval effective January 1, 2014 for a five year Custom Incentive Regulation ("Custom IR") Plan which determines how rates are set in the years 2014-2018 inclusive. Enbridge is currently operating under this Custom IR Plan with 2018 being the last year of its five-year term. Neither the Custom IR plan, nor the 2018 Rate Adjustment Application (EB-2017-0086) provide for the recovery of the costs which Enbridge will incur pursuant to the GGPPA in 2018 and beyond. This Application therefore seeks the appropriate orders, approvals and determinations by the Board to establish rates and/or charges over and above those set pursuant to

Enbridge's Custom IR plan, the 2018 Rate Adjustment Application and any future rate proceedings filed before a final disposition is made in this proceeding.

5. Enbridge applies to the Board pursuant to Section 36 of the *Ontario Energy Board Act, 1998*, as amended (the "OEB Act") for such final, interim or other orders or accounting orders or determinations as may be necessary or appropriate to approve the following:

- a. Interim 2019 Customer-related and Facility-related Federal Carbon Charges, to be approved on or before November 30, 2018 in order that Interim Federal Carbon Charges can be included with Enbridge's Quarterly Rate Adjustment Mechanism ("QRAM") Application and be implemented as of January 1, 2019;
- b. Final 2019 Customer-related and Facilities-related Federal Carbon Charges to recover the forecast costs of meeting Enbridge's obligations related to GHG emissions from relevant customers and Company facilities;
- c. The establishment of a 2019 Federal Carbon Charge-Customer related variance account ("FCC-Customer VA") and a 2019 Federal Carbon Charge-Facility-related variance account ("FCC-Facility VA") to record the differences that occur in 2019 between the actual revenues received from the Federal Carbon Fuel Charges and the actual costs Enbridge incurs to meet its 2019 GGPPA obligations related to GHG emissions from relevant customers and Company facilities. These variance accounts will ensure that the Company neither over or under-recovers its Customer and Facility-related GGPA obligation costs;

- d. The continuation of the Greenhouse Gas Emissions Impact Deferral Account (“GGEIDA”) which will be used to record the impacts of provincial and federal regulations related to greenhouse gas emission requirements including internal and external administrative and program costs incurred by the Company, the resulting incremental impact on customer-related bad debt and the revenue requirement impact of any required capital expenditures; and,
 - e. The illustrative bill impacts on a typical residential customer that includes the sum of the Federal Carbon Fuel Charges for Customer-related and Facility-related costs as found at Exhibit E, Tab 1, Schedule 1 and appendices.
6. Enbridge requests that a copy of every document filed with the Board in this proceeding be served on the Applicant and the Applicant’s counsel, as follows:

The Applicant:

Mr. Andrew Mandyam
Director, Regulatory Affairs
Enbridge Gas Distribution Inc.

Address for personal service: 500 Consumers Road
Willowdale, Ontario M2J 1P8

Mailing address: P. O. Box 650
Scarborough, Ontario M1K 5E3

Telephone: 416-495-5499 or 1-888-659-0685
Email: EGDRRegulatoryProceedings@enbridge.com

The Applicant's counsel:

Mr. Dennis M. O'Leary
Mr. David Stevens
Aird & Berlis LLP

Address for personal service
and mailing address

Brookfield Place, P.O. Box 754
Suite 1800, 181 Bay Street
Toronto, Ontario M5J 2T9

Telephone:
Fax:
Email:

416-865-4711/416-865-7783
416-863-1515
doleary@airdberlis.com
dstevens@airdberlis.com

DATED at October 10, 2018 at Toronto, Ontario.

ENBRIDGE GAS DISTRIBUTION INC.

[original signed by]

Per: _____

Andrew Mandyam
Director, Regulatory Affairs

OVERVIEW AND APPROACH

1. This evidence provides an overview of the Federal Carbon Pricing Program (“FCPP” or the “Program”) and Enbridge’s approach to implementation.
2. Enbridge presents this evidence based on the best available information at the time of filing in order to ensure the Company is able to comply with the Program legislation beginning on January 1, 2019. Should information related to the Program be updated or changed, Enbridge may amend its evidence accordingly. A list of the assumptions made by Enbridge in this Application regarding the Program is provided later in this Exhibit under the heading “Assumptions”.

Background

3. On May 18, 2016, Ontario’s Climate Change Mitigation and Low Carbon Economy Act (“CCMLCEA”) received Royal Assent. Enbridge had obligations in the Cap and Trade program under the CCMLCEA for 2017 and up to July 3, 2018, the date upon which the incoming Provincial Government revoked the Cap and Trade regulation.
4. On July 3, 2018, activity relating to Cap and Trade qualifying financial instruments was suspended. Enbridge notified the Ontario Energy Board by letter that the Company had ceased activity related to Cap and Trade and would be documenting costs pre and post the July 3 revocation date. Furthermore, Enbridge has complied with the Board’s requirement that the utility remove the Cap and Trade unit rate from customer bills and clear net balances forecasted to September 30, 2018, on an interim basis, as is evidenced in the recent QRAM filing dated September 19, 2018 (EB-2018-0249).

5. On the Federal level, on June 21, 2018, the Greenhouse Gas Pollution Pricing Act (“GGPPA” or the “Act”) received Royal Assent thereby creating a federal carbon pricing program. The FCPP, sometimes referred to as a carbon pricing “backstop”, is a carbon pricing program that will be applicable in any province or territory that chooses to participate in the FCCP, or where the province does not have an “equivalent” carbon pricing system in place by January 1, 2019. With the Cap and Trade program cancellation it is expected that the Program will apply in Ontario. However, confirmation of Ontario’s status as a jurisdiction covered under the Program is not yet known.
6. The Act has two parts: 1) a carbon charge on fossil fuels; and 2) a program for industrial emitters known as the Output-Based Pricing System (“OBPS”).
7. The carbon charge on fossil fuels is a cost per unit of fuel, which in the case of natural gas is cubic meters, and is imposed on distributors, importers and producers of all fossil fuels including natural gas. The carbon charge starts at 3.91 cents/cubic meter, based on a price of carbon of \$20/tCO₂e in 2019.¹ The price of carbon increases by \$10/tCO₂e every year until it reaches \$50/tCO₂e in 2022, when the carbon charge for natural gas will be 9.79 cents/cubic meter.
8. In the case of natural gas distributors, all customers will be charged a unit rate for the federal carbon charge, unless they are covered under the OBPS program, or are otherwise exempt from the carbon charge in accordance with the Act.

¹ The charge rates for marketable natural gas in 2019 and onwards are shown in the tables in Schedule 2 of the GGPPA. The annual price of carbon in 2019 and onwards is shown in Schedule 4 of the GGPPA.

9. An OBPS creates a pricing incentive to reduce greenhouse gas emissions from industrial facilities while limiting the impacts of carbon pricing on international competitiveness. Often entities in an OBPS are referred to as Energy Intensive and Trade Exposed (“EITE”).
10. Currently, in the Program, entities emitting greater than 50,000 tCO₂e and identified as being in an EITE sector will be included in the OBPS effective January 1, 2019. It is still to be confirmed whether entities in an EITE sector emitting between 10,000 tCO₂e and 50,000 tCO₂e will also be included in the OBPS starting January 1, 2019. There is also discussion about entities in the municipalities, universities, school boards and hospitals (“MUSH”) sector being included in OBPS. Formalization of these items as well as finalization of the OBPS regulations is still forthcoming.
11. Entities included in the OBPS will be required to apply to Environment and Climate Change Canada (“ECCC”), followed by an application to the Canada Revenue Agency (“CRA”) for exemption from the carbon charge on their combustion fuels. The exemption certificate provided by CRA must then be submitted to the utility to ensure it is not charged for the customer-related federal carbon charge.
12. On an annual basis, entities covered under OBPS will calculate their emissions intensity and compare it to an emission intensity benchmark for their sector. The emission intensity metrics, benchmark and calculation methodologies are currently being developed by ECCC and will be provided in sector-based Output-Based Standards (“OBS”). If an entity is below the sector benchmark they will receive surplus emission credits free of charge. If an entity is above the benchmark, they will be able to satisfy their compliance obligation through a) paying the federal

carbon price, b) submitting surplus emissions credits, or c) submitting eligible offset credits.

13. Transmission and storage of natural gas is considered as a sector under the OBPS, therefore emissions from Enbridge's gas storage compressor stations are captured under OBPS. This means that Enbridge may face a compliance obligation under OBPS for these emissions, depending on the comparison of the Company's emissions to the pipeline sector OBS benchmark.

Enbridge's Obligations and Costs Under the GGPPA

14. Enbridge, as an entity that delivers natural gas by means of a distribution system, is covered under Part 1 of the Act (Fuel Charge) as a fuel distributor and therefore has the following obligations:
 - a) To register as a fuel distributor with CRA,
 - b) To calculate and report monthly to CRA the volume of fuel covered under Part 1 of the Act, including the company's own use within the distribution system, and
 - c) To remit the amount of the carbon charge in respect of the monthly volume that has been calculated.
15. Due to Enbridge's gas storage compressor stations, the Company is also considered a "covered facility" in respect of Part 2 of the Act (Industrial GHG Emissions), and therefore has the following obligations:
 - a) To register as a covered facility under the OBPS program with ECCC,
 - b) To register with CRA for exemption of the carbon charges for the Company's fuel use at the compressor stations,

- c) To calculate and report to ECCC the Company's emissions and emissions limit for each compliance period, and
- d) To provide compensation for any excess emissions by the compensation deadline.

Enbridge's Approach to the Federal Carbon Pricing Program

- 16. Enbridge is preparing for implementation of the Program, assuming Ontario will be a covered jurisdiction, and therefore listed in Schedule 1 of the Act, and that the obligations listed above will apply to the Company as of January 1, 2019. It is expected that the Federal Government will update the GGPPA in the autumn of 2018 and will confirm Ontario's inclusion and start date, however waiting until this point in time could jeopardize Enbridge's ability to be ready to meet the obligations placed on the Company by the Act.
- 17. Enbridge is seeking Board approval of interim rates to be applied to customer bills starting January 1, 2019 given the significant obligation under the GGPPA. If amounts payable to the Government of Canada under the GGPPA are not added to bills and collected commencing January 1, 2019 the resulting buildup of unbilled and uncollected amounts from customers may have an unnecessarily large impact on rates when such amounts are added to bills and recovered in the future. To illustrate, a delay in adding the related carbon charges to customer bill of even two months would mean the Company would need to collect almost \$140 million dollars from customers later on in addition to the regular monthly carbon charges that will need to be applied. Enbridge therefore believes it is prudent to have interim rates on bills by January 1, 2019 to prevent the need for such a large collection later on.

18. Enbridge acknowledges that the Government is still working out aspects of the GGPPA and that as further details are released, the Company may have to adjust its FCPP activities in response. Enbridge believes that the Company must be in a position to not only meet its legal obligations but to do so in a manner which is cognizant of the impact on its customers.
19. Preparations for the Program at Enbridge to date have included: working to understand the obligations under the GGPPA, development of design criteria for the billing system, bill presentment design, communications with customers, development of a declaration form, and integration of the Program into current business practices. The Company is working with the federal government to understand implementation of the Program. Administrative costs related to these activities are discussed in Exhibit D, Tab 1, Schedule 1.
20. Enbridge proposes to treat the costs to comply with the Company's obligations under the GGPPA as a pass-through to customers. This will include the following:
 - a) A customer-related federal carbon charge – based on the application of the carbon charge of 3.91 cents/cubic meter on the volume measured at the customer's meter. The customer-related federal carbon charge will be displayed as a separate line item on the customer's bill. A sample of the bill is provided in Appendix A to this exhibit. The forecast of customer-related costs are \$417,303,160, the derivation of which is provided in Exhibit B, Tab 1, Schedule 1.
 - b) A facility-related federal carbon charge – based on application of the carbon charge on company use volumes and costs related to the OBPS obligation. The facility-related federal carbon charge will be included in the "Delivery to You" line of the customer's bill. The forecast of facility-related costs are

\$380,036, the derivation of which is provided in Exhibit B, Tab 1, Schedule 1. The derivation of the facility-related federal carbon charge is included in Exhibit E, Tab 1, Schedule 1.

- c) Administrative costs – to be recovered at a later date, as determined by the Board. The forecast of administrative costs for 2019 is \$1.84 million. A description and forecast of administrative costs is provided in Exhibit C, Tab 1, Schedule 1.
21. Enbridge anticipates that the annual bill impact for an average residential customer, who uses 2,400 m³ per year, will be approximately \$94, excluding administrative costs, as shown in Exhibit E, Tab 1, Schedule 1.

Assumptions

22. Enbridge necessarily needed to make some assumptions in this evidence in order to be ready to implement by January 1, 2019. Those assumptions include:
- Ontario will be listed as a covered jurisdiction in Schedule 1 of the GGPPA for the entirety of both components of the Program for January 1, 2019.
 - The OBPS program will include voluntary registrants between 10 ktCO₂e and 50 ktCO₂e. For forecasting purposes, Enbridge has assumed that customers who fall in this range will register for OBPS and therefore will be exempt from the customer-related federal carbon charge as of January 1, 2019.
 - Enbridge's gas storage compressor stations will be covered under the OBPS program and fuel use at these sites will be exempt from paying the carbon charge.
 - An OBS for the natural gas pipeline sector of 0.553 tCO₂e/MWh has been assumed based on information provided to the pipeline sector OBPS working

group on September 14, 2018. Enbridge notes that this benchmark is not finalized by ECCC.

- Inclusion of facilities in the MUSH sector in the OBPS is unknown as of the date of this filing. For volume forecasting purposes Enbridge has assumed the MUSH sector is not included under OBPS, and therefore will be charged the customer-related federal carbon charge. The Company notes that it will review any changes in the Act prior to implementation on January 1, 2019 and will update the billing system accordingly if this sector is included.

Communication

23. Enbridge is committed to helping its customers understand charges on their bills and this item will be no different. A communication plan is attached as Appendix B to this Exhibit.
24. Additionally, the Company has included information regarding the Federal Carbon Charge in its Conditions of Service. A copy of the updated Conditions of Service has been included as Appendix C to this Exhibit.
25. Enbridge will add a line item on customers' bills to show the customer-related federal carbon charge related to their usage. Enbridge believes that showing these costs on a separate line item will send an appropriate price signal to the customer regarding the costs of their emissions. Furthermore, unlike Cap and Trade where the customer-related charge was subject to change based on a number of variables and resulted in the Company's actual cost of compliance, the carbon charge in the Act is a fixed rate for the entire year.

26. It is foreseeable that a new line item on the bill may provoke more questions to Enbridge's call centre. As such, Enbridge has built some costs for call centre training into the forecast administrative costs for 2019, as shown in Exhibit C, Tab 1, Schedule 1.



SMELL GAS? 1-866-763-5427

For Inquiries: 1-877-362-7434 **enbridgegas.com**
Make Payments to: PO Box 644 Scarborough, ON M1K 5H1
 [----- LEGAL NAME HERE -----]

JOHN SMITH
123 FAKE STREET
TORONTO, ON M6J 3K3

Service Address
 123 Fake Street Toronto, ON M6J 3K3
Account Number 9100 00 00000 0 **Bill Date** Sep 26, 2018



WHAT DO I OWE?

Billing Period Aug 23, 2018 — Sep 24, 2018



- Charges for Natural Gas
- Other Enbridge Charges
- Charges from Other Companies

• See page 2 for details •



HOW MUCH GAS DID I USE?

Meter Reading

Meter Number: 1234567
Estimated: 47339
Previous: 47203

You used

136 m³
 or 4.53 m³ per day

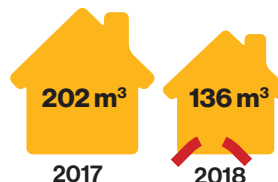
This cost you

\$71.17
 or \$2.37 per day

Did you know?

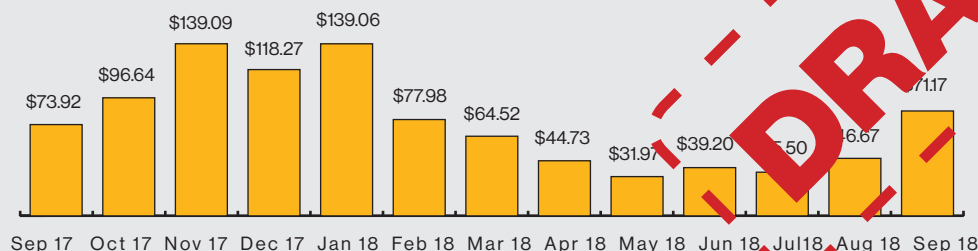
Your use is more this year than it was at the same time last year.

Learn more at enbridgegas.com



MY LAST 13 MONTHS GAS USE

(Taxes Included)



* HST Registration Number: 105205140 RT0001

* Enbridge Gas Distribution charges are to be paid by the Due Date, which is considered to be twenty days after the Bill Date, or within such other time period as set out in the Service Contract. A late payment charge will be applied on any amount not received by the Due Date, which is the twentieth (20th) day following the Bill Date. Interest will be charged at the rate of 1.5% per month (19.56% effectively per annum) until receipt of all of the unpaid Enbridge Gas Distribution charges, including all applicable federal and provincial taxes.

* Enbridge provides a billing service to companies; these companies are not owned by or affiliated with Enbridge. Their charges appear in the "Charges from Other Companies" section of your bill. Enbridge does not recommend, endorse or guarantee the products or services offered by such companies. For questions about their products or services, you should contact them directly.


SMELL GAS? 1-866-763-5427
For Inquiries: 1-877-362-7434

enbridgegas.com
Make Payments to: PO Box 644 Scarborough, ON M1K 5H1
 [----- LEGAL NAME HERE -----]


WHAT AM I PAYING FOR?

Billing Period Oct 20, 2017—Nov 16, 2017

Balance from Previous Bill	\$136.28
Payment Received [June 5, 2017]	\$136.28 ^{CR}
Balance Forward & Past Due	\$0.00
Charges for Natural Gas	\$71.17
Other Enbridge Charges	\$3.16
Charges from Other Companies	\$32.87
Total Amount Due	\$107.20

CHARGES FOR NATURAL GAS

Customer Charge	\$20.00
Delivery to You	\$18.60
Transportation to Enbridge	\$6.42
Gas Supply Charge	\$12.75
Cost Adjustment	\$0.11 ^{CR}
Federal Carbon Charge	\$5.32
Charges for Natural Gas	\$62.98
HST	\$8.18
Total Charges for Natural Gas	\$71.17

OTHER ENBRIDGE CHARGES

Rate Adjustment	\$3.24
HST	\$0.42
Total Other Enbridge Charges	\$3.66



MY PAYMENT ARRANGEMENT

Nov 24, 2017	\$50.00
Dec 01, 2017	\$50.00
Dec 08, 2017	\$21.41
Total	\$121.41



WHAT DO I NEED TO KNOW?

- IMPORTANT NOTICE**
GAS RATES HAVE CHANGED
 Please see the enclosed notice for further details.

DRAFT



CHARGES FROM OTHER COMPANIES



enercare™
home

Enercare Account Number	123456789
Rental Water Heater Oct 20, 2017 - Nov 17, 2017	\$29.09
HST (Registration - 853971083)	\$3.78
Total Charges from Other Companies	\$32.87



MESSAGES FROM OTHER COMPANIES

Enercare Home Services

Billing 905-943-6944 or 1-888-386-1134
Sales & Service 1-866-203-8829

Cure "AC-breakdown-itis" this summer. Save up to \$1,000 in rebates & discounts on a select premier air conditioner from Enercare. Conditions apply, call for details.

DRAFT



JOHN SMITH
123 FAKE STREET
TORONTO, ON M6J 3K3

Service Address

123 Fake Street
Toronto, ON M6J 3K3

Account Number 9100 00 000000
Total Amount Due \$107.20
Due Date* Oct 16, 2018

Amount Paid

\$

9100150137400000085800000085801707246

Enbridge Gas Distribution Inc.
Federal Carbon Pricing Program Communication Plan

Objectives

Enbridge has developed this communication plan to ensure that customers are informed about the Federal Carbon Pricing Program (“FCPP” or the “Program”), which aims to reduce greenhouse gas (“GHG”) emissions by putting a price on carbon, as well as the programs available at Enbridge to assist in reducing GHG emissions, effectively lowering natural gas bills.

Target Audiences

FCPP customer communications will include the following audiences:

- Mass market customers
 - Residential customers
 - Small business customers
- Business customers
 - Gas-fired power generators
 - Mandatory and Opt-in entities in the Output-Based Pricing System (“OBPS”)
- Internal (primarily customer-facing staff)
 - Call centre staff
 - Large Volume Customer Account Executives

Communication Themes

Enbridge will focus on FCPP as it relates to how it affects natural gas customers.

1. How the Program affects customer bills
 - Enbridge will communicate to customers about
 - Anticipated Program costs;
 - The Ontario Energy Board’s role in reviewing and approving FCPP unit rates before they are passed through to customers; and
 - Program specifics via Enbridge’s and the Federal Government’s website.

2. Ways to reduce GHGs and costs

- Since GHGs and the cost of the Federal Program are primarily determined by the amount of natural gas a customer uses, Enbridge will continue to highlight its role in deploying energy efficiency programs in an effort to help reduce GHG costs.

Customer Outreach

Enbridge will continue to listen to the needs of customers as they relate to the Program through existing channels including some or all of the following:

- calls to the residential customer call centre
- calls to the business customer call centre
- calls to the Ombudsman's office
- social media
- media monitoring
- presentations to associations, etc. and related questions and feedback
- Large Volume Account Executive interactions with customers

Communications Strategy

Information will be shared with customers across a variety of existing cost effective communication channels including but not limited to:

- Call centre and employee scripts and messages
- Website:
 - An Enbridge Gas Distribution Inc. webpage dedicated to communicating information about FCPP; and
 - Link to Enbridge's energy efficiency tips and programs
 - Link to Federal Government's website
- Tariff Sheets and quarterly rate notice
- Standalone bill insert – introducing the Program
- On-bill envelope message or on-bill message, if warranted
- Social media
- Presentations to various audiences, such as Large Volume Customer meetings and conferences or trade shows

- Links to the Federal Government's website detailing specific information about FCPP
- Specific communication with large volume customers that includes confirmation of their status in the OBPS (if applicable), as well as the annual Large Volume Customer Meeting, Account Executive interactions such as one-on-one meetings, and/or periodic email updates

Timelines

Enbridge will continue to monitor and evaluate the FCPP as it evolves. To date, the Company has provided a communication to its large volume customers regarding the Program.

It is expected that the Federal Government will indicate, in October, whether or not the Program applies to Ontario. Should the FCPP apply, Enbridge intends on completing a standalone bill insert introducing the Program in December. This will ensure that customers are informed of the pending carbon charge as of January 1, 2019. Further, the Company intends to provide an on-bill envelope message on all January 2019 bills.

As noted above, the Company will use cost effective strategies, such as the website, and call center messaging, to communicate the details and impacts of this Program with its customers. These communication activities will be ongoing.

ENBRIDGE GAS DISTRIBUTION INC.

CONDITIONS OF SERVICE September 2017

Witness: D. McIlwraith

Revision History

Version #	Date of Revision	Description (e.g. "First Draft", "Final Approval Copy")
1.0		First Draft
2.0	2011/12/30	<p>Section 6.1 Setting Up an Enbridge Account to include the requirement to provide Enbridge with 3 days advance notice of a move. If notification is not received Enbridge will only retroactively adjust the account for a maximum of 30 days from the date notification is received. This will be implemented starting Jan 1 2012.</p> <p>Section 6.3 Security Deposits to revise the good payment history period for return of a security deposit from 24 to 12 months. This will be effective from Jan 2012.</p> <p>Section 6.5 Correction of Billing errors to restrict the period of correction for over or under billing to two years. This will be implemented starting Jan 1 2012.</p> <p>Section 6.9 Management of Customer Accounts originally stated "In a landlord tenant situation Enbridge will follow directions recorded on the account when gas service was initially established". The phrase "when gas service was initially established" has been removed to allow for updated directions to be received from a Landlord.</p>
3.0	2012/03/30	<p>Section 6 now gives a short description of accounts that are classified as Commercial for reference</p> <p>Section 6.1 Setting Up an Enbridge Account removed reference to when these conditions remain in effect</p> <p>Section 6.2 Meter Reading informs customers that they must give access to Enbridge to read the meter at least one per 12 months</p> <p>Section 6.6.3 Discontinuance of Service for Non Payment to inform customers that the Disconnection notice now includes the dates between which the gas service can be disconnected and payment options for avoiding disconnection. This was effective from Jan 2012</p> <p>Section 6.7 Arrears Management Programs to inform customers of the cancellation of installment plan letter. This was effective from Jan 2012. Also to advise customers working with a Social Assistance agency that they will be given 21 days to secure emergency financial assistance before additional Collections action will be taken. This was effective from Jan 2012.</p> <p>Section 6.9 Management of Customer Accounts to inform Landlords of the new process of recording Landlord directions for the properties they own/manage. This was effective March 2012.</p>
4.0	2013/1/1	Section 6 now includes information for Low Income Customers.
5.0	2016/03/07	<p>This revision captures several typographical and grammatical errors, updates the titles of various Enbridge documents, and clarifies several sections of the document.</p> <p>4. Inserted definition of "applicant".</p> <p>4.2 Substantial revision of "Service Installations" to reflect Enbridge's current practices and to clarify when a CIAC will be required.</p>

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		<p>4.3.2 Included references to service regulators.</p> <p>4.5 Moved definition of “building piping” from Appendix A to Section 4.5 as this is the only instance in the document in which the term is used.</p> <p>4.6 Clarifies that the customer must make repairs or adjustments prior to the gas being turned on by Enbridge.</p> <p>5.2.1 Inserted a new paragraph (the last paragraph) describing the process if the customer does not respond to a meter exchange notice.</p> <p>5.2.2 Amended section to refer to the specific sections of the Electricity and Gas Inspection Act, and delete the previous summary of those sections.</p> <p>6. Note: All Conditions of Service pertaining to eligible low-income customers have been consolidated in Section 6.11, and cross-references have been inserted in each relevant provision of Section 6 directing readers to Section 6.11 for information applicable to eligible low-income customers.</p> <p>6. Clarifications have been made throughout Section 6 to consistently refer to the “Enbridge bill” and “all items billed on your Enbridge bill”.</p> <p>6.2 Deleted the reference to a customer providing access for meter reading purposes at least one every twelve (12) months and combined the first and second sentences to clarify that we need access to the meter for the actual meter readings.</p> <p>6.3 Revised the security deposit section to clarify that a security deposit is required if the customer cannot meet Enbridge’s “know your customer” identification requirements. In the security deposit waiver criteria list: (i) deleted the reference to a customer providing a reference letter from another utility in Canada; and (ii) included a reference to a customer requesting Enbridge to conduct a credit check and meeting Enbridge’s credit requirements. Added the last paragraph to Section 6.3 regarding the conduct of credit checks by Enbridge.</p> <p>6.4.1 Enbridge has recently simplified the text on its bill. This section has been substantially revised to reflect the “plain language” definitions on the current Enbridge bill.</p> <p>6.4.2 Modified to reflect the title on the Enbridge bill: “Charges for <i>Natural Gas</i>” (amendment in italics).</p> <p>6.4.3 Modified description of “Charges from Other Companies” to clarify that the billers are not owned by or affiliate with Enbridge, and Enbridge does not recommend, endorse or guarantee their products or services.</p> <p>6.4.4 Included the website reference for Paperless Billing sign up.</p> <p>6.4.5 Included suggested timelines to submit payment to avoid the late payment charge for payments made online, in a financial institution or by standard mail. Updated the “Credit Card”</p>
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		<p>section to remove the reference to a specific dollar amount, and refer to the fees payable to the third party credit card service provider. In addition, included the caveat that a customer can only pay by credit cards accepted by the credit card service provider.</p> <p>6.5 Revised to provide clarity with respect to retroactive billing for all charges on the Enbridge bill.</p> <p>6.6.3 Inserted the second-last paragraph pertaining to disclosure of notice of a pending disconnection to the landlord of a rented property. Amended the last paragraph to include “or any other charges” in the second line.</p> <p>6.8 Amended to provide that, after payments are allocated to the oldest billed amount, payments will then be applied to gas charges first and then non-gas charges. The previous Conditions of Service provided that payments would be allocated to the oldest billed amount, and then applied to the non-gas charges first.</p> <p>6.9 Inserted a new section “Management of Landlord/Tenant Accounts” to expand on a paragraph in the previous Conditions of Service and to incorporate information from our website pertaining to accounts for rented properties.</p> <p>6.10 Included information pertaining to our collection of information (including personal information) and a reference to the Privacy Policy. Inserted the second-last paragraph pertaining to disclosure of notice of a pending disconnection to the landlord of a rented property. Inserted the last paragraph dealing with Enbridge’s “know your customer” process.</p> <p>6.11 Consolidated the Conditions of Service provisions pertaining to eligible low-income customers in one section (where relevant, there are cross-references to Section 6.11 in the earlier provisions of Section 6). Inserted a reference to the United Way Greater Simcoe County to assist customers who wish to determine if they qualify for LEAP.</p> <p>6.12 Amended to reflect the correct title (Ombudsman, not Ombud) and change the reference to “dispute resolution” process to “customer service” process to reflect the language used on our website.</p> <p>Appendix A has been modified to reflect the definitions on the current Enbridge bill (“plain language”) and remove defined terms that are not used elsewhere in the Conditions of Service.</p>
6.0	2016/09/30	<p>This revision clarifies and updates the following sections of the document:</p> <p>Section 4.3.3 Added a new section to detail the requirements for an external regulator room.</p> <p>Section 6.2 Amended to provide greater detail on the customer’s need to provide access to the gas meter.</p> <p>Section 6.3 Amended the pre-authorized payment criterion for the waiver of the security deposit requirement to provide that the customer must sign up for Enbridge’s Pre-</p>

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		Authorized Payment Plan and paperless billing. Section 6.4.4 Updated to reflect a new option to set payment reminders and/or payment notifications, and to provide notice that new gas customers will be automatically enrolled in paperless billing unless they request otherwise. Section 6.4.5 Updated to reflect that customers can sign up for the Enbridge Pre-Authorized Payment Plan or update their Pre-Authorized Payment Plan online.
7.0	2017/09/18	Section 6.1 Added language to support disconnection process in cases where a premise is deemed vacant. Section 6.4.4 Renamed Paperless Billing to eBill. Section 6.5 Amended back billing language to ensure it offers the flexibility to act in the customer's best interest. Section 6.9 Direct Landlords to the web for details on their options to manage tenanted properties
<u>8.0</u>	<u>2018/10/09</u>	<u>Section 6.4.1 Added language to describe the Federal Carbon Charge</u>

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Preface

As Canada's largest natural gas distribution company, Enbridge Gas Distribution Inc. ("Enbridge") has been providing natural gas services in a safe and reliable manner for more than 160 years, and currently provides service to over 2 million homes and businesses.

These Conditions of Service describe in summary form Enbridge's operating practices and policies, and are provided as part of our commitment to providing our customers with safe and reliable gas services.

We reserve the right to modify the contents of the Conditions of Service at any time. These Conditions of Service are meant as guidelines and do not supersede any terms and conditions set out in Enbridge's Rate Handbook, or agreed to in our contracts with you.

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1. Enbridge Franchise Area and Gas Distribution Services

The following is a current list of cities and towns to which Enbridge provides distribution services.

Eastern Region

Admaston	Hawkesbury	Ottawa
Alfred & Plantagenet	Horton	Pembroke
Arnprior	Laurentian Hills	Perth
Beckwith	Laurentian Valley	Petawawa
Brockville	Leeds and Grenville	Renfrew
Carleton Place	McNab-Braeside	Rideau Lakes
Casselman	Merrickville-Wolford	Russell
Champlain	Mississippi Mills	Smiths Falls
Clarence-Rockland	Montague	South Glengarry
Deep River	North Glengarry	Tay Valley
Drummond-North Elmsley	North Grenville	The Nation
Elizabethtown-Kitley	North Stormont	Whitewater Region

Central Region

Adjala	East Luther Grand Valley	Penetanguishene
Ajax	Erin	Peterborough
Amaranth	Essa	Pickering
Asphodel-Norwood	Georgina	Richmond Hill
Athens	Grey Highlands	Scugog
Aurora	Havelock Belmont Methuen	Severn
Barrie	Innisfil	Shelburne
Bradford-West Gwillimbury	Kawartha Lakes	Smith-Ennismore-Lakefield
Brampton	King	Southgate
Brighton	Markham	Springwater
Brock	Melancthon	Tay
Caledon	Midland	Tiny
Cavan Monaghan	Mississauga	Toronto
Clarington	Mono	Trent Hills
Clearview	Mulmur	Uxbridge
Collingwood	New Tecumseh	Vaughan
Douro-Dummer	Newmarket	Wasaga Beach
Dufferin	Orangeville	Wellington
Durham	Oshawa	Whitby
East Garafraxa	Otonabee S- Monaghan	Whitchurch
East Gwillimbury		

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Niagara Region

Fort Erie
Grimsby
Lincoln
Niagara Falls

Niagara-on-the-Lake
Pelham
Port Colborne
St. Catharines

Thorold
Wainfleet
Welland
West Lincoln

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2. Gas Distribution Services

2.1. Gas Supply and Delivery

Gas will be delivered and (if a customer purchases its gas from Enbridge) supplied to our customers within our franchise area under the following circumstances:

- there is sufficient supply of gas;
- there is sufficient capacity in Enbridge's distribution system; and,
- the supplying and/or delivering of gas is economically feasible.

2.2. Gas Supply and/or Delivery Under More than One Rate Schedule

Gas may be delivered and, if applicable, supplied under more than one rate provided the customer meets all the applicability requirements of each rate schedule as approved by the Ontario Energy Board. Gas delivered and, if applicable, supplied under each rate schedule will normally be metered separately but may be taken through one meter provided Enbridge and the customer agree in writing upon a formula for determining the delivery and supply services that the customer will purchase under each rate schedule.

2.3. Interruptions in Gas Distribution and/or Supply

Customers may be required to curtail or discontinue the use of gas if the supply of gas is jeopardized by any of the following:

- in the event of actual or threatened shortage of gas due to circumstances beyond the control of Enbridge;
- when curtailment or restriction is ordered by any government or agency having jurisdiction; or
- for any force majeure event (described below).

Enbridge shall not be liable for any loss of production, nor for any damages whatsoever due to such curtailment or discontinuance. Enbridge may also interrupt service from time to time for repair and maintenance of facilities. Except in the case of an emergency, Enbridge will provide affected customers with reasonable notice of such interruption.

2.4. Force Majeure

Customers of Enbridge shall not have any claim against Enbridge for damages sustained as a result of the interruption or cessation of gas deliveries caused by force majeure which include:

- acts of God, the elements;
- labour disputes, strikes, lockouts;
- fires, accidents;
- the breakage or repair of pipelines or machinery;
- curtailment by an upstream gas transporter;

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- depletion or shortage of gas supply;
- order of any legislative body or duly constituted authority; or
- any other cause or contingencies beyond the control of Enbridge.

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3. Rate Schedule

3.1. Changes in Rate Schedules

In the event the Ontario Energy Board amends the rate schedules of Enbridge, the amended price or amended terms and conditions shall apply to services provided under the rate schedules after the effective date established by the Ontario Energy Board.

4. Initiation of Service

A potential customer that has applied for natural gas service is referred to in this section as the “applicant”.

4.1. Main Extensions

Enbridge will extend its gas main within its franchise area to serve new customers when it is feasible, in accordance with Enbridge’s feasibility policy and procedures, to do so. Enbridge will look at the following when determining feasibility:

- the number of potential new customers within the next five years;
- the amount of natural gas to be used; and,
- the cost of extending the gas main.

If the cost of the extension is not economically feasible, the applicant(s) will be required to pay a contribution in aid of construction (CIAC). Enbridge will determine the contribution amount and communication will be provided to the applicant(s) in writing.

4.2. Service Installations

As part of the process to connect an applicant to Enbridge’s natural gas distribution system, we complete a construction estimate to assess the costs associated with your installation. We perform a feasibility analysis to determine whether there are any charges to the applicant for the service installation. Applicants may be required to pay a contribution in aid of construction (CIAC) as your share of the costs to make the installation financially feasible.

The installation costs will vary depending on the nature of the installation. Factors that may affect the installation costs include: the size and type of material required; the cost of required permits or fees; obtaining any land rights; complexity of construction, including the need for horizontal directional drilling, or proximity to a high-pressure or sensitive gas main; and environmental or geotechnical considerations, such as the presence of rock.

Enbridge will determine the location at which the service will enter a building. The normal point of entry will be through the wall nearest to the gas supply. Where feasible, and at Enbridge’s sole discretion, the service may be installed to accommodate requests made by an applicant. The

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applicant will be responsible for additional costs incurred by Enbridge associated with any such accommodation, if such accommodation affects the feasibility analysis for the installation.

If a CIAC is required, Enbridge will notify the applicant of the CIAC and the applicant may be required to sign a CIAC agreement. Once the CIAC has been paid in full by the applicant, Enbridge will process the application for service and plan the installation based on the next available appointment.

If an applicant for gas service requests an installation that requires part of the service or main to be installed on property that is not owned by the applicant, land rights (in the form of an easement) from the property owner will be required for the installation and maintenance of all necessary gas lines and equipment. The cost of obtaining such land rights will be included in the installation costs (and the CIAC, if applicable). If there are difficulties obtaining the necessary land rights, this will impact the timing of the installation or whether the installation can proceed.

Enbridge will try to restore property to the approximate condition in which it was found before starting our operations. This includes property that is excavated or may be disrupted during laying, constructing, repairing or removing our facilities. Restoration costs are included in the installation costs (and the CIAC, if applicable).

Based on the many factors affecting construction, Enbridge cannot guarantee the time it will take to install a new service.

It is important that you activate your natural gas account within six months of installation. If you do not have an active gas account within six months of installation of a new gas service, you will be required to pay Enbridge's installation costs.

4.3. Location of Meter and Service Regulators

Enbridge shall supply each customer with a meter of a size and type that will adequately measure the gas supplied. Enbridge shall:

4.3.1 Make every effort to install meters and service regulators so as to be at all times accessible for inspection, reading, testing, maintaining and exchanging.

4.3.2 Not install meters or service regulators in locations prohibited by law. The following locations are specifically prohibited:

- o For meters: (i) under combustible stairways; (ii) unventilated areas; (iii) inaccessible areas; or (iv) within 90 cm (3 feet) of a source of ignition; and
- o For service regulators: within 90 cm (3 feet) of a building opening, and within 305 cm (10 feet) of a mechanical air intake).

4.3.3 Install all meters outside the building to which gas is supplied except in rare circumstances where it not practical. Service regulators must always be installed outside the building. However, Enbridge does permit meters and service regulators to be installed in an External Regulator Room (ERR). There are specific criteria which must be met in order for the installation to be approved. The customer must contact Enbridge in advance of the installation to understand the criteria, agree to the conditions, and obtain approval to proceed. It is important to note life safety generator stations are not permitted to be installed inside an ERR.

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4.3.4 Provide protection where outside meters and regulators are installed in locations that do not afford reasonable protection from damage.

Anyone who is not an authorized agent of Enbridge shall not be permitted to connect or disconnect our meters or regulators, nor shall any piping be connected to or disconnected from Enbridge's facilities except by representatives of Enbridge.

Customers are responsible, subject to the provisions of paragraph 4.3.4, for protecting all metering and regulating equipment necessary for the supply of gas and for keeping it accessible at all times.

4.4. Alterations

Alterations or service relocation requests will be dealt with as follows:

- The cost of work done to relocate existing equipment solely for the convenience of the customer will be charged to the customer.
- The undepreciated cost of any equipment abandoned as a result of relocation for the customer's convenience, or replacing equipment to increase their capacity to accommodate a customer's increased requirements, may be charged to the customer.

4.5. Customer Responsibilities Regarding Building Piping Appliances & Equipment

As an applicant for service, a customer shall:

- at their own expense, install all piping, controls, safety devices and other attachments necessary from the meter to the equipment or appliances served;
- ensure the building piping, appliances and equipment are installed in accordance with regulations made under the authority of statutes passed by the Province of Ontario establishing the requirements for the installations of such facilities; and
- be responsible for maintaining all building piping, appliances and equipment in a good and safe condition. Such maintenance will be at the customer's own expense.

Building piping includes pipe, whether indoors, outdoors, exposed or buried, which brings gas from the "point of delivery" to each point of utilization including plugged or capped gas valves.

If there is a leakage or escape of gas on a customer's premises, the customer is required to notify Enbridge immediately by calling our emergency number at 1-866-763-5427.

Enbridge shall not be liable to the customer for any damages. The customer shall indemnify Enbridge from and against all loss, costs, damages, injury, or expense associated with any injury or damage to persons or property arising, either directly or indirectly, from or incidental to the escape of gas or products of combustion of gas from building piping, venting systems or appliances on the customer's side of the point of delivery.

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For the purposes of inspecting or repairing or of altering or disconnecting any service pipe within or outside the building, the customer shall ensure that free access is permitted to Enbridge at all reasonable times, and upon reasonable notice given and request made, to all parts of every building or other premises to which gas is supplied.

4.6. Inspections of New Installations

All inspections shall conform to the *Technical Standards and Safety Act* and regulations. In particular, all new installations of supply piping, gas appliances and installations will be inspected

prior to gas being introduced to a building in accordance with the *Technical Standards and Safety Act* and regulations. If an inspection reveals that repairs or adjustments are required, the customer will be advised and repairs or adjustments to the customer's equipment must be completed by the customer prior to the gas being turned on.

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5. Maintenance of Service

5.1. Turning Off and Turning On Gas Supply

In an emergency, the gas supply to appliances may be turned off in the interest of safety. Only a qualified person holding an appropriate certificate from the regulatory authority having jurisdiction may turn on the supply of gas to appliances which have been turned off.

Except in the case of a notification of a hazard, the turning on and off of the gas supply for purposes of installing, servicing, removing or repairing gas appliances may only be done by a person certified to perform this work by the regulatory authority having jurisdiction.

5.2. Meter Exchange and Testing

5.2.1 Meter Exchange

Under Government of Canada regulations (Section 12 of the *Electricity and Gas Inspection Act*), Enbridge is required to periodically exchange gas meters for government inspection.

To complete the meter exchange, we will shut off the gas supply to your existing meter, replace it with a new meter and then relight and inspect all of your natural gas equipment. There is no charge for this service.

If we are required to exchange your meter we will contact you via letter or telephone. Please call the number provided to make an appointment. The inspector who comes to your property will carry valid Enbridge photo ID and you may ask to see it before providing access to your property.

There may be times where there has been no response to our attempts to contact you. In those cases, the meter will be exchanged and left off. A card will be left at your property requesting you to call our service department for an appointment; please call our service department and we will return to unlock your meter and to relight your natural gas appliances.

5.2.2 Meter Testing

Should a meter fail to register the amount of gas used, consumption shall be estimated by Enbridge and supply and/or delivery charges shall be paid for by the customer in accordance with such estimate.

Should a customer dispute the accuracy of a meter, you can apply to have a government inspection of your meter (please refer to Sections 23 and 24 of the *Electricity and Gas Inspection Act*).

In the event of an erroneous connection or incorrect use of an apparatus, the error shall be deemed to have existed from the time of connection.

In the event it can be, through records, determined when an error occurred, the bill will be retroactive to that time.

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6. Customer Service for Residential and Low-Income Customers

For the purposes of this section, “customer” means a residential customer (referred to as “you” in this section). If you are a low-income customer, our Conditions of Service pertaining to eligible low-income customers are set out in Section 6.11.

Any property which receives gas distribution services for non-residential purposes is classed as a “commercial” account and this Section 6 would not apply.

6.1. Setting up an Enbridge Account

Whether you are a first time customer of Enbridge or moving from an existing Enbridge account, you need to notify us before taking possession of a new home. Enbridge requires at least 3 business days (including Saturdays) advance notice of a move. You agree to pay for services provided, and are liable for all gas supplied to the premises and for the safe custody of Enbridge property. If advance notice is not given Enbridge will only retroactively adjust the account for a maximum of 30 days from the date notification is received. If you do not set up a new Enbridge account, we will consider the premise vacant and eligible for discontinuance of service.

On our website you will find information on how to submit either an “Open a New Enbridge Account” or “I’m Moving” form. You can also call the Enbridge Call Centre at 1-877-362-7434.

6.2. Meter Reading

Enbridge reads your meter every other month and will estimate your consumption based on your historical gas usage in between readings; customers must provide access to Enbridge or its agent for meter reading purposes. This includes refraining from placing plants, permanent structures, and other objects within 60 centimeters (24 inches) around the gas meter that may be accidentally damaged by meter readers or technicians trying to access the meter. Enbridge representatives will attempt to use the shortest access route from a path or driveway to access the Enbridge meter. During winter weather, where the Enbridge representative is not aware of what may lie beneath the snow, Enbridge cannot guarantee that plants and other objects may not be walked upon. If Enbridge’s representative is unable to read the meter, a bill will be issued based on an estimated reading. If Enbridge has been unable to read a meter during normal working hours, arrangements will be made to obtain a reading at the customer’s convenience. You can also submit your own meter reading using the “Submit Meter Reading Form” on our website at www.enbridgegas.com/meter or, alternatively, you can call the Enbridge Call Centre at 1-800-268-5442.

6.3. Security Deposits and Credit Checks

Security deposits are collected to secure payment for future charges in the event of a customer not paying their bill. To protect against losses, Enbridge reserves the right to request a security deposit from its customers as a condition of supplying gas service. All new residential customers are subject to a security deposit, unless they meet one of the waiver criteria outlined below. If you are required to pay a security deposit, an amount of \$250.00 will be charged on your next Enbridge bill. Payment of the security deposit is required by the late payment effective date indicated on your bill.

A security deposit will be required if the customer cannot meet Enbridge’s “know your customer” identification requirements, regardless of whether one or more of the waiver criteria are met.

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Enbridge will waive your security deposit requirement if you meet our criteria, which include the following:

- If you have moved and your previous Enbridge account has a good payment history;
- If you request us to conduct a credit check and you meet our credit requirements; or
- If you are an eligible low-income customer and meet the criteria set out in Section 6.11 of these Conditions of Service (Customer Services for Low-income Customers).

Enbridge will review all security deposits on a monthly basis from the date the deposit is fully paid. If you have paid a security deposit, it will be refunded (with interest) once you have demonstrated good payment history for a period of 12 months, and the refund will appear as a credit on the following Enbridge bill.

Good payment history is maintained unless you have experienced any of the following:

- Your account has been in arrears in the last 12 months;
- Receipt of a disconnection notice from Enbridge;
- A payment you provided to Enbridge has been returned for insufficient funds; or
- Your gas has been turned off due to non-payment.

Interest earned on your security deposit will be paid upon return of all or any part of the security deposit or at the time you close your account, whichever comes first. Simple interest will be earned on all security deposits except those held for a total of six months or less. The interest rate applicable to security deposits in any year will be established quarterly and will be based upon the Ontario Energy Board prescribed interest rates. Interest is calculated retroactively to the date the security deposit was received.

Security deposits are not to be considered as prepayments for future charges.

From time to time, Enbridge may investigate your credit record and conduct a credit check (including obtaining a credit report) to support Enbridge's billing and collections processes. Such actions may be taken in connection with the review of your application for service, determination of whether a security deposit is required, account amendment or renewal, account collection action or dispute investigation. Enbridge may also report information (such as late payments, missed payments or other defaults) about your account to credit reporting agencies.

6.4. Bill Issuance and Payment

6.4.1 Your Monthly Bill

The Ontario Energy Board regulates and approves Enbridge's charges. Enbridge charges you the following charges on a monthly basis:

- **Customer Charge**

The cost of our operations, customer and emergency services. This charge is billed monthly whether or not you consume gas during the month.

- **Transportation to Enbridge**

The cost of transporting natural gas from Western Canada and the US to Enbridge in Ontario. You can choose to buy transportation services from Enbridge or a marketer (in which case,

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the price you pay for the Transportation to Enbridge charge depends on the contract terms with your marketer). This charge is billed based on the amount of natural gas consumed.

- **Delivery to You**

The cost to safely and reliably deliver natural gas through Enbridge's distribution system to your premises and billed based on the amount of natural gas consumed. This charge is on a descending scale: the more gas consumed, the lower the charges per cubic meter (m³).

- **Gas Supply**

The cost of the natural gas itself. You can choose to buy natural gas from Enbridge or a marketer (in which case the price you pay for the Gas Supply Charge depends on the contract terms with your marketer). This charge is billed based on the amount of natural gas consumed.

- **Federal Carbon Charge**

Pursuant to the Greenhouse Gas Pollution Pricing Act (GGPPA), gas distributors are required to pay to the federal government a fixed carbon charge for use and deliveries of natural gas to customers. This charge is billed based on the amount of natural gas consumed by customers other than industrial emitters who are registered under the GGPPA Output-Based Pricing System (OBPS). For any fixed carbon and OBPS charges that Enbridge must pay to the federal government for its transmission and storage facilities, these charges are included in the "Delivery to You" item on the bill.

There are other charges that may appear on your bill from time to time based on events that occur with your account. These include:

- **New Account Charge**

If you open a new account with Enbridge, the first bill will include a one-time service charge of \$25.00, to help cover the costs of setting up the account, taking a meter reading and related work.

- **Late Payment Effective Date/Late Payment Charge**

Your bill is due when you receive it which is considered to be three days after the bill date. If you do not pay your bill in full by the late payment effective date on the first page of your bill, an Ontario Energy Board-approved late charge equal to 1.5% per month or 18% per year (for an effective rate of 19.56% per year) multiplied by a total of all unpaid Enbridge charges will be added to your bill. A late payment charge, calculated and assessed in the same manner, will also be added to your bill if full payment for all other charges on your bill is not received by the late payment effective date on the first page of your bill.

Late payment charges are not applied to security deposit amounts owing to Enbridge.

- **Adjustments**

Your bill may show adjustments to charges from time to time when there is a correction made on your account.

For more information on the charges that appear on your bill, visit the "Understanding Your Bill" section on our website <https://www.enbridgegas.com/homes/accounts-billing/understand-your-bill/>.

Witness: D. McIlwraith

6.4.2 Billing from a Licensed Energy Marketer

If you buy your natural gas supply from a licensed energy broker, your gas supply charges, along with the name of your licensed energy broker will appear in the 'Charges For Natural Gas' section of your Enbridge bill.

6.4.3 Charges from Other Companies

Enbridge provides a billing service to other companies to include their charges on the Enbridge bill. If you have purchased a product or service from a participating company, the charges would appear in the section called "Charges From Other Companies" on your Enbridge bill. These companies are not owned by or affiliated with Enbridge. Enbridge does not recommend, endorse or guarantee the products or services offered by such companies. If you have a question about their products or services, you should contact them directly.

This billing service helps make paying bills more convenient for you. You receive one bill and make one monthly payment to Enbridge Gas Distribution. This service also helps to lower rates by sharing costs with the billers.

6.4.4 Billing Options

- **eBill**

Enbridge offers customers an environmentally friendly and secure bill delivery option in the form of an electronic bill. In addition, customers receiving an ebill have the option to receive payment reminders and/or notifications. New gas customers will be automatically enrolled in eBill unless they request otherwise. You can view and store up to 24 months of bills electronically through this service. You can sign up at www.enbridgegas.com/ebill

- **Budget Billing Plan**

The Enbridge Budget Billing Plan (BBP) is available to all residential gas heating customers at any time during the year and provides the convenience of paying equal amounts throughout the year and avoiding higher bills in winter months. Using your prior year's gas usage, Enbridge forecasts the amount of gas you will use and applies the current gas price to determine your monthly BBP installment.

The BBP season runs from September to July each year. In July, Budget Billing Plans are reviewed and reconciled and customers are billed or credited a BBP Final Adjustment that represents the difference between the charges for gas actually used from the time you join the plan and the monthly BBP installments billed to date. In the month of August, you are billed for the actual gas used in the month. The new plan then starts again in September.

Should a credit balance result after the annual reconciliation, the amount will be credited to your account and will appear on your July bill. If you choose to have the amount refunded, you can call the Enbridge Call Centre at 1-877-362-7434 and a refund cheque will be issued.

Witness: D. McIlwraith

Should a chargeable balance result after the annual reconciliation, the amount will be charged to your account and will appear on your July bill. In the event that the BBP Final Adjustment charge is higher than expected, you may choose to call the Enbridge Call Centre at 1-877-362-7434 and one of our Customer Service Representatives will work with you to determine suitable payment arrangements.

At a minimum, one mid-season BBP review will occur usually at the beginning of the next calendar year. The mid-season review will recalculate your monthly BBP installment to ensure accuracy as weather, usage and rate changes could affect the actual charges for gas you use. After the mid-season review, the new monthly installment amount will be billed on your next bill and a bill message will explain that there was a review of your monthly BBP installment.

Customers are encouraged to monitor their BBP details (actual gas charges billed to date versus BBP installments billed to date) and may request a review at any time.

A number of factors can create a variance in the plan. Significant changes in weather, gas prices, change in gas marketers, or gas use in the home, such as installing a new natural gas appliance, can create a difference between actual gas costs and installment amounts.

First time gas customers are automatically assigned to the BBP unless they request otherwise.

6.4.5 Payment Options

- **Pre-Authorized Payment**

Enbridge also offers a Pre-Authorized Payment Plan. Signing up for the Pre-Authorized Payment Plan will allow your amount due to be automatically withdrawn from your bank account on the day before the late payment effective date.

- **Other payment options include:**

- Online or in person at a financial institution (to avoid the late payment charge, please allow 7 days for your payment to reach our office).
- Telephone Banking
- Credit Card
Subject to any convenience or other fees payable to the third party credit card service provider, you may use a valid credit card (that is accepted by the credit card service provider) to make a payment.
- Western Union
For customers with overdue amounts that are at or nearing disconnection for non-payment, you may choose to make a payment for a fee through Western Union.
- Standard Mail (Cheque or Money Order)
You can send a cheque or money order (no cash please), along with the bottom tear-off portion of your bill, to:

Witness: D. McIlwraith

Enbridge
P.O. Box 644
Toronto, ON M1K 5H1

Please make your cheque or money order payable to "Enbridge Gas Distribution Inc." and write your account number on the front. To avoid the late payment charge, please allow 7 days for your payment to reach our office.

- Pay in Person (Cheque or Money Order)
You may also drop your cheque or money order payment off at one of our payment drop boxes located in the following locations 24 hours a day:

(Please note: for your security, we cannot accept cash at these offices.)

VPC Office

500 Consumers Road
North York, Ontario

Ottawa Office
400 Coventry Road
Ottawa, Ontario

Thorold Office
3401 Schmon Parkway
Thorold, Ontario

6.5. Correction of Billing Errors

When a customer has been billed incorrectly, retroactive billing is required. Retroactive billing ensures that all charges not previously included on the Enbridge bill or previously billed incorrectly on the Enbridge bill are billed correctly to the customer. Retroactive billing can be the result of either a customer error or an Enbridge error.

Where billing errors, either through Enbridge or customer error, have resulted in either under or overbilling, the customer may be charged or credited with the amount erroneously billed for a period not exceeding two years.

If you have been under-billed, Enbridge will work with you to determine a suitable payment arrangement.

6.6. Discontinuance of Gas Supply or Delivery

6.6.1 Customer Initiated Discontinuance

A customer will continue to be bound by these Conditions of Service and will be obliged to pay for all gas supplied and/or delivered to the premises along with all other charges on the Enbridge bill including late payment charges until Enbridge has terminated the supply of gas following the acceptance of a request for termination from the customer.

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6.6.2 Emergency or Safety Related Discontinuance

In addition to service interruption for maintenance and force majeure events, Enbridge may discontinue gas supply and/or delivery to any customer for any of the following reasons:

- for use of gas for any purpose other than that described in the service application, gas supply contract, or rate schedule;
- if Enbridge is refused access for any lawful purposes to the premises to which gas is supplied and/or delivered;
- when Enbridge property on a customer's premises is in any manner tampered with, damaged, or destroyed;
- when Enbridge has reason to believe that an unsafe condition exists on the premises or may develop from a continuation of gas supply and/or delivery;
 - when a gas installation contravenes the provisions of the *Technical Standards and Safety Act*, associated regulations, or any other applicable enactment; or
 - when there is evidence of gas theft.

Discontinuance of gas supply and/or delivery for any of the reasons set out in paragraph 6.6.2 shall result in a disconnection charge payable by the Customer.

6.6.3 Discontinuance of Service for Non-payment

Enbridge charges are due when the bill is received, which is considered to be three days after the date the bill is rendered. If, for any reason, you are unable to make full payment you are encouraged to contact Enbridge to make suitable payment arrangements. Customers can call the Enbridge Call Centre at 1-877-362-7434.

If the bill is not paid in full and you have not contacted Enbridge to make payment arrangements, under the *Public Utilities Act*, Enbridge has the right to discontinue gas service. Prior to discontinuance of gas service Enbridge will provide a minimum 48 hours' notice in writing to advise when the disconnection will occur. The written notice includes the dates between which the gas service can be disconnected and payment options for avoiding disconnection. An attempt to call you to discuss your gas account will also be made at this time.

If you are seeking payment assistance through a registered charity, government agency, social service agency or a third party. Please see Section 6.11 below for information on financial support and customer service rules available for Enbridge's eligible low-income customers.

If a rented property will have the service discontinued for any reason, notice of a pending disconnection may be provided by Enbridge to the Landlord (as defined in Section 6.9 below) of the premises.

If your meter has been turned off for non-payment, when payment in full is received by Enbridge (including any disconnection charges, security deposit or any other charges), Enbridge will reconnect your gas meter within 48 hours.

6.7. Arrears Management Programs

Enbridge has different arrears management programs available to customers who are unable to pay their entire bill. Enbridge works with customers depending on their individual circumstances to come

Witness: D. McIlwraith

up with a mutually agreeable payment arrangement. Customers requiring assistance are encouraged to call the Enbridge Call Centre at 1-877-362-7434 to discuss options.

Customers who miss making a payment as part of their payment arrangement will be contacted by the use of electronic mail ("email"), a text message, a phone call, or sent a letter giving notice of the missed payment and the date on which their current arrangement will be cancelled.

In the event that you are an eligible low-income customer having difficulty paying your bill, emergency financial assistance is also available. Please see Section 6.11 below for information on financial support available for Enbridge's eligible low-income customers.

6.8. Allocation of Payments between Gas and Non-Gas Charges

Payments are applied to your Enbridge bill charges based upon the oldest billed amounts being paid first. In the event that payment is insufficient to cover all charges invoiced in a month, payments will be allocated to gas charges first. Any charges that remain outstanding past the late payment effective date will incur a late payment charge as mentioned in the "Bill Issuance and Payment" section.

6.9. Management of Landlord/Tenant Accounts

References to "Landlord(s)" in this document includes the owner, landlord or property management company of a rented property.

Enbridge has processes for recording directions received from Landlords on how to manage accounts at rented properties in between tenants. If you are a Landlord, please review the full details of your options and complete the Landlord Agreement located at <https://www.enbridgegas.com/homes/start-stop-move/landlord-tenant.aspx> to provide Enbridge with your directions.

If ownership of the premises changes, the incoming Landlord is responsible for notifying Enbridge and electing their own preferred option. If the incoming Landlord does not make an election by completing and returning the Landlord Agreement to Enbridge, they will be deemed to have elected the previous Landlord's election.

6.10. Management of Customer Accounts

Enbridge is committed to providing excellent service and to ensuring that relationships with customers are conducted with integrity and in a responsible, fair, honest and ethical manner. Consistent with these objectives Enbridge maintains high standards of confidentiality with respect to the personal information in its possession. We collect information (including personal information) about our customers from our customers directly and from other sources (for example, credit bureaus as further discussed in Section 6.3), for the purposes identified in our privacy policy (available at <https://www.enbridgegas.com/privacy>) including to:

- establish and confirm identity (for example, name, address, phone number, date of birth, Driver's License, etc.);
- set up an account for gas purchase and delivery; and
- confirm credit history.

Witness: D. McIlwraith

Any personal information related to a customer's account will only be shared with the party named on the account or any third party designated by the customer or as otherwise set out in our privacy policy. To provide consent for another person or a third party to discuss your account details with Enbridge, you must contact our Enbridge Call Centre at 1-877-362-7434 to advise us of your permission to discuss your account with these parties.

In addition, if a rented property will have the service discontinued for any reason, notice of a pending disconnection may be provided by Enbridge to the Landlord (as defined in Section 6.9 above) of the premises.

To ensure that Enbridge can identify its customers and ensure that it is dealing with the correct person when a customer contacts Enbridge, Enbridge has a "know your customer" process to collect and update customer information. When you contact Enbridge, you will be required to correctly answer confirmatory questions and, where necessary, update the information associated with your Enbridge account.

6.11. Customer Services for Eligible Low-Income Customers

The Low-Income Energy Assistance Program (LEAP) developed by the Ontario Energy Board is a year- round program to assist eligible low-income customers with their bill payments and natural gas costs. It consists of three elements: (i) emergency financial assistance, (ii) customer service rules, and (iii) targeted conservation and demand management programs. The LEAP Emergency Financial Assistance program and the customer service rules are described below. For more information on the LEAP Emergency Financial Assistance program please visit www.enbridgegas.com/leap. For more information on the LEAP targeted conservation and demand management programs please visit www.Enbridgegas.com/winterproofing.

The following definitions are relevant to the LEAP:

- An "eligible low-income customer" means a residential customer who has a pre-tax household income at or below the most recent pre-tax Low Income Cut-Off, according to Statistics Canada, plus 15%, taking into account family size and community size, as qualified by a Social Service Agency or Government Agency; or has been qualified for Emergency Financial Assistance.
- "Emergency Financial Assistance" means any Board-approved emergency financial assistance, or other financial assistance made available by a distributor, to eligible low- income customers.
- A "Social Service Agency or Government Agency" means a social service agency or government agency that has partnered with Enbridge to assess eligibility for Emergency Financial Assistance, the customer service rules or the targeted conservation and demand management programs.

For the purposes of the low-income customer service policies, if a customer is qualified as an eligible low-income customer, the customer's Enbridge gas account will reflect their low-income status for two years from the date Enbridge was notified the customer was qualified.

If you are an eligible low-income customer, there are service-related standards and practices that are available to you pertaining to security deposits and arrears management:

- Enbridge will waive your security deposit requirement if you are an eligible low-income

Witness: D. McIlwraith

customer (see definition above) and are moving residences, providing the following conditions are met:

- you are enrolled in the budget billing plan
 - you do not have an account with a financial institution and
 - your gas service has not been disconnected due to non-payment in the past two years.
- LEAP Emergency Financial Assistance (defined above) provides financial assistance to families in need. Customers who are working with a Social Service Agency or Government Agency will be given 21 days to secure Emergency Financial Assistance before additional collection action will be taken for non-payment.
- Eligible low-income customers that enter into a payment agreement will have the late payment charges waived on the payment arrangement balance. In the event that an eligible low-income customer defaults on an arrears payment agreement, then the option to have late payment charges waived with any future arrears payment agreement will no longer be automatically available. Disconnection of gas service is always a last resort.

To determine if you qualify for LEAP, please contact:

United Way Greater Simcoe County (UWGSC)
1-855-487-LEAP (5327)

If you qualify, UWGSC will refer to you a local Social Service Agency or Government Agency who will book an appointment with you to complete the required application and provide your supporting documentation.

6.12. Our Customer Service Process

Step 1: Call the Enbridge Call Centre at 1-877-362-7434

Enbridge Customer Service Representatives (CSRs) are trained to help answer your questions.

Step 2: Ask to Speak to a Supervisor

If you feel that your questions are not being fully addressed by the CSR, please ask to speak to a supervisor. They'll try to work with you to resolve your issue.

Step 3: Contact the Enbridge Customer Ombudsman

If you've spoken to a CSR and a supervisor and are not completely satisfied with the solution provided, the supervisor will offer to elevate your concern to the Enbridge Customer Ombudsman's office.

For complete information regarding our customer service process, please visit the Enbridge website: <https://www.enbridgegas.com/contact-us/>.

Witness: D. McIlwraith

APPENDIX A

DEFINITION OF TERMS

Cubic Metre ("m³") - That volume of gas which at a temperature of 15 degrees Celsius and at an absolute pressure of 101.325 kilopascals ("kPa") occupies one cubic metre. 10³m³ equals 1,000 cubic metres.

Curtailement - An interruption in a customer's gas supply at a Terminal Location resulting from compliance with a request or an order by Enbridge to discontinue or curtail the use of gas.

Customer – means any person, persons, company or corporation receiving gas through an Enbridge meter.

Gas – natural gas.

Gas appliance – means any device approved by the appropriate governmental authority which uses gas as a fuel or as a raw material.

Meter – means a device owned by Enbridge and approved by the appropriate governmental authority and installed to measure the volume of gas delivered to the customer.

Month or monthly – means, for the purposes of calculating customers' accounts, a period of approximately 30 days.

Point of delivery – means that point at which gas leaves Enbridge's metering and regulating facilities and is delivered to you or, if there are no such facilities, Enbridge's shut-off valve.

Rate schedule – a numbered rate of Enbridge as fixed or approved by the Ontario Energy Board ("OEB") that specifies rates, applicability, character of service, terms and conditions of service and the effective date.

Service – means the pipe or tubing and associated fittings which transmits gas from the pipeline to the meter inlet connection. Where unmetered gas is provided, the service shall be deemed to terminate at the shut-off valve located closest to the building entry, immediately inside the building wall. Where gas pressure regulation is necessary, the service regulator shall form part of the service.

Terminal Location – is the building or other facility of the customer at or in which natural gas will be used by the customer.

Witness: D. McIlwraith

CURRICULUM VITAE OF
TANYA BRUCKMUELLER

Experience: Enbridge Gas Distribution Inc.

Supervisor, External Communications and PIO
2015

Toronto Hydro

Media and Public Affairs Advisor, PIO
2005

Ministry of Energy

Communications Officer – Conservation Awareness
2004

MDS Inc.

Senior Manager, Global Internal Communications
2004

Environics Communications

Senior Consultant
2002

ETC Communications Inc.

Account Manager
1999

Nissan Canada

Corporate and Product Communications Consultant
1999

Goodman Communications Inc.

Account Coordinator
1997

Education: Incident Management System (IMS) and Emergency Operations Centre
Management Training, City of Toronto, Office of Emergency Management, 2012

International Association of Business Communicators
ABC - Accreditation, 2007

York University - Schulich School of Business
Advanced Executive Management, 2002

Ryerson Polytechnic University
Certificate in Public Relations, 2000

Memberships: International Association of Business Communicators (IABC)
Canadian Public Relations Society (CPRS)

Appearances: (Ontario Energy Board)

EB-2017-0224

CURRICULUM VITAE OF
RYAN CHEUNG

Experience: Enbridge Gas Distribution Inc.

Senior Advisor, Economics and Business Performance
2016

Senior Analyst, Gas Accounting and Analytics
2014

Senior Budget Analyst, Budget and Planning
2010

Supervisor, Margin Planning and Analytics
2006

Analyst, Volumetric Analysis and Budgets
2004

TD Canada Trust

Financial Service Advisor
2000

Education: Bachelor of Arts, in Economic and Statistics
University of Toronto

Appearances: (Ontario Energy Board)

EB-2018-0131
EB-2017-0224
EB-2016-0300
EB-2016-0215
EB-2016-0142
EB-2015-0114
EB-2014-0195
EB-2012-0459

CURRICULUM VITAE OF
ANTON KACICNIK

Experience: Enbridge Gas Distribution Inc.

Manager Rates
 2016

Manager, Rate Research & Design
 2007

Manager, Cost Allocation
 2003

Program Manager, Opportunity Development
 1999

Project Supervisor, Technology & Development
 1996

Pipeline Inspector, Construction & Maintenance
 1993

Education: Bachelor of Applied Science (Civil Engineering)
 University of Waterloo, 1996

Memberships: Professional Engineers of Ontario

Appearances: (Ontario Energy Board)

EB-2018-0131	EB-2017-0224
EB-2017-0086	EB-2016-0300
EB-2016-0142	EB-2015-0114
EB-2015-0122	EB-2014-0276
EB-2013-0046	EB-2012-0055
EB-2011-0354	EB-2011-0277
EB-2011-0008	EB-2010-0146
EB-2010-0042	EB-2009-0172
EB-2009-0055	EB-2008-0106
EB-2008-0219	EB-2007-0615
EB-2007-0724	EB-2006-0034
EB-2005-0551	EB-2005-0001

(RÉGIE DE L'ÉNERGIE)

R-3969-2016	R-3924-2015
R-3884-2014	R-3840-2013
R-3793-2012	R-3758-2011
R-3724-2010	R-3665-2008
R-3637-2007	R-3621-2006
R-3587-2006	R-3537-2004

CURRICULUM VITAE OF
ANDREW LANGSTAFF

Experience: Enbridge Gas Distribution Inc.

Carbon Market Specialist
2017

Carbon Strategy Business Readiness Specialist
2016

Lead, Business Readiness, Carbon Strategy
2016

Assistant Construction Manager, GTA Project
2015

Senior Engineer, GTA Project
2014

Engineering Project Manager
2013

NOVA Chemicals Corporation

Process Engineer, Marcellus Shale Gas Conversion Project
2010

Area Contact Engineer (Process Engineer)
2010

Area Contact Engineering (Process Engineering)
2006

Education: York University – Schulich School of Business
Master of Business Administration, 2014

University of Waterloo
Bachelor of Applied Science, Chemical Engineering – Co-op Program, 2006

Memberships: Professional Engineers of Ontario

Appearances: (Ontario Energy Board)

EB-2017-0224
EB-2016-0300

CURRICULUM VITAE OF
DARREN MCILWRAITH

Experience: Enbridge Gas Distribution Inc.

Manager, Customer Care
2016

Senior Manager, Customer Care, Finance and Contract Management
2014

Senior Manager, Business Development and DSM Technology
2009

Enbridge Solutions Inc.

Manager, Product Development
2006

Direct Energy Marketing Limited

Director, Customer Analytics
2004

Director, Financial Services
2002

Enbridge Commercial Services Inc.

Director, Financial Services
2001

Enbridge Gas Distribution Inc.

Manager, Budgets
2000

Supervisor, Budgets & Forecasts
1998

Economic Analyst
1996

Education: Master of Arts: Business Economics, Wilfrid Laurier University – 1996
Bachelor of Commerce, University of Guelph - 1994

Appearances: (Ontario Energy Board)

EB-2018-0131
EB-2017-0086
EB-2016-0215
EB-2014-0276

EB-2017-0224
EB-2016-0300
EB-2015-0114
EB-2012-0459

CURRICULUM VITAE OF
JENNIFER MURPHY

Experience: Enbridge Gas Distribution Inc.

Climate Policy/Cap and Trade Compliance Sr. Advisor
2017

Environmental Senior Advisor, Carbon Strategy
2016

Environmental Advisor
2015

Environmental Specialist
2007

SKD Automotive Group

Environmental Management System Coordinator
2002

Education: Bachelor of Science in Environmental Engineering
University of Guelph, 2003

Environmental Science Technician
Sheridan College, 1997

Appearances: (Ontario Energy Board)

EB-2017-0224
EB-2016-0300

CURRICULUM VITAE OF
FIONA OLIVER-GLASFORD

Experience: Enbridge Gas Distribution Inc.

Manager, Carbon Strategy
2016

Senior Manager, Carbon Strategy and IRP
2016

Senior Manager, Market Policy and DSM
2013

Union Gas Distribution

Manager, CDM Business Development and Policy
2010

Manager, DSM Strategy
2008

Manager, DSM EM&V
2007

Manager, DSM Programs/Marketing
2006

Manager, Market Research & Analysis
2005

Canadian Energy Efficiency Alliance

Director, Operations

Summerhill Group

Marketing Manager

Corus Entertainment

Marketing Manager, YTV, Documentary Channel and
Scream TV

Towers Watson

Associate/Analyst

Education: York University – Schulich School of Business
Master of Business Administration
With an International Exchange at Copenhagen School of Business

Western University – Huron College
Bachelor of Arts

Appearances: (Ontario Energy Board)

EB-2017-0224	EB-2016-0300
EB-2015-0049	EB-2014-0277
EB-2014-0276	EB-2013-0352
EB-2013-0075	EB-2013-0430
EB-2012-0451	EB-2012-0459
EB-2012-0441	EB-2008-0346

CURRICULUM VITAE OF
RYAN SMALL

Experience: Enbridge Gas Distribution Inc.

Manager, Revenue and Regulatory Accounting
2016

Manager, Regulatory Accounting
2014

Senior Analyst, Regulatory Accounting
2006

Analyst, Regulatory Accounting
2004

Supervisor, Gas Cost Reporting
2001

Senior O&M Clerk
2000

Bank Reconciliation Clerk
1999

Accounting Trainee
1998

Education: Chartered Professional Accountant, Certified Management Accountant
Chartered Professional Accountants of Ontario, 2014
The Society of Management Accountants of Ontario, 2003

Diploma in Accounting,
Wilfrid Laurier University, 1997

Bachelor of Arts in Economics
The University of Western Ontario, 1996

Appearances: (Ontario Energy Board)

EB-2018-0131	EB-2017-0224
EB-2017-0086	EB-2017-0102
EB-2016-0300	EB-2016-0215
EB-2016-0142	EB-2015-0114
EB-2015-0049	EB-2015-0122
EB-2014-0276	EB-2014-0195
EB-2012-0459	EB-2012-0055
EB-2011-0354	EB-2011-0008

GLOSSARY OF TERMS

COVERED FACILITY – An entity registered under the Output-Based Pricing System (“OBPS”) and therefore exempt from the carbon charge (i.e. Fuel Charge under Section 40 of the Greenhouse Gas Pollution Pricing Act (“GGPPA”)). Covered Facility will be classified as “Mandatory” or “Voluntary” based on annual emissions.

CUSTOMER-RELATED OBLIGATIONS – The Federal Carbon Pricing Program obligation related to GHG emissions associated with the natural gas delivered by Enbridge and used by customers.

EXEMPTION CERTIFICATE – A certificate issued by the Canada Revenue Agency upon an entity’s registration under the OBPS. This exempts an entity from paying the carbon charge (i.e. Fuel Charge under Section 40 of the GGPPA).

FACILITY-RELATED OBLIGATIONS – The Federal Carbon Pricing Program obligation associated with the GHG emissions associated with the natural gas used by Enbridge to operate its facilities and deliver natural gas to customers.

FEDERAL CARBON PRICING PROGRAM – The program defined under the GGPPA.

GREENHOUSE GAS (“GHG”) – As set out in Column 1 of Schedule 3 in the GGPPA.

MANDATORY PARTICIPANT – Entities that emit 50,000 tCO₂e or greater annually are required to register under the OBPS.

OUTPUT BASED PRICING SYSTEM (“OBPS”) – A system that provides an entity relief from the full impact of the federal carbon price. A registered entity is only responsible to pay the carbon price on the portion of emissions that exceed the annual output-based emissions limit.

TONNES OF CARBON DIOXIDE EQUIVALENT (“tCO₂e”) – The unit of measure of greenhouse gas emissions. A quantity of a greenhouse gas, expressed in tonnes, is converted into tCO₂e by multiplying the quantity by the global warming potential set out in Column 2 of Schedule 3 in the GGPPA.

VOLUNTARY PARTICIPANT – Entities that emit between 10,000 to 50,000 tCO₂e may voluntarily register to be part of the OBPS. This group of participants is still under review by the ECCC.

FORECASTING

1. This evidence sets out Enbridge's 2019 forecast volumes and emissions covered by the Federal Carbon Pricing Program ("FCPP"), and the related cost forecasts.

Customer Volume Forecast

2. Customer volume forecasts for 2019 were derived based on Board-approved methodologies currently in effect under the Custom Incentive Regulation ("CIR") mechanism.
3. Under the Greenhouse Gas Pollution Pricing Act ("GGPPA" or the "Act"), entities that are covered under Part 2 of the Act "Industrial Greenhouse Gas Emissions", are exempt from coverage under Part 1 of the Act, "Fuel Charge". Part 2 entities are instead covered under the Output-Based Pricing System ("OBPS"). Mandatory participants under the OBPS are those that emit greater than 50,000 tonnes of carbon dioxide equivalent ("tCO₂e") per year. Environment and Climate Change Canada ("ECCC") has indicated that voluntary participants may be able to opt-in to the OBPS if the entity emits between 10,000 to 50,000 tCO₂e per year. Participants under the OBPS will be required to report and manage their own compliance obligations, and will not be billed for the customer-related obligation by Enbridge. Customers covered under the OBPS will be required to register with the Government after November 1, 2018, or when the application for registrations becomes available.
4. The customer volume forecast was adjusted for customers who are exempt from Part 1 of the GGPPA, as well as volumes derived from biomass. The derivation of the final volumetric forecast related to carbon charges (i.e., Part 1 of the Act) can be found in Table 1 of this Exhibit.

5. In order to estimate the volumes that will be exempt from Part 1 of the Act, Enbridge used the list of customers who were identified as capped participants in Ontario's Cap and Trade program. This list was then adjusted by Enbridge to add or remove customers who are in a sector expected to be covered under OBPS. As an example, natural gas fired electricity generators will be covered under OBPS but were not capped participants in Cap and Trade. These customers have therefore now been included under OBPS participant volumes. As of the date of this filing, the inclusion of universities and hospitals with co-generation facilities in the OBPS is unknown. They have not been included in the list of entities covered under OBPS.
6. The total forecasted volume of natural gas covered under the OBPS is 1,216,889 10^3m^3 . This amount was subtracted from the 2019 total forecast customer gas volume, as shown at Table 1 in this Exhibit.
7. Under the GGPPA, entities that use natural gas which is not put into a fuel system that produces heat or energy and those entities that use natural gas:
 - a) as a raw material in an industrial process that produces another fuel or another substance, material or thing; or
 - b) as a solvent or diluent in the production or transport of crude bitumen or another substance, material or thing,meet the definition of a non-covered activity and may be exempt from Part 1 of the GGPPA.
8. Enbridge is unable to determine which customers may apply for exemption due to non-covered activities. The forecast of customer volumes that are subject to Part 1

of the GGPPA has therefore not been adjusted to reflect any potential volumes associated with non-covered activities.

9. Enbridge notes that the customers exempt from Part 1 of the GGPPA, both those covered under OBPS and those that undertake non-covered activities, will not be known until they provide the Company with their exemption certificate, which is provided to the customer upon registration with the Canada Revenue Agency ("CRA"). The exemption certificate will indicate that the customer is exempt from paying the carbon charge on their natural gas combustion fuel use. In order to determine which Enbridge accounts are exempt from the customer-related federal carbon charge, a declaration form process will be used similar to the process the Company employed under the Cap and Trade program. The Company will also request and maintain on file copies of each customer's exemption certificate. Enbridge will exempt customers from the customer-related federal carbon charge based on the accounts listed on the declaration form, provided a CRA exemption certificate has been provided.
10. Under the Act, natural gas delivered to downstream distributors is also exempt from Part 1 of the GGPPA, including those distributors that are out of province. The total forecasted volume of natural gas distributed to downstream distributors, and thereby exempt from the customer-related federal carbon charge, is $174,808 \text{ } 10^3 \text{ m}^3$, all of which are Rate 200 volumes. This amount was subtracted from the 2019 total forecast gas volume, as shown on Table 1 in this Exhibit.

11. Under the Act, any portion of natural gas that is biomethane¹ is also exempt from the Part 1 of the GGPPA. The Company is not forecasting any biomethane in 2019.
12. With the exclusion of a total volume of 1,391,697 10^3m^3 as noted in the preceding paragraphs, the total forecast customer-related volume is 10,672,715 10^3m^3 as shown on Table 1 of this Exhibit.

Customer-Related Cost Forecast

13. Schedule 2, Table 2 of the Act, provides that the rate of charge for marketable natural gas in 2019 is 3.91 cents per cubic meter.
14. Based on the total forecast customer-related volume of 10,672,715 10^3m^3 and the above noted rate of charge, the total forecasted customer-related cost in 2019 is \$417,303,160, as shown on Table 6 of this Exhibit.

Facility Volume Forecast

15. The forecast of gas volumes for Enbridge's facility-related obligations is based on forecast requirements of the amount of natural gas required for Enbridge to operate its facilities as well as the emissions from the distribution of natural gas. This represents Company Use volumes (natural gas used for boilers at distribution gate stations, building heating, and natural gas fleet vehicles) as well as compressor fuel use related to natural gas storage.

¹ Defined in the Act as gas that is derived entirely from biological matter available on a renewable or recurring basis and that is primarily methane.

16. Under the Act, Enbridge's company use volumes are subject to Part 1 of the GGPPA, and the compressor fuel use volumes at the gas storage compressor stations are covered under Part 2 in the OBPS program.
17. In total, Enbridge forecasts its facility-related gas volumes for 2019 to be 22,012 10^3m^3 . A detailed breakdown of forecast facility-related gas volumes is provided in Table 2 of this Exhibit.
18. The total forecasted volume of Company Use natural gas which will be subject to the carbon charge is 6,456 10^3m^3 , as shown on Table 2 of this Exhibit.
19. The total forecasted volume of compressor fuel used is 15,556 10^3m^3 , as shown on Table 2 of this Exhibit.

Forecast Compliance Obligation under OBPS

20. The methodology used to determine the forecast annual compliance obligation under OBPS is based on information provided by ECCC at the OBPS multi-sector meeting on September 13, 2018 and at the OBPS Pipeline Sector Working Group meeting on September 14, 2018.
21. The obligation under OBPS is calculated based on the following equation:

$$\text{Compliance obligation (tCO}_2\text{e)} = \text{Total Annual Facility Emissions} - \text{Annual Facility Emissions Limit}$$

22. The forecast Total Annual Facility Emissions for 2019 is 30,277 tCO₂e, which is based on the combustion emissions at the gas storage compressor stations. The

methodology, assumptions and derivation for the forecast are set out in Tables 3 and 4 of this Exhibit.

23. Based on the Output-Based Standard (“OBS”) for the pipeline sector, the forecast Annual Facility Emissions Limit for Enbridge for 2019 is 23,896 tCO₂e. The derivation for the forecast facility emission limit is set out in Table 5 of this Exhibit, and was calculated using the following formula:

$$\text{Annual Facility Emissions Limit (tCO}_2\text{e)} = \text{OBS (tCO}_2\text{e/production units)} \times \text{Production (production units)}$$

24. This Annual Facility Emissions Limit was calculated by using the ECCC’s OBS emission intensity benchmark of 0.553 tCO₂e/MWh. This benchmark is based on data provided to the ECCC from companies in the natural gas pipeline sector, and represents 80% of the production-weighted average of that data. Enbridge notes that this metric and the OBS value have not been finalized by ECCC and may be subject to change. Any changes to this factor will impact Enbridge’s Facility-Related Carbon Charge and any related cost impacts will be recorded in the Federal Carbon Charge-Facility Variance Account² for future disposition.

25. The forecast Production value for 2019 is the forecast compressor energy use, based on the following formula:

$$\text{Energy (MWh)} = \text{Rated Brake Power (MW)} \times \text{Load (\%)} \times \text{Operating Time (hrs)}$$

Where,

$$\text{Load} = \text{Average Annual Speed (RPM)} / \text{Max Rated Speed (RPM)}$$

² This variance account is explained at Exhibit D, Tab 1, Schedule 1.

26. To forecast the compressor energy use for 2019, Enbridge has calculated the energy use in MWh for 2016 and 2017 and used an average of this data.
27. The forecast OBPS compliance obligation for 2019 is 6,381 tCO₂e, as shown on Table 5 in this Exhibit.

Facility-Related Cost Forecast

28. As shown in Schedule 2, Table 2 of the Act, the charge rate for marketable natural gas in 2019 is 3.91 cents per cubic meter. This applies to Company Use volumes in addition to Customer Related volumes.
29. Based on the total Company Use volume of 6,456 10³m³, the forecasted facility-related cost for company use in 2019 is \$252,412, as shown on Table 6 in this Exhibit.
30. As shown in Schedule 4 of the Act, the excess emissions charge rate in 2019 for emissions under OBPS is \$20/tCO₂e.
31. Based on the OBPS compliance obligation of 6,381 tCO₂e, the forecasted facility-related cost for OBPS compliance in 2019 is \$127,624, as shown in Table 6 in this Exhibit.
32. The total forecasted facility related cost in 2019, which is the sum of the carbon charge for Company Use and the excess emissions charge under OBPS is \$380,036 as shown in Table 6 in this Exhibit.

TABLE 1: 2019 CUSTOMER-RELATED VOLUMES BY RATE CLASS
(10³m³)

		Col. 1	Col. 2	Col. 3	Col. 4 (Col. 1 - Col. 2 - Col. 3)
Line	Rate	Forecast Volumes ¹	OBPS Participant Volumes ²	Other Exempt Gas Volume ³	Net Volumes
1.1	1	4,933,563.1	0.0	0.0	4,933,563.1
1.2	6	4,923,605.9	111,415.6	0.0	4,812,190.3
1.3	9	0.0	0.0	0.0	0.0
1.4	100	0.0	0.0	0.0	0.0
1.5	110	846,266.0	376,591.3	0.0	469,674.7
1.6	115	466,558.9	324,702.8	0.0	141,856.1
1.7a	125	195,416.9	195,416.9	0.0	0.0
1.7b	125D ⁴	91,405.8	91,405.8	0.0	0.0
1.8	135	64,744.3	0.0	0.0	64,744.3
1.9	145	45,648.7	1,892.2	0.0	43,756.5
1.10	170	322,394.1	115,464.0	0.0	206,930.1
1.11	200	174,808.4	0.0	174,808.4	0.0
1.12	300	0.0	0.0	0.0	0.0
Total					
1	Customer-Related	12,064,412.1	1,216,888.6	174,808.4	10,672,715.1

Notes:

(1) Forecast Volumes after DSM

(2) Estimated forecast volumes for mandatory and voluntary participants in the Output Based Pricing System (OBPS)

(3) Includes volumes delivered to downstream distributor and landfill gas.

(4) Dedicated unbundled customers

TABLE 2: 2019 FACILITY-RELATED VOLUMES
(10³m³)

Line		<u>Volumes</u>
1.	Company Use - Buildings	1,402.0
2.	Company Use - Boilers	3,989.9
4.	Company Use - Fleet	1,063.7
5.	Total Company Use	6,455.5
7.	Compressor Fuel	15,556.2
8.	Total Facility-Related	22,011.7

TABLE 3: 2019 FORECAST COMPRESSOR EMISSIONS

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
Line	Volumes ¹ (10 ³ m ³)	CO ₂ Emissions ² (Tonnes CO ₂)	CH ₄ Emissions ³ (Tonnes CH ₄)	N ₂ O Emissions ⁴ (Tonnes N ₂ O)	CO ₂ e Emissions ⁵ (Tonnes CO ₂ e)
1. Compressor Fuel	15,556.2	29,303.7	29.6	0.8	30,276.9

Notes:

(1) Exhibit B, Tab 1, Schedule 1, Table 2, Line 7

(2) Col. 1 x Table 4, Line 1, Col. 1 x Table 4, Line 2, Col. 1

(3) Col. 1 x Table 4, Line 1, Col. 2 x Table 4, Line 2, Col. 2

(4) Col. 1 x Table 4, Line 1, Col. 3 x Table 4, Line 2, Col. 3

(5) Col. 2 + (Col. 3 x Table 4, Line 3, Col. 2) + (Col. 4 x Table 4, Line 3, Col. 3)

TABLE 4: CONVERSION FACTORS

		Col. 1	Col. 2	Col. 3
Line	Units	CO ₂ Emission Factor ⁶	CH ₄ Emission Factor ⁷	N ₂ O Emission Factor ⁷
1 Boilers & Compressor Fuel Volumes	Tonne/GJ	0.04903	0.00004958	0.000001305
2 Budget Heat Value ⁸	GJ/10 ³ m ³	38.42	38.42	38.42
Line			Methane ⁹	Nitrous Oxide ⁹
3 Global Warming Potential for Carbon Dioxide Equivalent			25	298

Notes:

(6) Ontario Ministry of Environment, Conservation and Parks "Guideline for Quantification, Reporting and Verification of Greenhouse Gas Emissions - Effective August 2018", Table 20-3

(7) Ontario Ministry of Environment, Conservation and Parks "Guideline for Quantification, Reporting and Verification of Greenhouse Gas Emissions - Effective August 2018", Table 20-4

(8) Assumed Budget Heat Value = 38.42 GJ/10³m³. This value should be assumed as a placeholder. In calculating actual emissions, actual heating value will be used.

(9) Environment and Climate Change Canada "Technical Guidance on Reporting Greenhouse Gas Emissions - 2017 Data", Table 1

TABLE 5: 2019 FORECAST OBPS OBLIGATION

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	2019 Forecast Compressor Emissions ¹ (tCO ₂ e)	2016 - 2017 Enbridge Average Emission Intensity (tCO ₂ e/MWh)	2019 Forecast Production ² (MWh)	2019 Sector Emission Intensity Target ³ (tCO ₂ e/MWh)	Facility Emissions Limit ⁴ (tCO ₂ e)	OBPS Compliance Obligation ⁵ (tCO ₂ e)
1.	30,276.9	0.70	43,211.1	0.553	23,895.7	6,381.2

Notes:

(1) Exhibit B, Tab 1, Schedule 1, Table 3, Col. 5

(2) Col. 1 / Col. 2

(3) Based on preliminary value from Environment and Climate Change Canada.

(4) Col. 3 x Col. 4

(5) Col. 1 - Col. 5

TABLE 6: 2019 SUMMARY OF CUSTOMER-RELATED AND FACILITY-RELATED FORECAST COSTS

<u>Line</u>	<u>Description</u>	<u>2019 Forecast</u>
<u>Customer-Related Cost Forecast</u>		
1	Customer-related Forecast Volume (10^3 m^3)	10,672,715
2	Federal Carbon Fuel Charge (\$/m ³) ⁽¹⁾	0.0391
3	Customer-Related Costs (\$)	417,303,160
<u>Facility-Related Cost Forecast</u>		
4	Company-Use Forecast Volume (10^3 m^3)	6,456
5	Federal Carbon Fuel Charge (\$/m ³) ⁽¹⁾	0.0391
6	Company Use Costs (\$)	252,412
7	OBPS Obligation (tCO ₂ e)	6,381
8	Federal Excess Emissions Charge (\$/tCO ₂ e) ⁽²⁾	20.00
9	Compressor Fuel Use Costs (\$)	127,624
10	Total Facility Related Costs (\$)	380,036
<u>Total Cost Forecast</u>		
11	Total Cost Forecast (\$)	417,683,196

Notes:

(1) 2019 Federal Carbon Fuel Charge rate obtained from Schedule 2, Table 2 in the Greenhouse Gas Pollution Pricing Act

(2) 2019 Federal Excess Emissions Charge obtained from Schedule 4 in the Greenhouse Gas Pollution Pricing Act

ADMINISTRATIVE COSTS

1. The Company forecasts its administrative costs for the balance of 2018 and 2019 to be \$0.62 million and \$1.84 million, respectively. These costs will be recorded in the Greenhouse Gas Emissions Impact Deferral Account ("GGEIDA") and are primarily related to the implementation of the Federal Carbon Pricing Program ("FCPP" or the "Program"). The costs contained in this evidence are for forecasting purposes only. The Company will only record in the GGEIDA and seek clearance of costs actually incurred.
2. Enbridge will continue to apply the same criteria discussed in EB-2016-0300 at Exhibit C, Tab 3 Schedule 6 and in the response to Board Staff Interrogatory #1 filed at Exhibit I.1.EGDI.STAFF.1, in determining the appropriateness of recording costs in the GGEIDA. For clarity, costs will be accounted for in the GGEIDA only if they are considered incremental to costs already included in current rates and are directly attributable to the FCPP.
3. Forecasts of the balance of 2018 and 2019 administrative costs have been included in Table 1. A discussion of each cost element follows. It should be noted that for 2018, the forecast represents the administrative costs that are anticipated to be incurred for the period October 1 through December 31, 2018 for the FCPP. No administrative costs incurred prior to October 1, 2018 have been included in the forecast below as these costs were aggregated with other Cap and Trade variance account balances, as forecast effective September 30, 2018, and were included in Enbridge's October 2018 QRAM application (EB-2018-0249) for disposition on an interim basis.

Table 1: Forecast of Administrative Costs

Cost Element	Balance of 2018 Forecasted Amount	2019 Forecasted Amount
IT Billing System	\$267,750	\$208,900
Staffing Resources	\$173,000	\$600,000
Consulting Support	\$30,000	\$150,000
GHG Audit Requirements related to Cap and Trade	\$25,000	\$40,000
External Legal Support	\$50,000	\$30,000
Bad Debt	N/A	\$750,000
Other Miscellaneous Costs	\$70,000	\$60,000
Total	\$615,750	\$1,838,900

Note: OEB Proceeding costs and related legal expenditures related to either Cap and Trade or FCPP have not been included in this forecast.

IT Billing System

4. In 2016, Enbridge designed and implemented a billing system to allow for the collection of Cap and Trade charges effective January 1, 2017.
5. The Company has determined that following certain modifications to the existing Cap and Trade billing system, it can be re-purposed and used for the FCPP.
6. At this time and based on a review of internal accounting policies, the Company notes that the modifications completed to render the Cap and Trade billing system suitable for the FCPP are appropriately characterized as an Operations & Maintenance ("O&M") expense. As such, these costs will be expensed in the year in which they are incurred. Enbridge estimates the costs of re-purposing the billing system to be \$220,000. These costs will be incurred in 2018.
7. The Company estimates that it may incur \$26,000 in warranty costs associated with the implementation of the re-purposed billing system. These costs will be incurred in 2019.

8. Enbridge will continue to seek recovery of the revenue requirement impact associated with the implementation of the billing system. In EB-2018-0249, the Company sought a revenue requirement of \$143,250. For the balance of the year, October 1 through December 31, a revenue requirement of \$47,750 is forecasted and will be added to the 2018 GGEIDA.
9. The Company will continue to seek recovery in 2019 of the revenue requirement impact associated with the billing system implemented in 2016. The Company forecasts a revenue requirement impact of \$182,900 in 2019. This amount will be recorded in the 2019 GGEIDA.

Staffing Resources

10. For the period of October 1 through December 31, 2018 Enbridge estimates that its staffing costs will be \$173,000. For 2019, staffing costs are estimated to be \$600,000. This cost is fully allocated and includes pension, benefits and related overheads for three full time equivalents ("FTEs") which make up the Carbon Strategy team.
11. In 2018, the Carbon Strategy team directed its attention to the implementation of the FCPP and wind down of the Cap and Trade program. Staff members involved are able to make use of their experience preparing for and implementing Cap and Trade. They are therefore cognizant of the necessary steps to ensure that the Company is ready for the launch of the FCPP as of January 1, 2019.
12. The Company notes that the FCPP file affects and interacts with a variety of groups within the organization. Wherever reasonable to do so, Enbridge has leveraged existing staff and managerial time and effort from persons outside of the Company's Carbon Strategy group, highlighting a commitment to cost effectiveness,

productivity gains and continuous improvement. These ancillary resources and related costs will not be recorded in the GGEIDA.

13. For the purpose of the administrative costs forecast, the Company has not assumed that a consolidation of resources between Enbridge and Union has occurred given that a formal decision to proceed with the MAADs approval has not yet been made. If consolidation does occur resulting in revised forecasted costs, only actual amounts will be recorded in the GGEIDA.
14. With the advent of other carbon related programs and initiatives such as the Federal Clean Fuel Standard ("CFS"), Enbridge may require incremental staffing resources. Should this be the case during 2019, the Company will only seek clearance of actual costs incurred which will be subject to a review for reasonableness.

Consulting Support

15. Enbridge may incur costs associated with consulting and regulatory support for the implementation and sustainment of the FCPP. These costs will be incurred to ensure that the Company remains well-informed and in compliance with regulatory requirements.
16. The Company also notes that it may incur costs associated with other provincial and/or federal greenhouse gas/carbon pricing programs, such as CFS. These costs will be recorded in the GGEIDA.
17. In terms of Consulting Support, the Company anticipates that it will incur \$30,000 and \$150,000 for the balance of 2018 and 2019, respectively.

Incremental GHG Reporting and Verification

18. In accordance with Ontario's Cap and Trade wind down, the Company is required to report customer-related emissions (ON.400) and operational combustion emissions (ON.20) from January 1 through to July 3, 2018 by October 1, 2018. Additionally, the Company is required to submit a mid-year verification statement by December 1, 2018.
19. Given that the mid-year verification statement is incremental to the Company's reporting and verification requirements, the Company will be allocating all costs associated with this mid-year verification to the 2018 GGEIDA. Enbridge anticipates that the cost of this mid-year verification statement will be \$25,000.
20. Under Ontario Regulation 390/18, in 2019, Enbridge is required to continue to report its customer emissions, combustion emissions and emissions from flaring/venting/fugitive. Similar to previous years, the customer-related and combustion emissions must be verified by a third party auditor.
21. Given that Enbridge's rates were not developed assuming the requirement to audit the customer-related emissions, the costs associated with this portion of the verification will be captured in the 2019 GGEIDA for future disposition. The Company anticipates that the fees associated with the 2019 audit to be \$40,000.

External Legal Support

22. Enbridge will incur external legal costs associated with policy review and analysis. The Company estimates these costs to be \$50,000 and \$30,000 for external legal support for each of the balance of 2018 and 2019, respectively. OEB Proceeding costs and related legal expenditures related to either Cap and Trade or FCPP have not been included in this forecast.

Bad Debt Provision

23. Enbridge has not included any impacts of the FCPP in the derivation of its distribution rates. Enbridge does not expect to include any impacts of the FCPP in the derivation of its 2019 revenue requirement.
24. Enbridge expects an increase to bad debt expense as a result of implementing the FCPP. Enbridge is currently estimating an incremental impact on this expense of \$750,000 for 2019. This estimate has been provided for illustrative purposes and is based on the percentage increase in expected amounts to be recovered from general service customers.¹ For clarity, the actual incremental bad debt cost associated with FCPP will be recorded in the GGEIDA in 2019. This actual amount will be determined in a manner similar to the aforementioned estimate. For example, if the amount recoverable from general service customers increases by 10% as a result of the FCPP, the incremental bad debt expense associated with the FCPP would be 10% of actual bad debt expenses in that year.

Other Miscellaneous Costs

25. Enbridge anticipates incurring approximately \$70,000 for the balance of 2018 and \$60,000 in 2019 in miscellaneous costs related to customer outreach and communications, conferences, travel expenses, memberships and subscriptions.
26. In 2018, prior to the implementation of FCPP, the Company will incur customer outreach and communication costs. As discussed in the Communications Plan set out at Appendix B of Exhibit A, Tab 2, Schedule 2, Enbridge intends to provide information about FCPP by means of a bill insert and an on-bill envelop message. The Company also intends to maintain a webpage describing material aspects of the FCPP.

¹ Amounts recoverable from general service customers are used as these customer groups form the vast majority of the bad debt expense.

27. Enbridge will be required to train call centre staff with respect to FCPP, and educate them on responding to questions about the additional line item on the bill which is the result of the FCPP. Training will also be necessary around the operation of the modified billing system.

DEFERRAL AND VARIANCE ACCOUNTS

1. In this proceeding, the Company is proposing for 2019, the continuance of the Greenhouse Gas Emissions Impact Deferral Account (“GGEIDA”) and the establishment of two new variance accounts. The first variance account is the 2019 Federal Carbon Charge-Customer Variance Account (“FCC-Customer VA”) and the second is the 2019 Federal Carbon Charge-Facility Variance Account (“FCC-Facility VA”).
2. The Board approved the GGEIDA in Enbridge’s Custom Incentive Regulation (“CIR”) proceeding (EB-2012-0459). The account was approved in recognition of the potential for either or both of the federal and provincial governments implementing programs to reduce Greenhouse Gas (“GHG”) emissions. No costs related to such programs were included in the budget used to set Allowed Revenues under Enbridge’s CIR rate making model. The Board described the GGEIDA on page 70 of its Decision With Reasons in the CIR proceeding as follows:

The GGEIDA would be used to record the impacts of provincial and federal regulations related to greenhouse gas emission requirements along with the impacts resulting from the sale of or other dealings in, earned carbon dioxide offset credits.

3. As part of Enbridge’s 2017 and 2018 Cap and Trade Compliance Plans (EB-2016-0300 and EB-2017-0224 respectively) the Board approved the GGEIDA for each of these two years. Enbridge used these accounts to record administrative costs incurred in relation to its Cap and Trade activities. As directed by the Board¹, as part of its October 2018 quarterly rate adjustment mechanism (“QRAM”) filing, Enbridge requested and the Board approved the elimination of the Cap and Trade charges that were included in rates. In further compliance with the Board’s letter,²

¹ Letter from the Board, August 30, 2018, (EB-2017-0224/0255/275)

² Ibid.

as part of the October 2018 QRAM Application (EB-2018-0249), Enbridge applied to dispose of the forecast aggregate of Cap and Trade deferral and variance account balances on an interim basis as at September 30, 2018. The Board indicated in its October QRAM decision that Cap and Trade deferral and variance account balances would be cleared on an interim basis and that the Board will undertake a prudence review to ensure that all costs incurred were appropriate.

4. In its Decision and Accounting Order in EB-2017-0086 dated February 22, 2018, the Board indicated that several deferral and variance accounts (set out in Schedule B to the aforementioned Decision and Accounting Order) shall continue until such time that the Board determines otherwise. The GGEIDA was one of those accounts. Accordingly, the Company in this proceeding is indicating its intent to continue using the GGEIDA in 2019.
5. While the Government of Ontario has taken steps to wind down Cap and Trade in Ontario³, effective January 1, 2019, Enbridge will begin to incur federal carbon costs on behalf of its customers and for its facilities and natural gas distribution operations under the *Greenhouse Gas Pollution Pricing Act*, S.C. 2018, c.12 (“GGPPA” or the “Act”). In preparing for the introduction of the GGPPA, Enbridge has and will continue to incur administrative costs in 2018. Enbridge will record such costs in the existing 2018 GGEIDA and will, as directed by the Board⁴, distinguish between Cap and Trade related administrative costs and those related to the GGPPA. A forecast of the administrative costs related to the GGPPA that Enbridge will incur in 2018 is included at Exhibit C, Tab 1, Schedule 1.

³ Ontario Regulation 386/18 and the Cap and Trade Cancellation Act, 2018

⁴ Procedural Order No. 6, July 6, 2018 (EB-2017-0224/0255/275)

6. In 2019, Enbridge will continue to incur both internal and external administrative costs in relation to complying with the GGPPA, including the resulting incremental impact on customer-related bad debt and the revenue requirement impact of any required capital expenditures.
7. Under the Act, Enbridge will be required to pay federal carbon charges for residential, commercial and industrial customers who are not registrants under the Output-Based Pricing System ("OBPS"). Enbridge will also be required to pay federal carbon charges arising from the Company's facilities and the operation of its gas distribution system. Enbridge has proposed that the Board approve by November 30, 2018, 2019 customer-related and facilities-related federal carbon charges on an interim basis so that Enbridge can include such charges with its QRAM to be implemented effective January 1, 2019. The Company has further requested that these charges be made final once this proceeding has concluded.
8. Enbridge is therefore proposing the establishment of two new variance accounts: the FCC-Customer VA and FCC-Facility VA. These accounts will record the differences that occur in 2019 between the actual amounts recovered in rates from the approved federal carbon charges, and the actual costs Enbridge incurs meeting its 2019 GGPA obligations related to GHG emissions from applicable customers and Company facilities. Enbridge's systems will be able to apportion the amounts billed between customer-related charges and facility-related charges. These variance accounts will ensure that the Company neither over nor under recovers its customer-related and facility-related GGPPA costs.
9. As detailed in EB-2006-0117, Accounting Interest Rates Methodology for Regulated Accounts, Enbridge will use the approved prescribed interest rate for determining any carrying costs associated with outstanding deferral and variance account

balances. When calculating carrying costs, the prescribed interest rate will be obtained from the Board's website. The Company plans to seek disposition of any amounts recorded in the 2018 deferral account and the 2019 deferral and variance accounts described above, as part of a future application to the Board or at such other time as directed by the Board. Draft accounting orders for the proposed new variance accounts are included as Appendix A to this Exhibit.

ACCOUNTING TREATMENT FOR A
FEDERAL CARBON CHARGE-CUSTOMER VARIANCE ACCOUNT
("FCC-Customer VA")

The purpose of the FCC-Customer VA is to record the variance between actual federal customer carbon charges and actual federal customer charges recovered in rates as approved by the Board.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the variance in customer carbon charges:

Debit/Credit:	FCC-Customer VA	(Account 179. ____)
Credit/Debit:	Miscellaneous Operating Revenue	(Account 579. 000)

To record the variance between actual customer carbon charges and the actual customer carbon charges recovered in rates.

2. Interest accrual:

Debit/Credit:	Interest on FCC-Customer VA	(Account 179. ____)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the FCC-Customer VA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
FEDERAL CARBON CHARGE-FACILITY VARIANCE ACCOUNT
("FCC-Facility VA")

The purpose of the FCC-Facility VA is to record the variance between actual facility carbon charges and actual facility charges recovered in rates as approved by the Board.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the variance in facility related charges:

Debit/Credit:	FCC-Facility VA	(Account 179. ____)
Credit/Debit:	Miscellaneous Operating Revenue	(Account 579. 000)

To record the variance between actual facility charges and the actual facility charges recovered in rates.

2. Interest accrual:

Debit/Credit:	Interest on FCC-Facility VA	(Account 179. ____)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the FCC-Facility VA using the Board approved EB-2006-0117 interest rate methodology.

COST RECOVERY STATEMENTS

1. In this proceeding, Enbridge requests approval of the Customer-related and Facility-related unit rates (the “Federal Carbon Charge Unit Rate” and “Facility Carbon Charge Unit Rate”) to recover the cost of meeting Enbridge’s obligations under the the Greenhouse Gas Pollution Pricing Act (“GGPPA” or the “Act”) related to greenhouse gas (“GHG”) emissions from relevant customers and Company facilities. Details about the Federal Carbon Charge and Facility Carbon Charge Unit Rates are included below, with the supporting calculations and the Unit Rates detailed in Appendix A to this Exhibit.

Carbon Charge Unit Rates (Customer-related and Facility-related)

2. Under the GGPPA, Enbridge is required to remit payment of the Fuel Charge to the Government for its customers natural gas use and natural gas used in the Company’s own distribution operations. Enbridge is also required to remit payment for any excess emissions in the Output-Based Pricing System (“OBPS”) for the Company’s gas storage compressor station emissions. These costs will be recovered from customers through the Federal Carbon Charge and Facility Carbon Charge Unit Rates. The Customer-related costs will be recovered from all customers except for those that are covered under the OBPS program (i.e., facilities that emit more than 50,000 tCO₂e and, if applicable, “voluntary participants” in the OBPS who are responsible for covering their own emissions obligations) and those that are exempt for a “non-covered activity” (i.e., facilities that use the natural gas as a process feedstock and have applied for an exemption through the Canada Revenue Agency). Natural gas derived from biomass and natural gas distributed to downstream or out-of-province natural gas distributors are also excluded from Customer-related costs. Facility-related costs will be recovered from all customers.

3. The Federal Carbon Charge Unit Rate was determined based on the charge rates shown in Schedule 4, Table 2 of the GGPPA.
4. In order to determine the Facility Carbon Charge Unit Rate, a first step is the determination of the forecast gas volumes for the Company's own operations. Enbridge's volume forecast is shown in Table 2 of Exhibit B, Tab 1, Schedule 1.
5. The Facility Carbon Charge Unit Rate is based on two components: a) cost for volumes subject to Part 1 of the GGPPA, and b) cost for volumes subject to the OBPS program. The sum of these two components has been used to calculate the total facility-related obligations under the Program.
6. The Company Use volumes (natural gas used for boilers at distribution gate stations, building heating and natural gas fleet vehicles) are subject to the charge rate shown in Schedule 4, Table 2 of the GGPPA. Enbridge's Company Use volume forecast is shown on Line 5 of Table 2 of Exhibit B, Tab 1, Schedule 1.
7. The forecast obligation under the OBPS is shown in Table 5 of Exhibit B, Tab 1, Schedule 1.

Costs to meet Customer-related and Facility-related Obligations

8. The forecast cost to meet the Customer-related obligation is determined by multiplying the forecast customer-related volumes (Table 1 of Exhibit B, Tab 1, Schedule 1) by the charge rate in Schedule 2, Table 2 of the GGPPA. Enbridge's forecast Customer-related obligation costs in 2019 total \$417,303,160, as shown in Appendix A, Table A1 to this Exhibit.

9. The forecast cost to meet the Facility-related obligation is determined by adding the forecast obligation for Company Use volumes and the forecast obligation under the GGPPA. The forecast obligation for Company Use volumes is based on the charge rate in Schedule 2, Table 2 of the GGPPA. The forecast obligation for OBPS is based on the excess emissions charge in Schedule 4 of the GGPPA. Enbridge's forecast Facility-related obligation costs in 2019 total \$380,036, as shown in Appendix A, Table A2 to this Exhibit.

Carbon Charge Unit Rates

10. The derivation of the 2019 Federal Carbon Charge and Facility Carbon Charge Unit Rates for Customer-related and Facility-related obligations is based on several sets of information and is organized in the following manner:
 - (a) Appendix A, Table A1 of this Exhibit summarizes, by rate class, the 2019 forecast gas volumes for Customer-related obligations and shows the derivation of the 2019 Federal Carbon Cost as well as the Federal Carbon Charge Unit Rate for Customer-related obligations based on the charge rate in Schedule 2, Table 2 of the GGPPA of \$0.0391/m³.
 - (b) Appendix A, Table A2 of this Exhibit summarizes, by component, the 2019 forecast gas volume for Facility-related obligations and presents the derivation of the 2019 Facility Carbon Cost and the Facility Carbon Charge Unit Rate based on the charge rate in Schedule 2, Table 2 of the GGPPA of \$0.0391/m³ and forecast cost to comply with the OBPS.
 - (c) Appendix A, Table A3 of this Exhibit summarizes the 2019 Federal Carbon Charge and Facility Carbon Charge Unit Rates.
 - (d) Appendix A, Table A4 of this Exhibit is a summary of the 2019 Federal Carbon Charge and Facility Carbon Charge Unit Rates by rate class.

11. The Unit Rates for Customer-related and Facility-related carbon costs will be separately identified: Federal Carbon Charge (if applicable) and Facility Carbon Charge. Both of these charges are shown on Rider J: Carbon Charges for each rate class, which is found at Appendix B to this Exhibit.
12. The Federal Carbon Charge will be shown as a separate line item on customers' bills. The Facility Carbon Charge will be included as part of the 'Delivery to You' charge on customers' bills.
13. For a typical residential customer consuming 2,400 m³ of natural gas per year, the sum of Federal Carbon Charge and Facility Carbon Charge will equal about \$94 in 2019.
14. Any administrative costs to facilitate and bill the Federal Carbon Charge and Facility Carbon Charge will be recovered through the Greenhouse Gas Emissions Impact Deferral Account ("GGEIDA").

TABLE A1
TABLE 1: 2019 CUSTOMER-RELATED VOLUMES AND DERIVATION OF FEDERAL CARBON CHARGE UNIT RATE

Line	Rate	Forecast Volumes ¹ (10 ³ m ³)	OBPS Participant and Other Exempt Gas Volumes ² (10 ³ m ³)	Net Volumes ³ (10 ³ m ³)	Federal Carbon Charge ⁴ (\$/m ³)	Federal Carbon Cost ⁵ (\$)	Federal Carbon Charge Unit Rate ⁶ (¢/m ³)
1.1	1	4,933,563.1	0.0	4,933,563.1	0.0391	192,902,317.2	
1.2	6	4,923,605.9	111,415.6	4,812,190.3	0.0391	188,156,640.7	
1.3	9	0.0	0.0	0.0	0.0391	0.0	
1.4	100	0.0	0.0	0.0	0.0391	0.0	
1.5	110	846,266.0	376,591.3	469,674.7	0.0391	18,364,280.8	
1.6	115	466,558.9	324,702.8	141,856.1	0.0391	5,546,573.5	
1.7a	125	286,822.7	286,822.7	0.0	0.0391	0.0	
1.8	135	64,744.3	0.0	64,744.3	0.0391	2,531,502.1	
1.9	145	45,648.7	1,892.2	43,756.5	0.0391	1,710,879.2	
1.10	170	322,394.1	115,464.0	206,930.1	0.0391	8,090,966.9	
1.11	200	174,808.4	174,808.4	0.0	0.0391	0.0	
1.12	300	0.0	0.0	0.0	0.0391	0.0	
1.13	332	3,040,083.3	3,040,083.3	0.0	0.0391	0.0	
1	Total	15,104,495.4	4,431,780.3	10,672,715.1		417,303,160.4	3.9100

Notes:

- (1) Exhibit B, Tab 1, Schedule 1, Table 1, Col. 1
- (2) Exhibit B, Tab 1, Schedule 1, Table 1, Col. 2 + Col. 3
- (3) Col. 1 - Col. 2
- (4) Exhibit B, Tab 1, Schedule 1, Table 6, Line 2
- (5) Col. 3 x Col. 4 x 1000
- (6) (Col. 5 / (Col. 3 x 1000)) x 100

TABLE A2
TABLE 2: 2019 FACILITY-RELATED VOLUMES AND DERIVATION OF FACILITY CARBON CHARGE UNIT RATE

	Col. 1	Col. 2	Col. 3	Col. 4
Line	Volumes ¹ (10 ³ m ³)	Facility Carbon Charge ² (\$/m ³)	Facility Carbon Cost (\$)	Facility Carbon Charge Unit Rate (¢/m ³)
2.1 Company Use				
2.1.1 Buildings	1,402.0			
2.1.2 Boilers	3,989.9			
2.1.3 Fleet	1,063.7			
2.1 Company Use	6,455.5	0.0391	252,411.8	3
2.2 Compressor Fuel	15,556.2	-	127,624.0	4
2 Total	22,011.7		380,035.8	5

Notes:

- (1) Exhibit B, Tab 1, Schedule 1, Table 2
- (2) Exhibit B, Tab 3, Schedule 1, Table 6, Col. 5
- (3) Col. 2 x Col. 3 x 1000
- (4) Exhibit B, Tab 1, Schedule 1, Table 6, Line 9
- (5) Facility Carbon Cost / Total customer-related forecast volume = [Col. 3, Line 2 / (Table A1, Line 1, Col. 1 x 1000)] x 100

TABLE A3

TABLE 3: 2019 CARBON CHARGE UNIT RATE SUMMARY

		Col. 1	
Line		Unit Rate	
		(¢/m ³)	
1	Federal Carbon Charge	3.9100	1
2	Facility Carbon Charge	0.0025	2
3	Total	3.9125	3

Notes:

(1) Table A1, Line 1, Col. 6

(2) Table A2, Line 2, Col. 4

(3) Line 1 + Line 2

TABLE A4

TABLE 4: 2019 CARBON CHARGE UNIT RATE BY RATE CLASS

Rate Class		(¢/m ³)
Rate 1	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025
Rate 6	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025
Rate 9	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025
Rate 100	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025
Rate 110	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025
Rate 115	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025
Rate 125	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025
Rate 135	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025
Rate 145	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025

Rate Class		(¢/m ³)
Rate 170	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025
Rate 200	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0025
Rate 300	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025
Rate 300 Interruptible	Federal Carbon Charge (If Applicable)	3.9100
	Facility Carbon Charge	0.0025
Rate 315	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0025
Rate 316	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0025
Rate 320	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0000
Rate 325	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0025
Rate 330	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0025
Rate 331	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0025
Rate 332	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0025

RIDER:	J	CARBON CHARGES
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The following charges are applicable to all gas sold or delivered during the period January 1, 2019 to December 31, 2019.

Rate Class	Federal Carbon Charge (If Applicable) (¢/m ³)	Facility Carbon Charge (¢/m ³)
Rate 1	3.9100	0.0025
Rate 6	3.9100	0.0025
Rate 9	3.9100	0.0025
Rate 100	3.9100	0.0025
Rate 110	3.9100	0.0025
Rate 115	3.9100	0.0025
Rate 125	3.9100	0.0025
Rate 135	3.9100	0.0025
Rate 145	3.9100	0.0025
Rate 170	3.9100	0.0025
Rate 200	0.0000	0.0025
Rate 300	3.9100	0.0025
Rate 300 (Interruptible)	3.9100	0.0025
Rate 315	0.0000	0.0025
Rate 316	0.0000	0.0025
Rate 320	0.0000	0.0000
Rate 325	0.0000	0.0025
Rate 330	0.0000	0.0025
Rate 331	0.0000	0.0025
Rate 332	0.0000	0.0025

EFFECTIVE DATE:	IMPLEMENTATION DATE:	BOARD ORDER:	REPLACING RATE EFFECTIVE:	Page 1 of 1
January 1, 2019	January 1, 2019			

