

**Schedule 8S**  
**Enbridge Gas Community Expansion Project Proposal**  
**Grimsby-Lincoln Regional Expansion Project**

**Enbridge Gas Inc.  
Potential Projects to Expand Access to Natural Gas Distribution**

<b>Part I – Name of Proponent</b>	
Name of Proponent: Enbridge Gas Inc.	File No: EB-2019-0255
Project Name: <a href="#">Grimsby - Lincoln Regional Expansion Project (Economic Development)</a>	
Address of Head Office: 50 Keil Drive North Chatham, ON N7M 5M1	Telephone Number: 519-436-4600
Name of Individual to Contact:  Patrick McMahon	Office Telephone Number: 519-436-5325
	Cell Phone Number: 519-437-0759
	Email Address: <a href="mailto:patrick.mcmahon@enbridge.com">patrick.mcmahon@enbridge.com</a>

<b>Part II – Description of Proponent’s Technical Expertise and Financial Capability</b>
<p><i>Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.</i></p> <p><i>A proponent that is not currently rate-regulated as a natural gas distributor by the OEB and that has multiple proposed projects is only required to provide the information in this Part once, unless the proponent has different organizational or financial structure approaches for its projects. In that case, the information in this Part must be provided for each different organizational or financing structure.</i></p>

<b>Part II – Description of Proponent’s Technical Expertise and Financial Capability</b>	
2.1	<p><b>Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system.</b></p> <p>N/A</p>
2.2	<p><b>Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following:</b></p> <ul style="list-style-type: none"> <li>• <b>Current credit rating of the proponent, its parent or associated companies.</b></li> <li>• <b>Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual.</b></li> <li>• <b>If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets.</b></li> </ul> <p><b>New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available.</b></p> <p>N/A</p>

## Part III – Description of and Support for Project

3.1

Redacted

**Provide a general overview of the project, which is to include the following: communities to be connected, including whether the project would serve any on-reserve Indigenous communities; existing population of each community by residential, commercial/institutional and industrial sectors; routing; length of pipeline; and nominal pipe size.**

Enbridge Gas is proposing an Economic Development project, similar in approach to the Chatham-Kent Rural Pipeline project from Phase 1 of the Natural Gas Expansion Program (NGEP), to serve the growing business needs in the Grimsby – Lincoln area of the Niagara Peninsula. The proposed project is primarily serving growth in the agricultural sector and a large property development. This area has existing natural gas infrastructure that is constrained such that significant upstream reinforcement of the pipeline network and local mains is required to facilitate growth. The proposed project has been designed to accommodate the sum of the large volume growth identified through an Expression of Interest process as well as smaller volume regular rate growth served from the same pipeline system, expected to occur through to 2030.

Rationale for considering Economic Development Projects: Strategic infrastructure investments underpin the quality of life and provide the foundation for business growth and competitiveness in Ontario. This Economic Development Project proposal focuses on meeting the needs of businesses that are in a part of Ontario positioned for growth.

The key benefits of providing economic access to natural gas for businesses are the resulting jobs and investment that this facilitates in the host communities. Phase 1 of the NGEP included a specific stream and separate evaluation criteria for Economic Development Projects like the Chatham-Kent Rural Pipeline Expansion Project. Enbridge Gas believes that whether looking at a small community many kilometres from a gas main, or a large business already using gas but looking to expand, the issue and solution is often the same: if the business or community cannot afford the costs that result from traditional economics, access to gas becomes economically out of reach and the benefits are not realized without financial assistance.

Background on Expression of Interest Process: From December 2019 through to the end of April 2020, Enbridge Gas worked with existing large volume gas customers and local Economic Development officials in and around the project area to identify potential growth requirements on a preliminary basis. Several potential projects were identified and considered.

In order to collect specific customer needs to determine the optimal design of the project, Enbridge Gas conducted an Expression of Interest process in early May 2020. All existing large volume customers in the proposed Area of Benefit were contacted and local municipal Economic Development professionals assisted in identifying additional growth opportunities. All potential bidders for incremental capacity were sent information as posted on the project webpage: <https://www.enbridgegas.com/grimsby-lincoln-project> (attached as Schedule 8S-3.1A) and were invited to submit bids with their details on their incremental firm natural gas requirements.



Under EBO 188 guidelines, when one or more large volume customers are driving the need for reinforcement, they must bear an allocation of the costs of the project. In Enbridge Gas' experience, if those allocations and subsequent feasibility assessments result in significant up-front contribution in aid of construction (CIAC) payments being required, even with a long-term gas service agreements, the customers will often cancel their business plans, move it to another part of the province, or move out of the province to another jurisdiction entirely.

Enbridge Gas, in conjunction and on behalf of the customers requesting capacity, is proposing funding from the NGEF for this project to improve the economic viability of the project and to ensure the customers' developments can proceed and stay in Ontario at the proposed locations. Many of the bidders have significant investments at their current sites and are hoping to leverage these sites for future development.

Expression of Interest results: Enbridge Gas received 9 completed and signed non-binding bid forms requesting incremental firm natural gas capacity totaling 16,740 m3/hour. Eight of the nine bids provided details on the Economic Development aspects of their business plans. One of the bidders is proposing a property development that could result in many incremental customers however for the purposes of this proposal, they have been forecasted as one large customer that is growing over time. In aggregate they indicated that if they could proceed as proposed, they would collectively be investing \_\_\_\_\_ of private investment with a total job impact of \_\_\_\_\_ (\_\_\_\_\_ direct new jobs and \_\_\_\_\_ indirect jobs with \_\_\_\_\_ existing jobs at risk). This jobs and investment information is a summary of the data provided by bidders through their Expression of Interest bids to Enbridge Gas.

Project design considerations: The Area of Benefit associated with the Grimsby – Lincoln Regional Expansion Project is served from multiple sources of high-pressure gas including multiple interconnections to the TC Energy system.

The pipeline solution to serve the proposed project was also designed to meet the needs of the expected small volume growth over the Area of Benefit to ensure the optimal design and achieve all potential synergies and economies of scale. The forecast of small volume regular rate growth expected to occur out to 2030 over this area is 6,772 m3/hour. This consists of growth of 3,643 new residentials, 217 new commercials and 10 small new industrial customers. As this small volume growth is embedded within an area of the province already with access to natural gas, they do not meet the definition of a "new community" and therefore they are not factored into this submission. The area will however benefit from the overall project. Without the demands associated with the large volume component of the project, Enbridge Gas will likely be proposing one or more system expansion projects over the coming years to serve the needs of the small volume growth. By combining the demands of the bidders and the small volume growth, economies of scale can be realized that can result in more economically efficient projects.

Project Segmentation and the Hourly Allocation Factor Approach: The Hourly Allocation Factor (HAF) approach has been used on four prior occasions by Enbridge Gas to allocate project costs to large volume customers in a fair and equitable manner. The Chatham-Kent Rural Pipeline Project (EB-2018-0188), which was a successful recipient of funding under Phase 1 of the NGEF, used the HAF process to allocate costs and was placed into service in November of 2019. The CK Rural Project and others were the

template for a generic proposal currently before the Board (EB-2020-0094) and the process proposed for the economics with this project are consistent with the evidence in that proceeding.

Enbridge Gas is proposing to use the Hourly Allocation Factor process to allocate cost and capacity using a threshold of eligibility of 50 m<sup>3</sup>/h. The portion of the facilities costs needed for all customers requesting 50 m<sup>3</sup>/h or more are in the large volume component (being 71.2 % of the project) and all those under 50 m<sup>3</sup>/h are in the small volume component (being 28.8 % of the project) as per the following table.

Customer Segment	Growth (m <sup>3</sup> /h)	% capital allocation	Project Cost Allocation (millions)
Large volume component (bidders in the Area of Benefit)	16,740	71.2%	_____
Small volume component (general service growth)	6,772	28.8%	_____
Total	23,512	100%	_____

**Economic Approach:** Under this proposal, any NGEP funding received would be used to offset the capital allocation for the large volume component of the project and reduce the HAF applicable within the Area of Benefit. Without any funding the HAF would be \_\_\_\_\_ (\_\_\_\_\_). A review of each of the nine bidder volume forecasts shows that if sufficient funding is received to lower the HAF down to \_\_\_\_\_, three of the nine will be able to achieve a PI of 1.0 within 15 years on their portion of the HAF allocated costs. The remaining six will require a longer than 15-year term and/or a CIAC to cover their HAF allocated costs. This preliminary PI calculation excludes the customer's specific costs (such as customer station and service costs) which would be included for each customer's final feasibility assessment.

**SES Considerations:** Enbridge Gas proposes that since the Area of Benefit is not a new community, as there are multiple existing gas pipelines and customers in the area, the System Expansion Surcharge (SES) would not apply. This is consistent with the approach used and approved in CK Rural (EB-2018-0188).

The small volume component of the project (i.e., that portion that will be serving the residential growth) is not part of this proposal and would be addressed through the traditional regulatory mechanisms associated with a stand-alone project of the same scale and scope.

**Proposed Facilities:** The proposed reinforcement facilities that will be needed to serve the total demands identified include:

- 600 m of NPS6 steel XHP pipe on \_\_\_\_\_, \_\_\_\_\_ of the community of Beamsville in the Town of Lincoln
- 4.5 km of NPS6 steel XHP pipe \_\_\_\_\_ and \_\_\_\_\_, \_\_\_\_\_ of the community of Vineland in the Town of Lincoln
- 1 km of NPS6 steel XHP pipe \_\_\_\_\_, \_\_\_\_\_ of the community of Beamsville in the Town of Lincoln
- 1.7 km of NPS6 polyethylene IP pipe \_\_\_\_\_ and \_\_\_\_\_, \_\_\_\_\_ of the community of Beamsville in the Town of Lincoln

	<ul style="list-style-type: none"><li>• 500 m of NPS4 polyethylene IP pipe _____, _____ of the community of Beamsville in the Town of Lincoln</li><li>• 400 m of NPS4 steel XHP pipe _____ in the Town of Lincoln</li><li>• 800 m of NPS4 polyethylene IP pipe _____ and _____ in the Town of Lincoln</li><li>• 240 m of NPS4 polyethylene IP pipe _____ in the Town of Grimsby</li><li>• Upgrade Station 76106A at intersection of _____ and _____ in the Town of Lincoln</li></ul> <p>The approximate length and size of the pipelines required:</p> <table><tr><th>Pipe Type</th><th>Diameter (NPS)</th><th>Length (m)</th></tr><tr><td>Steel</td><td>6</td><td>600</td></tr><tr><td>Steel</td><td>6</td><td>4,500</td></tr><tr><td>Steel</td><td>6</td><td>1,000</td></tr><tr><td>Polyethylene</td><td>6</td><td>1,700</td></tr><tr><td>Polyethylene</td><td>4</td><td>500</td></tr><tr><td>Steel</td><td>4</td><td>400</td></tr><tr><td>Polyethylene</td><td>4</td><td>800</td></tr><tr><td>Polyethylene</td><td>4</td><td>240</td></tr></table> <p>Please refer to Schedule 8S-1 for Project Map.</p>	Pipe Type	Diameter (NPS)	Length (m)	Steel	6	600	Steel	6	4,500	Steel	6	1,000	Polyethylene	6	1,700	Polyethylene	4	500	Steel	4	400	Polyethylene	4	800	Polyethylene	4	240
Pipe Type	Diameter (NPS)	Length (m)																										
Steel	6	600																										
Steel	6	4,500																										
Steel	6	1,000																										
Polyethylene	6	1,700																										
Polyethylene	4	500																										
Steel	4	400																										
Polyethylene	4	800																										
Polyethylene	4	240																										
3.2	<p><b>Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.</b></p> <p>Please refer to Schedule 8S-2, Table 3.2.</p>																											
3.3	<p><b>Provide the annual and cumulative forecast of volumes (in m<sup>3</sup>) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community.</b></p> <p><b>For the residential segment, the default value for the average consumption level is 2,200 m<sup>3</sup> per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default.</b></p> <p>Please refer to Schedule 8S-2, Table 3.3.</p>																											

3.4	<p><b>Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system.</b></p> <p><b>Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided.</b></p> <p>N/A - Since these are all requests for incremental natural gas capacity, there are no conversion-related costs.</p>
3.5	<p><b>Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.</b></p> <p>Please refer to Schedule 8S-4 for Proposed Construction Schedule.</p>
3.6	<p><b>Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support.</b></p> <p>Please refer to Schedule 8S-5 for letters of support from the Town of Grimsby, the Town of Lincoln and the Township of West Lincoln.</p>
3.7	<p><b>Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder.</b></p> <p><b>Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project.</b></p> <p>Please refer to Schedule 8S-6 for Enbridge's CPCNs for the Town of Grimsby (EBC 59), the Town of Lincoln (EBC 58A) and the Township of West Lincoln (EB-2011-0238) which cover the entire area of the proposed project.</p>

	<p><i>(Note: EBC 58A – The former Township of Louth was renamed the Town of Lincoln in January 1970.)</i></p>
<b>Part IV – Cost of Project</b>	
4.1	<p><b>Confirm that the proposed project includes a ten-year rate stability period.</b></p> <p>The proposed project does include a ten-year rate stability period.</p>
4.2	<p><b>Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten).</b></p> <p>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</p> <p>For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs.</p> <p>Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences.</p> <p>Please refer to Schedule 8S-2, Table 4.2. Costs include the Large Volume component of the project only and not any customer specific costs.</p>

4.3	<p><b>Provide the total annual forecast revenue requirement of the project over the ten-year rate stability period (using fully allocated OM&amp;A costs) and rate base amount at the end of year ten.</b></p> <p><b>Complete the tables below:</b></p> <p><b>Revenue Requirement</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th style="text-align: left;">Description</th> <th style="text-align: center;">Year 1</th> <th style="text-align: center;">Year 2...</th> <th style="text-align: center;">Year 10</th> <th style="text-align: center;">Total</th> </tr> <tr> <td>Revenue Requirement</td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th style="text-align: left;">Description</th> <th style="text-align: center;">Year 10</th> </tr> <tr> <td>Closing Rate Base</td> <td></td> </tr> </table> <p>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</p> <p>Please refer to Schedule 8S-2, Table 4.3.</p>	Description	Year 1	Year 2...	Year 10	Total	Revenue Requirement					Description	Year 10	Closing Rate Base	
Description	Year 1	Year 2...	Year 10	Total											
Revenue Requirement															
Description	Year 10														
Closing Rate Base															

<b>Part V – Section 36.2 Funding</b>	
5.1	<p><b>Provide the total amount of section 36.2 funding needed to support the project.</b></p> <p>\$4,295,182</p> <p>Please refer to Schedule 8S-2, Table 5.1.</p>
5.2	<p><b>Provide the section 36.2 funding amount per customer number served in year ten of the project.</b></p> <p>\$477,242</p> <p>Please refer to Schedule 8S-2, Table 5.2.</p>
5.3	<p><b>Provide the section 36.2 funding amount per volume (m<sup>3</sup>) in year ten of the project.</b></p> <p>\$0.19</p> <p>Please refer to Schedule 8S-2, Table 5.3.</p>

<b>Part VI – Distribution Charge</b>	
6.1	<p><b>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period.</b></p> <p><b>Provide a confirmation that there would be no material cross-subsidization between rate classes.</b></p> <p>N/A</p> <p>Please refer to Schedule 8S-2, Table 6.1 for Incremental Distribution Revenues.</p> <p>Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.</p>

<b>Part VII – Profitability Index / Benefit to Cost Ratio</b>	
7.1	<p><b>Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support.</b></p> <p><b>The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects).</b></p> <p>Please refer to Schedule 8S-2, Table 7.1.</p>
7.2	<p><b>Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding.</b></p> <p>Please refer to Schedule 8S-2, Table 7.2.</p>

<b>Part VIII – OEB Approvals</b>	
8.1	<p><b>Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order).</b></p> <ul style="list-style-type: none"> <li>• Leave to Construct</li> </ul>
8.2	<p><b>For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's <a href="#">website</a> and where applicable assume a written hearing process.</b></p> <p>Please refer to Schedule 8S-4.</p>



May 4, 2020

### **Grimsby – Lincoln Regional Expansion Project Expression of Interest and Capacity Request Form**

To serve a growing demand for natural gas in the region in an around the Grimsby – Lincoln and West Lincoln areas, Enbridge Gas Inc. (“**Enbridge**”) is pleased to announce this Expression of Interest to expand the existing natural gas system to serve this area (see attached map on page 3).

This Grimsby – Lincoln Regional Expansion Project (the “**Project**”) could provide up to 10,000 m<sup>3</sup>/hour of additional natural gas capacity to serve new and existing business customers in this developing area, depending upon location. The potential Project is targeting incremental large volume commercial and industrial growth, including greenhouse projects planned to develop over the next five to ten years and could be in-service as early as fall 2022.

Enbridge Gas recognizes that with the COVID-19 pandemic, many businesses are currently facing significant challenges however in an attempt to leverage Ontario's [Natural Gas Expansion Support Program](#) the process must move forward at this time.

The development of this Project is contingent upon sufficient market support, approval of the Project by the Ontario Energy Board (“**OEB**”) and government funding support. If sufficient demand is demonstrated, Enbridge Gas, with the support of local government, will apply for funding from the Ontario government's [Natural Gas Expansion Support Program](#), with the goal of making the Project economically viable for customers in the area. Assuming the Project is successful in obtaining adequate funding and sufficient customer interest is expressed, the estimated Hourly Allocation Factor for incremental capacity for customers would be in the range of \$250 - \$350 per m<sup>3</sup>/hour. By targeting this range, Enbridge Gas is trying to ensure the Project is economic for customers. This allocation will address the facilities needed to serve the area shown on the attached map (page 3). This allocation does not include costs that are required to serve each specific customer such as new facilities built at the customer's site. The customer allocation and any customer specific service costs will be subject to an economic review based on OEB approved guidelines.

Enbridge Gas will consider the size and location of all requests for new capacity in designing the optimal facilities. If insufficient customer interest or required government funding is not forthcoming, the Project is unlikely to proceed as proposed.

Capacity would be available for the following services, depending on market support:

1. New firm distribution service
2. Conversion of existing interruptible distribution service to firm service

This Expression of Interest process closes, and completed Expressions of Interest Bid Forms are due, no later than **12:00 p.m. EDT on May 13, 2020.**

### **Service Description and Details**

1. As this Project requires a significant capital investment by Enbridge Gas, the term of the customer's natural gas distribution contracts will be no less than five years and not to exceed 20 years; and/or may include upfront payments for capacity and/or negotiated rates above currently posted. The facilities, rates and services included in this Expression of Interest will be subject to OEB approval, securing adequate government funding, and sufficient interest being received to justify a Project.
2. Submitting an Expression of Interest form:  
If you wish to participate in this Expression of Interest in the **Grimsby - Lincoln Regional Expansion Project**, please complete, sign and return the attached non-binding Expression of Interest Bid Form via email to [Economic.Development@enbridge.com](mailto:Economic.Development@enbridge.com). Completed forms must be returned by email on or before 12 p.m. EDT on May 13, 2020

### **Expression of Interest Process and Bid Form**

This process is designed to gauge interest in the Project and to assist Enbridge Gas with determining the optimal facility requirements to meet market needs and prepare an application to the Natural Gas Expansion Support Program. Enbridge Gas will acknowledge receipt of all Bid Forms by email on or before end of day on May 13, 2020. Enbridge Gas in its sole discretion reserves the right to reject any and all proposals received. The returned Bid Forms will be time-stamped by the date on the email.

Any suggested contractual Condition(s) Precedent that the customer proposes should be clearly articulated and attached to the Bid Form and will be considered during the capacity allocation process.

Enbridge Gas anticipates allocating capacity on a preliminary and conditional basis to successful bidders no later than June 5<sup>th</sup>, 2020. Subject to a government funding approval (expected in 4Q 2020), successful bidders will then be asked to commit to the capacity by executing a Letter of Indemnity or an Enbridge Gas Distribution Contract or Letter of Agreement to more formally support the need for the project. **Any updates to the EOI process or timelines will be posted online here:** [www.enbridgegas.com/Gimsby-LincolnExpansion](http://www.enbridgegas.com/Gimsby-LincolnExpansion)

If you have any questions about the Grimsby – Lincoln Regional Expansion Project, please contact your account manager or:

Robert D'Onofrio  
Supervisor Construction  
Project Management  
(905) 641-4876  
[robert.donofrio@enbridge.com](mailto:robert.donofrio@enbridge.com)

Sarah Smith  
Sr. Analyst,  
New Business Projects  
(905) 641-6716  
[Sarah.Smith@enbridge.com](mailto:Sarah.Smith@enbridge.com)

Wayne Passmore  
Specialist,  
Economic Development  
(519) 436-5356  
[Wayne.Passmore@enbridge.com](mailto:Wayne.Passmore@enbridge.com)

### **Map of proposed project service area**

The map below outlines the area that is under consideration for a potential project to expand natural gas capacity. All potential large volume commercial or industrial customers considering developments within this area over the next five to ten years are encouraged to participate in this Non-Binding Expression of Interest. Customer economics improve with economies of scale and proximity to any potential new facilities.



## **Expression of Interest Non-Binding Bid Form:**

Please complete, sign and return this Expression of Interest Non-Binding Bid Form ("**Bid Form**") on or **before 12:00 p.m. EDT on May 13, 2020**, via email to [Economic.Development@enbridge.com](mailto:Economic.Development@enbridge.com)

Based on the responses received through this Bid Form, Enbridge Gas will be able to define the optimal facilities required to support market needs and apply for needed funding support. Enbridge Gas will determine whether to proceed with the Project, as proposed or with a refined scope, or not at all, based on the assessment of the results from this signed Bid Form and project economics. Customers may only submit one Bid Form per property. Bid Forms will be treated as confidential and only aggregated or non-identifiable data will be used to support the Natural Gas Expansion Support Program funding application.

Property address: \_\_\_\_\_  
911 address X,Y (latitude and longitude, if known)

- ☐ **New firm natural gas needs.** An increase of existing firm gas needs at the current location (i.e. new equipment, new processes), or a new firm gas load as a result of a new build.
- New firm service, requesting \_\_\_\_\_ m<sup>3</sup>/hr; Starting Date: \_\_\_\_\_ (mmm/dd/year)
- Ultimate incremental gas needs (within next 10 years): \_\_\_\_\_ m<sup>3</sup>/hr (please provide details on estimated timing of increases)

- ☐ **Conversion from interruptible distribution service to firm distribution service.** The amount of incremental firm distribution service needed net of any existing firm distribution service.
- Conversion of interruptible distribution service to firm service, requesting \_\_\_\_\_ m<sup>3</sup>/hr.
- Starting Date: \_\_\_\_\_ (mmm/dd/year)

### **Economic Development impacts related to incremental gas needs:**

Number of net new jobs related to this expansion: \_\_\_\_\_ direct + \_\_\_\_\_ indirect = \_\_\_\_\_ total

Number of current jobs at risk if economical access to gas is not available: \_\_\_\_\_

Capital investment by Customer at the site conditional on economical access to gas: \$\_\_\_\_\_

Please detail any other benefits from increased access to gas (lower GHG emissions or costs by displacing an alternative energy source etc.): \_\_\_\_\_

Total Incremental distribution service capacity (New firm + conversion): \_\_\_\_\_ m<sup>3</sup>/hour.

Total job impacts related to economical access to natural gas (total new + current "at risk"): \_\_\_\_\_ jobs

**Customer Conditions Precedent:** If the Customer's Expression of Interest is subject to Conditions Precedent, (please attach a separate page with details if space insufficient):

Customer's legal name: \_\_\_\_\_

Name of Authorized Representative: \_\_\_\_\_  
Please Print Signature

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

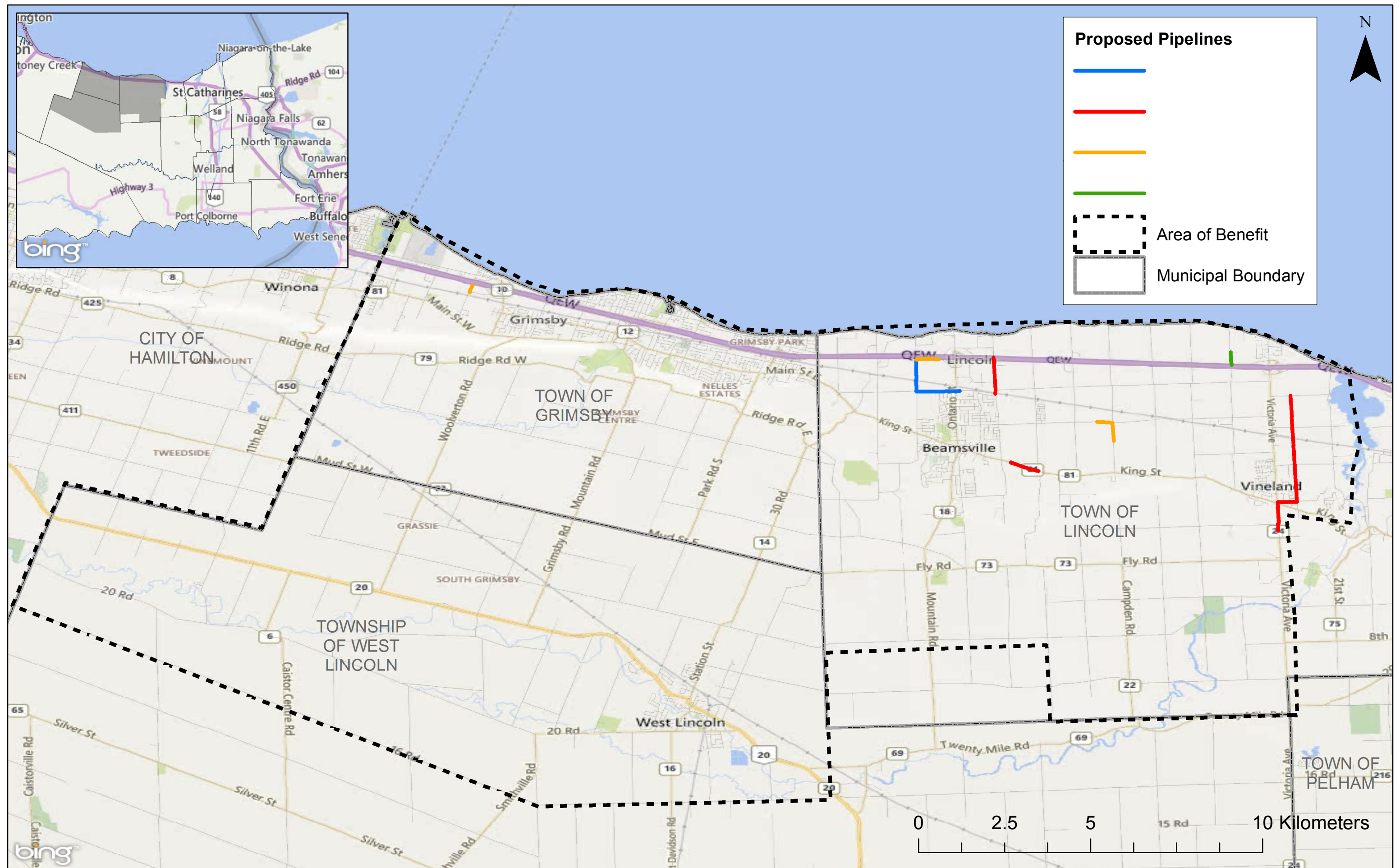
Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2020

**Schedule 8S-1**  
**Enbridge Gas Community Expansion Project Proposal**  
**Grimsby-Lincoln Regional Expansion Project**



# Grimsby - Lincoln Regional Expansion

EB-2019-0255  
Schedule 8S-1  
Redacted



**Schedule 8S-2**  
**Enbridge Gas Community Expansion Project Proposal**  
**Grimsby-Lincoln Regional Expansion Project**

The tables below exclude the growth and costs associated with the Small Volume Component of the Project

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Residential	Firm		-	-	-	-	-	-	-	-	-	-	-
Commercial bidders	Firm		2	-	-	-	-	-	-	-	-	-	2
Institutional bidders	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural bidders	Firm		4	1	1	-	1	-	-	-	-	-	7
Industrial bidders	Firm		-	-	-	-	-	-	-	-	-	-	-
Total Customers that bid during EOI process			<u>6</u>	<u>1</u>	<u>1</u>	<u>=</u>	<u>1</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	
Cumulative Customers			6	7	8	8	9	9	9	9	9	9	

Note: one of these Commercial bidders is a developer that will ultimately have several commercial business customers at their site

Table 3.3 - Annual and Cumulative Volumes Over The Rate Stability Period (m3)

<u>Customer Type</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Annual Volumes - m3</u>				<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Residential		-	-	-	-	-	-	-	-	-	-	-	-
Commercial		677,683	2,655,366	3,805,366	4,955,366	6,105,366	7,255,366	8,405,366	8,405,366	8,405,366	8,405,366	8,405,366	59,075,977
Institutional		-	-	-	-	-	-	-	-	-	-	-	-
Agricultural		1,408,824	3,811,136	5,334,458	7,643,096	10,883,528	13,563,511	14,023,181	14,023,181	14,023,181	14,023,181	14,023,181	98,737,278
Industrial		-	-	-	-	-	-	-	-	-	-	-	-
Total Volumes		<u>2,086,507</u>	<u>6,466,502</u>	<u>9,139,824</u>	<u>12,598,462</u>	<u>16,988,894</u>	<u>20,818,877</u>	<u>22,428,547</u>	<u>22,428,547</u>	<u>22,428,547</u>	<u>22,428,547</u>	<u>22,428,547</u>	<u>157,813,255</u>

<u>Customer Type</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Cumulative Volumes - m3</u>				<u>8</u>	<u>9</u>	<u>10</u>	
Residential		-	-	-	-	-	-	-	-	-	-	-	
Commercial		677,683	3,333,049	7,138,415	12,093,781	18,199,147	25,454,513	33,859,879	42,265,245	50,670,611	59,075,977	59,075,977	
Institutional		-	-	-	-	-	-	-	-	-	-	-	
Agricultural		1,408,824	5,219,960	10,554,418	18,197,514	29,081,042	42,644,552	56,667,734	70,690,915	84,714,096	98,737,278	98,737,278	
Industrial		-	-	-	-	-	-	-	-	-	-	-	
Total Volumes		<u>2,086,507</u>	<u>8,553,009</u>	<u>17,692,833</u>	<u>30,291,295</u>	<u>47,280,189</u>	<u>68,099,065</u>	<u>90,527,613</u>	<u>112,956,160</u>	<u>135,384,707</u>	<u>157,813,255</u>		

Table 4.2 - Total Capital Costs At End Of The Rate Stability Period

Total Capital Costs Large Volume Component	<u>Year 10</u>	Large Volume component of the project only
--	----------------	--

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement - Large Volume Component - net of funding	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>

Closing Rate Base (net of proposed Section 36.2 funding)	<u>Year 10</u>	
--	----------------	--



The tables below exclude the growth and costs associated with the Small Volume Component of the Project

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project

\$4,295,182

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served

Year 10

\$477,242

Using total / 9 bidders

Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)

Section 36.2 Funding Amount Per Year 10 Volume (m3)

Year 10

\$0.19

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Incremental Distribution Revenue - Distribution component	\$	59,075	\$178,308	\$250,288	\$328,889	\$446,300	\$546,188	\$590,754	\$590,754	\$590,754	\$590,754	\$4,172,064
Incremental Distribution Revenue - Transmission component	\$	-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
SES Revenue	\$	-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Total Distribution Charge	\$	59,075	\$178,308	\$250,288	\$328,889	\$446,300	\$546,188	\$590,754	\$590,754	\$590,754	\$590,754	\$4,172,064

Table 7.1 - Profitability Index (PI) Inclusive of Section 36.2 Funding

	Net Present Value
Cash Inflow	
Revenue:	
Distribution Revenue	
System Expansion Surcharge (SES) Revenue	
Total Revenue (A)	
Expenses:	
O&M Expense	
Municipal Tax	
Income Tax	
Total Expenses (B)	
Total Cash Inflow (C = A + B)	
Cash Outflow	
Gross Capital	
Proposed Section 36.2 Funding	
Change in Working Capital	
Total Cash Outflow (D)	
Profitability Index (PI) Inclusive of Section 36.2 Funding (C / D)	1.00

Capital for Large Volume Component =

Less Section 36.2 Funding =

Divided by Bid Quantity =16,740

Resulting Hourly Allocation Factor =

The tables below exclude the growth and costs associated with the Small Volume Component of the Project

Table 7.2 - Profitability Index (PI) Without Section 36.2 Funding

	Net Present Value
Cash Inflow	
Revenue:	
Distribution Revenue	
System Expansion Surcharge (SES) Revenue	
Total Revenue (A)	
Expenses:	
O&M Expense	
Municipal Tax	
Income Tax	
Total Expenses (B)	
Total Cash Inflow (C = A + B)	
Cash Outflow	
Gross Capital	
Change in Working Capital	
Total Cash Outflow (D)	
Profitability Index (PI) Without Section 36.2 Funding (C / D)	

**Schedule 8S-4**  
**Enbridge Gas Community Expansion Project Proposal**  
**Grimsby-Lincoln Regional Expansion Project**

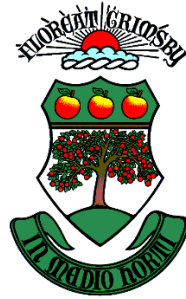
## Grimsby - Lincoln Regional Expansion Project Pipeline Construction Schedule

[illegible]

**Schedule 8S-5**  
**Enbridge Gas Community Expansion Project Proposal**  
**Grimsby-Lincoln Regional Expansion Project**

## Office of the Mayor of the Town of Grimsby

TELEPHONE: 905-945-9634  
DIRECT LINE: 905-309-2001  
FAX: 905-945-5010  
EMAIL: [jjordan@grimsby.ca](mailto:jjordan@grimsby.ca)



160 LIVINGSTON AVE.  
P.O. Box 159  
GRIMSBY, ONTARIO  
L3M 4G3

May 20, 2020

Ministry of Energy, Northern Development and Mines,  
77 Grenville Street  
10<sup>th</sup> Floor,  
Toronto, ON M7A 2C1

To Whom it May Concern:

Re: Letter of Support- Town of Grimsby – Grimsby – Lincoln Regional Expansion Project

On behalf of the Town of Grimsby, it is with pleasure that I write this letter of support for Enbridge's application for funding under the Natural Gas Expansion Support Program for the Grimsby – Lincoln Regional Expansion Project, which will serve the demand for natural gas in the area by expanding its existing service to support local companies.

Enbridge's approved funding would offer an opportunity that would drive economic development and enhance the prosperity of local business by offsetting the potential capital costs for expanded services and creating savings in operational expenses. The Town recognizes the need for expanded natural gas supply to support retention and expansion of our larger companies.

The Grimsby-Lincoln Regional Expansion Project could provide an additional natural gas capacity of up to 10,000 m3/hour, supporting large volume commercial and industrial growth, including greenhouse projects. Development of the project will occur over the next five to ten years, with the potential to be in-service by fall 2022.

We offer our support of their funding application and look forward to hearing updates from Enbridge regarding the progress of the Grimsby-Lincoln Expansion Project.

Yours truly,

A handwritten signature in black ink, appearing to read 'Jeff A. Jordan', with a stylized, cursive script.

Jeff A. Jordan,  
Mayor of the Town of Grimsby

/ns

cc: Linda Sicoli, Regional Economic Development Officer



OFFICE OF THE MAYOR  
4800 SOUTH SERVICE ROAD  
BEAMSVILLE, ON L0R 1B1  
Phone: 905-563-8205  
Fax: 905-563-6566  
[www.lincoln.ca](http://www.lincoln.ca)

May 7, 2020

Ministry of Energy, Northern Development and Mines  
77 Grenville Street, 10th Floor,  
Toronto, ON M7A 2C1

To Whom It May Concern:

Re: Letter of Support- Town of Lincoln – Grimsby – Lincoln Regional Expansion Project

On behalf of the Town of Lincoln, I am providing this letter of support for Enbridge's application for funding under the Natural Gas Expansion Support Program for the Grimsby – Lincoln Regional Expansion Project, which will serve the demand for natural gas in the area by expanding its existing service to support local companies.

Enbridge's approved funding would offer an opportunity that would drive economic development and enhance the prosperity of local business by offsetting the potential capital costs for expanded services and creating savings in operational expenses. The Town recognizes the need for expanded natural gas supply to support retention and expansion of our larger companies, as well as the attraction of new businesses to our community.

We offer our support of their funding application and look forward to hearing updates from Enbridge regarding the progress of the Grimsby-Lincoln Expansion Project.





OFFICE OF THE MAYOR  
4800 SOUTH SERVICE ROAD  
BEAMSVILLE, ON L0R 1B1  
Phone: 905-563-8205  
Fax: 905-563-6566  
[www.lincoln.ca](http://www.lincoln.ca)

Please do not hesitate to contact my office if I can be of any further assistance.

Sincerely,

Mayor Sandra L. Easton  
Town of Lincoln

cc. MPP Sam Oosterhoff  
Town of Lincoln Councillors  
CAO Michael Kirkopoulos

---

**OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER**

EB-2019-0255  
Schedule 8S-5(c)

May 4, 2020

Ministry of Energy, Northern Development and Mines  
77 Grenville Street,  
10<sup>th</sup> Floor,  
Toronto, ON  
M7A 2C1

To Whom It May Concern:

Re: Letter of Support- Township of West Lincoln – Grimsby – Lincoln Regional Expansion Project

On behalf of the Township of West Lincoln, I am providing this letter of support for Enbridge's application for funding under the Natural Gas Expansion Support Program for the Grimsby – Lincoln Regional Expansion Project, which will serve the demand for natural gas in the area by expanding its existing service to support local companies.

Enbridge's approved funding would offer an opportunity that would drive economic development and enhance the prosperity of local business by offsetting the potential capital costs for expanded services and creating savings in operational expenses. The Township recognizes the need for expanded natural gas supply to support retention and expansion of our larger companies.

We offer our support of their funding application and look forward to hearing updates from Enbridge regarding the progress of the Grimsby-Lincoln Expansion Project.

Yours truly,



Dave Bylsma  
Mayor of the Township of West Lincoln

cc. West Lincoln Councillors

**Schedule 8S-6**  
**Enbridge Gas Community Expansion Project Proposal**  
**Grimsby-Lincoln Regional Expansion Project**

and for the construction of the works necessary therefor.

2. THIS BOARD fixes the costs of this Application at \$25.00 payable forthwith by the Applicant.

DATED AT TORONTO this 25<sup>th</sup> day of July, A.D. 1967.

THE ONTARIO ENERGY BOARD

*Reginald A. Miller*  
Board Secretary.

283

---

THE ONTARIO ENERGY BOARD

---

IN THE MATTER of The Municipal Franchises Act, R.S.O. 1960, Chapter 255 and amendments thereto;

AND IN THE MATTER of an Application by The Consumers' Gas Company for certificates of public convenience and necessity to construct works to supply and to supply natural gas to the inhabitants of the undermentioned municipalities

Town of Grimsby  
Village of Beamsville  
Township of Caistor  
Township of Clinton  
Township of Gainsborough  
Township of North Grimsby  
Township of South Grimsby

---

CERTIFICATE OF PUBLIC CONVENIENCE  
AND NECESSITY

---

McDONALD & ZIMMERMAN  
199 Bay Street,  
Toronto 1, Ontario.



IN THE MATTER OF The Municipal Franchises Act, R.S.O. 1960, Chapter 255 and amendments thereto;

AND IN THE MATTER of an Application by The Consumers' Gas Company for certificates of public convenience and necessity to construct works to supply and to supply natural gas to the inhabitants of the undermentioned municipalities

City of St. Catharines  
City of Niagara Falls  
City of Welland  
Town of Port Colborne  
Town of Fort Erie  
Town of Niagara-on-the-Lake  
Town of Thorold  
- Village of Chippawa  
- Village of Crystal Beach  
- Village of Fonthill  
- Township of Crowland  
- Township of Willoughby  
- Township of Bertie  
- Township of Humberstone  
Township of Wainfleet  
Township of Thorold  
Township of Pelham  
- Township of Niagara  
- Township of Louth

BEFORE: A. B. Jackson  
Chairman  
  
I. C. MacNabb  
Vice-Chairman

} Monday, the 5th  
day of July, 1976

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON the application of The Consumers' Gas Company

dated May 30, 1967 for certificates of public






Consumers' Gas Company for the supply of natural gas to  
the inhabitants of the Town of Fort Erie.

ISSUED at Toronto this *7th* day of July, 1976.

ONTARIO ENERGY BOARD

  
S.A.C. Thomas  
Secretary to the Board

THESE DOCUMENTS HAVE BEEN REPRODUCED

**EB-2011-0238**

**Certificate of Public Convenience and Necessity**

The Ontario Energy Board hereby grants

**Enbridge Gas Distribution Inc.**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply gas in the geographic boundaries of the

**Corporation of the Township of West Lincoln**

This certificate replaces the parts of Certificate E.B.C 59 associated with the former Townships Caistor, Clinton, Gainsborough, and South Grimsby and replaces Certificate E.B.C. 1 associated with the former Township of Gainsborough which are held by Enbridge Gas Distribution Inc.

**DATED** at Toronto, July 29, 2011

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary

**Schedule 8T**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Dunnville Regional Expansion Project**

**Enbridge Gas Inc.**  
**Potential Projects to Expand Access to Natural Gas Distribution**

<b>Part I – Name of Proponent</b>	
Name of Proponent: Enbridge Gas Inc.	File No: EB-2019-0255
Project Name: <a href="#">Haldimand - Dunnville Regional Expansion Project (Economic Development)</a>	
Address of Head Office: 50 Keil Drive North Chatham, ON N7M 5M1	Telephone Number: 519-436-4600
Name of Individual to Contact:  Patrick McMahon	Office Telephone Number: 519-436-5325
	Cell Phone Number: 519-437-0759
	Email Address: <a href="mailto:patrick.mcmahon@enbridge.com">patrick.mcmahon@enbridge.com</a>

<b>Part II – Description of Proponent’s Technical Expertise and Financial Capability</b>
<p><i>Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.</i></p> <p><i>A proponent that is not currently rate-regulated as a natural gas distributor by the OEB and that has multiple proposed projects is only required to provide the information in this Part once, unless the proponent has different organizational or financial structure approaches for its projects. In that case, the information in this Part must be provided for each different organizational or financing structure.</i></p>

<b>Part II – Description of Proponent’s Technical Expertise and Financial Capability</b>	
2.1	<p><b>Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system.</b></p> <p>N/A</p>
2.2	<p><b>Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following:</b></p> <ul style="list-style-type: none"> <li>• <b>Current credit rating of the proponent, its parent or associated companies.</b></li> <li>• <b>Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual.</b></li> <li>• <b>If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets.</b></li> </ul> <p><b>New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available.</b></p> <p>N/A</p>

## Part III – Description of and Support for Project

3.1

Redacted

**Provide a general overview of the project, which is to include the following: communities to be connected, including whether the project would serve any on-reserve Indigenous communities; existing population of each community by residential, commercial/institutional and industrial sectors; routing; length of pipeline; and nominal pipe size.**

Enbridge Gas is proposing an Economic Development Project, similar in approach to the Chatham-Kent Rural Pipeline project from Phase 1 of the Natural Gas Expansion Program (NGEP), to serve the growing business needs in the eastern half of Haldimand County including the Dunnville area. This area has existing natural gas infrastructure that is constrained such that significant upstream reinforcement of the pipeline network and local mains is required to facilitate growth. The proposed project has been designed to accommodate the sum of the large volume growth identified through an Expression of Interest process as well as small volume regular rate growth served from the same pipeline system, expected to occur through to 2030.

Rationale for considering Economic Development Projects: Strategic infrastructure investments underpin the quality of life and provide the foundation for business growth and competitiveness in Ontario. This Economic Development Project proposal focuses on meeting the needs of businesses that are in a part of Ontario positioned for growth.

The key benefits of providing economic access to natural gas for businesses are the resulting jobs and investment that this facilitates in the host communities. Phase 1 of the NGEP included a specific stream and separate evaluation criteria for Economic Development Projects like the Chatham-Kent Rural Pipeline Expansion Project. Enbridge Gas believes that whether looking at a small community many kilometres from a gas main, or a large business already using gas but looking to expand, the issue and solution is often the same: if the business or community cannot afford the costs that result from traditional economics, access to gas becomes economically out of reach and the benefits are not realized without financial assistance.

Background on Expression of Interest Process: From December 2019 through to the end of April 2020, Enbridge Gas worked with existing large volume gas customers and local Economic Development officials in and around the project area to identify potential growth requirements on a preliminary basis. Several potential projects were identified and considered.

In order to collect specific customer needs to determine the optimal design of the project, Enbridge Gas conducted an Expression of Interest process in early May 2020. All existing large volume customers in the proposed Area of Benefit were contacted and local municipal Economic Development professionals assisted in identifying additional growth opportunities. All potential bidders for incremental capacity were sent information as posted on the project webpage: <https://www.enbridgegas.com/haldimand-dunnville-project> (attached as Schedule 8T-3.1A) and were invited to submit bids with their details on their incremental firm natural gas requirements.

Under EBO 188 guidelines, when one or more large volume customers are driving the need for reinforcement, they must bear an allocation of the costs of the project. In

Enbridge Gas' experience, if those allocations and subsequent feasibility assessments result in significant up-front contribution in aid of construction (CIAC) payments being required, even with a long-term gas service agreements, the customers will often cancel their business plans, move it to another part of the province, or move out of the province to another jurisdiction entirely.

Enbridge Gas, in conjunction and on behalf of the customers requesting capacity, is proposing funding from the NGEF for this project to improve the economic viability of the project and to ensure the customers' developments can proceed and stay in Ontario at the proposed locations. Many of the bidders have significant investments at their current sites and are hoping to leverage these sites for future development.

Expression of Interest results: Enbridge Gas received 7 completed and signed non-binding bid forms requesting incremental firm natural gas capacity totaling 7,760 m<sup>3</sup>/hour. Four of the seven bids provided details on the Economic Development aspects of their business plans. In aggregate, they indicated that if they could proceed as proposed, they would collectively be investing \_\_\_\_\_ of private investment with a total job impact of \_\_\_\_\_ (\_\_\_\_\_ direct new jobs and \_\_\_ indirect jobs with \_\_\_ existing jobs at risk). This jobs and investment information is a summary of the data provided by bidders through their Expression of Interest bids to Enbridge Gas.

Project design considerations: The Area of Benefit associated with the Haldimand – Dunnville Regional Expansion Project is embedded within the eastern half of the Eastern Transmission System (refer to maps under Schedule 8T-1) and is served from multiple sources of high-pressure gas including multiple interconnections to the Dawn to Parkway system and the TC Energy system.

The pipeline solution to serve the Project was also designed to meet the needs of the expected small volume growth over the entire eastern half of the Eastern Transmission system to ensure the optimal design and achieve all potential synergies and economies of scale. The forecast of small volume regular rate growth expected to occur out to 2030 over this broader area is 15,686 m<sup>3</sup>/hour. This consists of annual incremental growth of 1,262 new residentials, 65 small commercial, 4 large commercial and 1 small new industrial customers. Of this annual growth served by the small volume component of the project, 50 residential and 5 small commercial customers are anticipated annually within the Area of Benefit for this project. As this small volume growth is embedded within areas of the province already with access to natural gas, they do not meet the definition of a "new community" and therefore they are not factored into this submission. The area will however benefit from the overall project. Without the demands associated with the large volume component of the project, Enbridge Gas will likely be proposing one or more system expansion projects over the coming years to serve the needs of the small volume growth. By combining the demands of the bidders and the small volume growth, economies of scale can be realized that can result in more economically efficient projects.

Project Segmentation and the Hourly Allocation Factor Approach: The Hourly Allocation Factor (HAF) approach has been used on four prior occasions by Enbridge Gas to allocate project costs to large volume customers in a fair and equitable manner. The Chatham-Kent Rural Pipeline Project (EB-2018-0188), which was a successful recipient of funding under Phase 1 of the NGEF, used the HAF process to allocate costs and was placed into service in November of 2019. The CK Rural Project and others were the

template for a generic proposal currently before the Board (EB-2020-0094) and the process proposed for the economics with this project are consistent with the evidence in that proceeding.

Enbridge Gas is proposing to use the Hourly Allocation Factor process to allocate cost and capacity using a threshold of eligibility of 50 m<sup>3</sup>/h. The portion of the facilities costs needed for all customers requesting 50 m<sup>3</sup>/h or more are in the large volume component (being 62.2 % of the project) and all those under 50 m<sup>3</sup>/h are in the small volume component (being 37.8 % of the project) as per the following table.

Customer Segment	Growth (m <sup>3</sup> /h)	% capital allocation	Project Cost Allocation (millions)
Large volume component (bidders in the Area of Benefit)	7,260	62.2%	_____
Small volume component (general service growth)	15,686	37.8%	_____
Total	22,946	100%	_____

Economic Approach: Under this proposal, any NGEP funding received would be used to offset the capital allocation for the large volume component of the project and reduce the HAF applicable within the Area of Benefit. Without any funding the HAF would be \_\_\_\_\_ (\_\_\_\_\_). A review of each of the seven bidder volume forecasts shows that if sufficient funding is received to lower the HAF down to \_\_\_\_\_, all but two of the seven will be able to achieve a PI of 1.0 within 15 years on their portion of the HAF allocated costs. The remaining two will require a longer than 15-year term, an agreement with a premium to posted rate or a CIAC to cover their HAF allocated costs. This preliminary PI calculation excludes the customer's specific costs (such as customer station and service costs) which would be included for each customer's final feasibility assessment.

SES Considerations: Enbridge Gas proposes that since the Area of Benefit is not a new community, as there are multiple existing gas pipelines and customers in the area, the System Expansion Surcharge (SES) would not apply. This is consistent with the approach used and approved in CK Rural (EB-2018-0188).

The small volume component of the project (i.e., that portion that will be serving the residential growth) is not part of this proposal and would be addressed through the traditional regulatory mechanisms associated with a stand-alone project of the same scale and scope.

Proposed Facilities: The proposed reinforcement facilities that will be needed to serve the total demands identified include:

- 10 km of NPS12 steel pipe at 6,160 kPa starting at \_\_\_\_\_, on \_\_\_\_\_, \_\_\_\_\_ of \_\_\_\_\_ in North Dumfries, \_\_\_\_\_, continuing \_\_\_\_\_ in Brant County, then \_\_\_\_\_ to interconnect with the existing NPS12 pipeline where it crosses \_\_\_\_\_ between \_\_\_\_\_ and \_\_\_\_\_ in Brant County.
- 21.2 km of NPS10 steel pipe at 1,900 kPa starting at \_\_\_\_\_ on \_\_\_\_\_



- 3 km of NPS4 steel pipe at 1,860 kPa starting on \_\_\_\_\_ (\_\_\_\_\_), \_\_\_\_\_ in Haldimand County, then along \_\_\_\_\_ to \_\_\_\_\_, parallel to the existing NPS2 pipeline along \_\_\_\_\_ into Norfolk County.
- 3.5 km of NPS6 steel pipe at 1,900 kPa starting at intersection of \_\_\_\_\_ and \_\_\_\_\_, running \_\_\_\_\_ to replace the existing NPS3 pipeline, all within Haldimand County.
- Upgrades at four stations: Two stations near Caledonia (15X-401 1A and 15X-401 2A located on the \_\_\_\_\_ about \_\_\_\_\_ of \_\_\_\_\_) in Haldimand County, the Brantford gate station (16U-601 1A located on \_\_\_\_\_, \_\_\_\_\_ of \_\_\_\_\_ in Brant County) and the Kirkwall – Dominion gate station with TC Energy (16W-606 on \_\_\_\_\_, just \_\_\_\_\_ in the City of Hamilton)

Pipe Type	Diameter (NPS)	Length (m)
Steel	12	10,000
Steel	10	21,200
Steel	6	3,455
Steel	4	3,000

Please refer to Schedule 8T-1 for Project Maps.

Please refer to Schedule 8T-2, Table 3.2.

3.3	<p><b>Provide the annual and cumulative forecast of volumes (in m<sup>3</sup>) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community.</b></p> <p><b>For the residential segment, the default value for the average consumption level is 2,200 m<sup>3</sup> per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default.</b></p> <p>Please refer to Schedule 8T-2, Table 3.3.</p>
3.4	<p><b>Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system.</b></p> <p><b>Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided.</b></p> <p>N/A - Since these are all requests for incremental natural gas capacity, there are no conversion-related costs.</p>
3.5	<p><b>Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.</b></p> <p>Please refer to Schedule 8T-4 for Proposed Construction Schedule.</p>
3.6	<p><b>Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support.</b></p> <p>Please refer to Schedule 8T-5 for the letter of support from Haldimand County.</p>

3.7	<p><b>Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder.</b></p> <p><b>Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project.</b></p> <p>Please refer to Schedule 8T-6 for Enbridge’s CPCNs for the County of Brant (RP-2003-0039 / EB-2003-0047), the City of Hamilton (EB-2006-0284), Haldimand County (EB-2006-0275), the Township of North Dumfries (FBC 259) and Norfolk County (EB-2017-0108-A1) which cover the entire area of the proposed project.</p>
<b>Part IV – Cost of Project</b>	
4.1	<p><b>Confirm that the proposed project includes a ten-year rate stability period.</b></p> <p>The proposed project does include a ten-year rate stability period.</p>
4.2	<p><b>Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten).</b></p> <p><b>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</b></p> <p><b>For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs.</b></p> <p><b>Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility’s proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent’s project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences.</b></p> <p>Please refer to Schedule 8T-2, Table 4.2. Costs include the Large Volume component of the project only and not any customer specific costs.</p>

4.3	<p><b>Provide the total annual forecast revenue requirement of the project over the ten-year rate stability period (using fully allocated OM&amp;A costs) and rate base amount at the end of year ten.</b></p> <p><b>Complete the tables below:</b></p> <p><b>Revenue Requirement</b></p> <table border="1"> <tr> <th>Description</th> <th>Year 1</th> <th>Year 2...</th> <th>Year 10</th> <th>Total</th> </tr> <tr> <td>Revenue Requirement</td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <table border="1"> <tr> <th>Description</th> <th>Year 10</th> </tr> <tr> <td>Closing Rate Base</td> <td></td> </tr> </table> <p>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</p> <p>Please refer to Schedule 8T-2, Table 4.3.</p>	Description	Year 1	Year 2...	Year 10	Total	Revenue Requirement					Description	Year 10	Closing Rate Base	
	Description	Year 1	Year 2...	Year 10	Total										
	Revenue Requirement														
	Description	Year 10													
	Closing Rate Base														

Part V – Section 36.2 Funding	
5.1	<p><b>Provide the total amount of section 36.2 funding needed to support the project.</b></p> <p>\$45,509,449</p> <p>Please refer to Schedule 8T-2, Table 5.1.</p>
5.2	<p><b>Provide the section 36.2 funding amount per customer number served in year ten of the project.</b></p> <p>\$6,501,350</p> <p>Please refer to Schedule 8T-2, Table 5.2.</p>
5.3	<p><b>Provide the section 36.2 funding amount per volume (m<sup>3</sup>) in year ten of the project.</b></p> <p>\$3.05</p> <p>Please refer to Schedule 8T-2, Table 5.3.</p>

<b>Part VI – Distribution Charge</b>	
6.1	<p><b>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period.</b></p> <p><b>Provide a confirmation that there would be no material cross-subsidization between rate classes.</b></p> <p>N/A</p> <p>Please refer to Schedule 8T-2, Table 6.1 for Incremental Distribution Revenues.</p> <p>Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.</p>

<b>Part VII – Profitability Index / Benefit to Cost Ratio</b>	
7.1	<p><b>Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support.</b></p> <p><b>The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects).</b></p> <p>Please refer to Schedule 8T-2, Table 7.1.</p>
7.2	<p><b>Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding.</b></p> <p>Please refer to Schedule 8T-2, Table 7.2.</p>

<b>Part VIII – OEB Approvals</b>	
8.1	<p><b>Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order).</b></p> <ul style="list-style-type: none"> <li>• Leave to Construct</li> </ul>
8.2	<p><b>For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's <a href="#">website</a> and where applicable assume a written hearing process.</b></p> <p>Please refer to Schedule 8T-4.</p>

May 5, 2020

### **Haldimand – Dunnville Regional Expansion Project Expression of Interest and Capacity Request Form**

To serve a growing demand for natural gas in the Haldimand – Dunnville region, Enbridge Gas Inc. (“**Enbridge**”) is pleased to announce this Expression of Interest to expand the existing natural gas system to serve this area (see attached map on page 3).

This Haldimand – Dunnville Regional Expansion Project (the “**Project**”) could provide up to 10,000 m<sup>3</sup>/hour of additional natural gas capacity to serve new and existing business customers in this developing area, depending upon location. The potential Project is targeting incremental large volume commercial, industrial and greenhouse growth planned to develop over the next five to ten years and could be in-service as early as fall 2022.

Enbridge Gas recognizes that with the COVID-19 pandemic, many businesses are currently facing significant challenges however in an attempt to leverage Ontario's [Natural Gas Expansion Support Program](#) the process must move forward at this time.

The development of this Project is contingent upon sufficient market support, approval of the Project by the Ontario Energy Board (“**OEB**”) and government funding support. If sufficient demand is demonstrated, Enbridge Gas, with the support of Haldimand County, will apply for funding from the Ontario government's [Natural Gas Expansion Support Program](#), with the goal of making the Project economically viable for customers in the area. Assuming the Project is successful in obtaining adequate funding and sufficient customer interest is expressed, the estimated Hourly Allocation Factor for incremental capacity for customers would be in the range of \$250 - \$350 per m<sup>3</sup>/hour. By targeting this range, Enbridge Gas is trying to ensure the Project is economic for customers. This allocation will address the facilities needed to serve the area shown on the attached map (page 3). This allocation does not include costs that are required to serve each specific customer such as new facilities built at the customer's site. The customer allocation and any customer specific service costs will be subject to an economic review based on OEB approved guidelines.

Enbridge Gas will consider the size and location of all requests for new capacity in designing the optimal facilities. If insufficient customer interest or required government funding is not forthcoming, the Project is unlikely to proceed as proposed.

Capacity would be available for the following services, depending on market support:

1. New firm distribution service
2. Conversion of existing interruptible distribution service to firm service

This Expression of Interest process closes, and completed Expressions of Interest Bid Forms are due, no later than **12:00 p.m. EDT on May 13, 2020.**

**Service Description and Details**

1. As this Project requires a significant capital investment by Enbridge Gas, the term of the customer's natural gas distribution contracts will be no less than five years and not to exceed 20 years; and/or may include upfront payments for capacity and/or negotiated rates above currently posted. The facilities, rates and services included in this Expression of Interest will be subject to OEB approval, securing adequate government funding, and sufficient interest being received to justify a Project.
2. Submitting an Expression of Interest form:  
If you wish to participate in this Expression of Interest in the **Haldimand – Dunnville Regional Expansion Project**, please complete, sign and return the attached non-binding Expression of Interest Bid Form via email to [Economic.Development@enbridge.com](mailto:Economic.Development@enbridge.com). Completed forms must be returned by email on or before 12 p.m. EDT on May 13, 2020

**Expression of Interest Process and Bid Form**

This process is designed to gauge interest in the Project and to assist Enbridge Gas with determining the optimal facility requirements to meet market needs and prepare an application to the Natural Gas Expansion Support Program. Enbridge Gas will acknowledge receipt of all Bid Forms by email on or before end of day on May 13, 2020. Enbridge Gas in its sole discretion reserves the right to reject any and all proposals received. The returned Bid Forms will be time-stamped by the date on the email.

Any suggested contractual Condition(s) Precedent that the customer proposes should be clearly articulated and attached to the Bid Form and will be considered during the capacity allocation process.

Enbridge Gas anticipates allocating capacity on a preliminary and conditional basis to successful bidders no later than June 5<sup>th</sup>, 2020. Subject to a government funding approval (expected in 4Q 2020), successful bidders will then be asked to commit to the capacity by executing a Letter of Indemnity or an Enbridge Gas Distribution Contract or Letter of Agreement to more formally support the need for the project. **Any updates to the EOI process or timelines will be posted online here:** [www.enbridgegas.com/Haldimand-DunnvilleExpansion](http://www.enbridgegas.com/Haldimand-DunnvilleExpansion)

If you have any questions about the Haldimand – Dunnville Regional Expansion Project, please contact your account manager or one of the following:

Blair Auton  
Sr. Analyst New Business  
Projects  
(289) 649-2066  
[Blair.Auton@enbridge.com](mailto:Blair.Auton@enbridge.com)

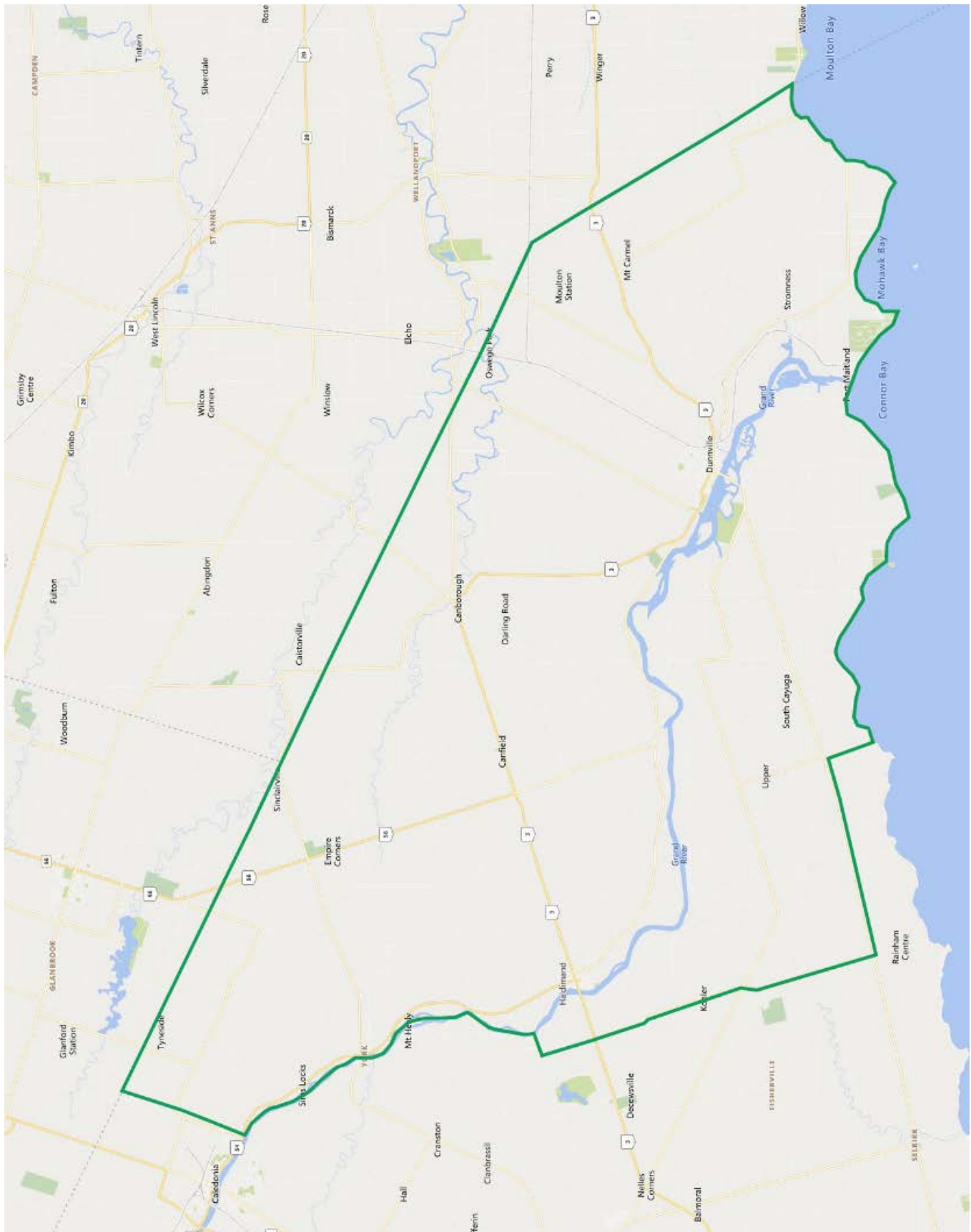
Enzo Greco  
Advisor Construction Project  
Management  
(289) 649-2061  
[Enzo.Greco@enbridge.com](mailto:Enzo.Greco@enbridge.com)

Wayne Passmore  
Specialist,  
Economic Development  
(519) 436-5356  
[Wayne.Passmore@enbridge.com](mailto:Wayne.Passmore@enbridge.com)

**Map of proposed project service area**

The map below outlines the area that is under consideration for a potential project to expand natural gas capacity. All potential large volume commercial, greenhouse or industrial customers considering developments within this area over the next five to ten years are encouraged to participate in this Non-Binding Expression of Interest. Customer economics improve with economies of scale and proximity to any potential new facilities.





## **Expression of Interest Non-Binding Bid Form:**

Please complete, sign and return this Expression of Interest Non-Binding Bid Form ("**Bid Form**") on or **before 12:00 p.m. EDT on May 13, 2020**, via email to [Economic.Development@enbridge.com](mailto:Economic.Development@enbridge.com)

Based on the responses received through this Bid Form, Enbridge Gas will be able to define the optimal facilities required to support market needs and apply for needed funding support. Enbridge Gas will determine whether to proceed with the Project, as proposed or with a refined scope, or not at all, based on the assessment of the results from this signed Bid Form and project economics. Customers may only submit one Bid Form per property. Bid Forms will be treated as confidential and only aggregated or non-identifiable data will be used to support the Natural Gas Expansion Support Program funding application.

Property address: \_\_\_\_\_  
911 address \_\_\_\_\_ X,Y (latitude and longitude, if known) \_\_\_\_\_

- ☐ **New firm natural gas needs.** An increase of existing firm gas needs at the current location (i.e. new equipment, new processes), or a new firm gas load as a result of a new build.
- New firm service, requesting \_\_\_\_\_ m<sup>3</sup>/hr; Starting Date: \_\_\_\_\_ (mmm/dd/year)
- Ultimate incremental gas needs (within next 10 years): \_\_\_\_\_ m<sup>3</sup>/hr (please provide details on estimated timing of increases)

- ☐ **Conversion from interruptible distribution service to firm distribution service.** The amount of incremental firm distribution service needed net of any existing firm distribution service.
- Conversion of interruptible distribution service to firm service, requesting \_\_\_\_\_ m<sup>3</sup>/hr.
- Starting Date: \_\_\_\_\_ (mmm/dd/year)

### **Economic Development impacts related to incremental gas needs:**

Number of net new jobs related to this expansion: \_\_\_\_\_ direct + \_\_\_\_\_ indirect = \_\_\_\_\_ total

Number of current jobs at risk if economical access to gas is not available: \_\_\_\_\_

Capital investment by Customer at the site conditional on economical access to gas: \$ \_\_\_\_\_

Please detail any other benefits from increased access to gas (lower GHG emissions or costs by displacing an alternative energy source etc.): \_\_\_\_\_

Total Incremental distribution service capacity (New firm + conversion): \_\_\_\_\_ m<sup>3</sup>/hour.

Total job impacts related to economical access to natural gas (total new + current "at risk"): \_\_\_\_\_ jobs

**Customer Conditions Precedent:** If the Customer's Expression of Interest is subject to Conditions Precedent, (please attach a separate page with details if space insufficient):

Customer's legal name: \_\_\_\_\_

Name of Authorized Representative: \_\_\_\_\_  
Please Print \_\_\_\_\_ Signature \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

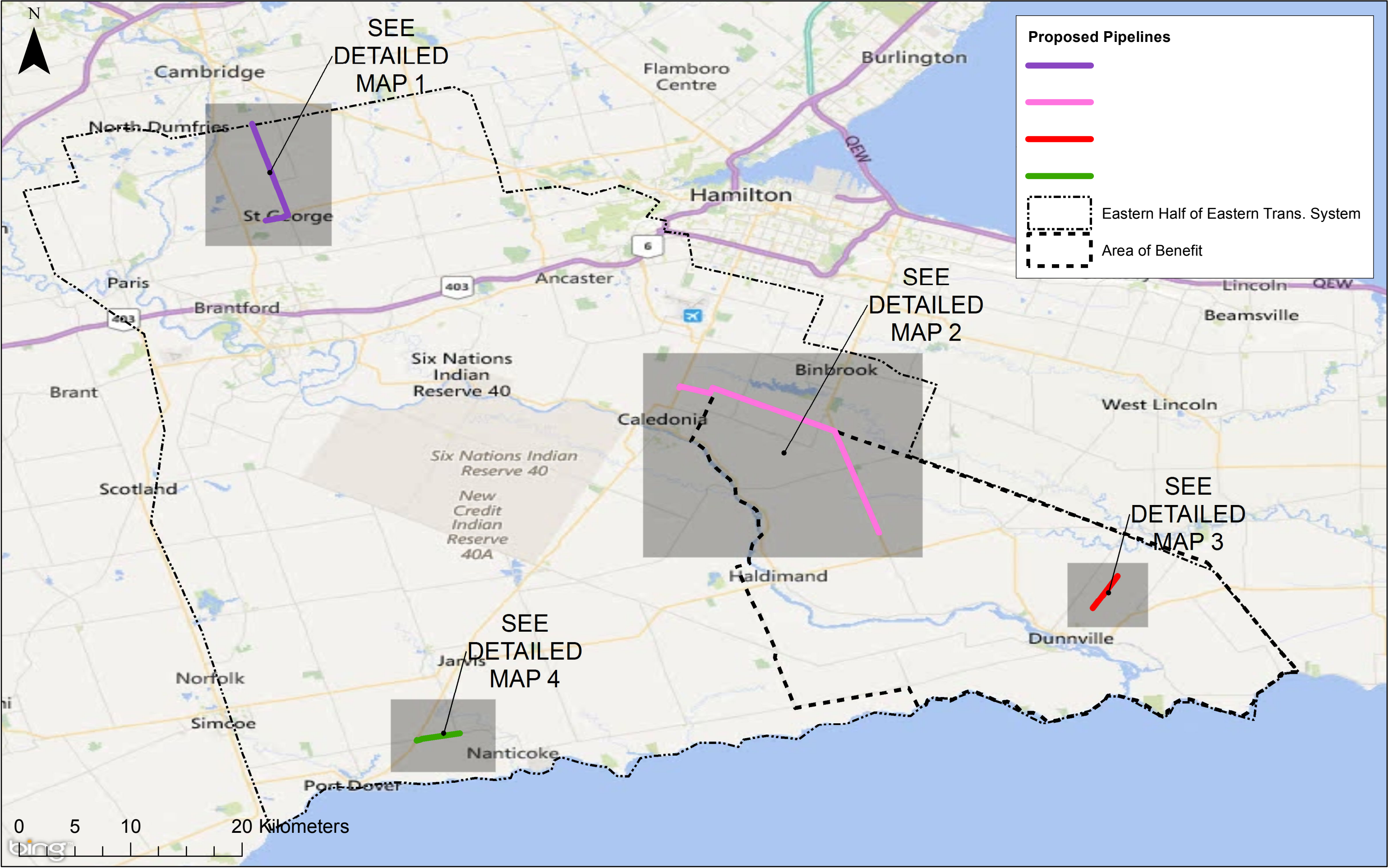
Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2020

**Schedule 8T-1**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Dunnville Regional Expansion Project**

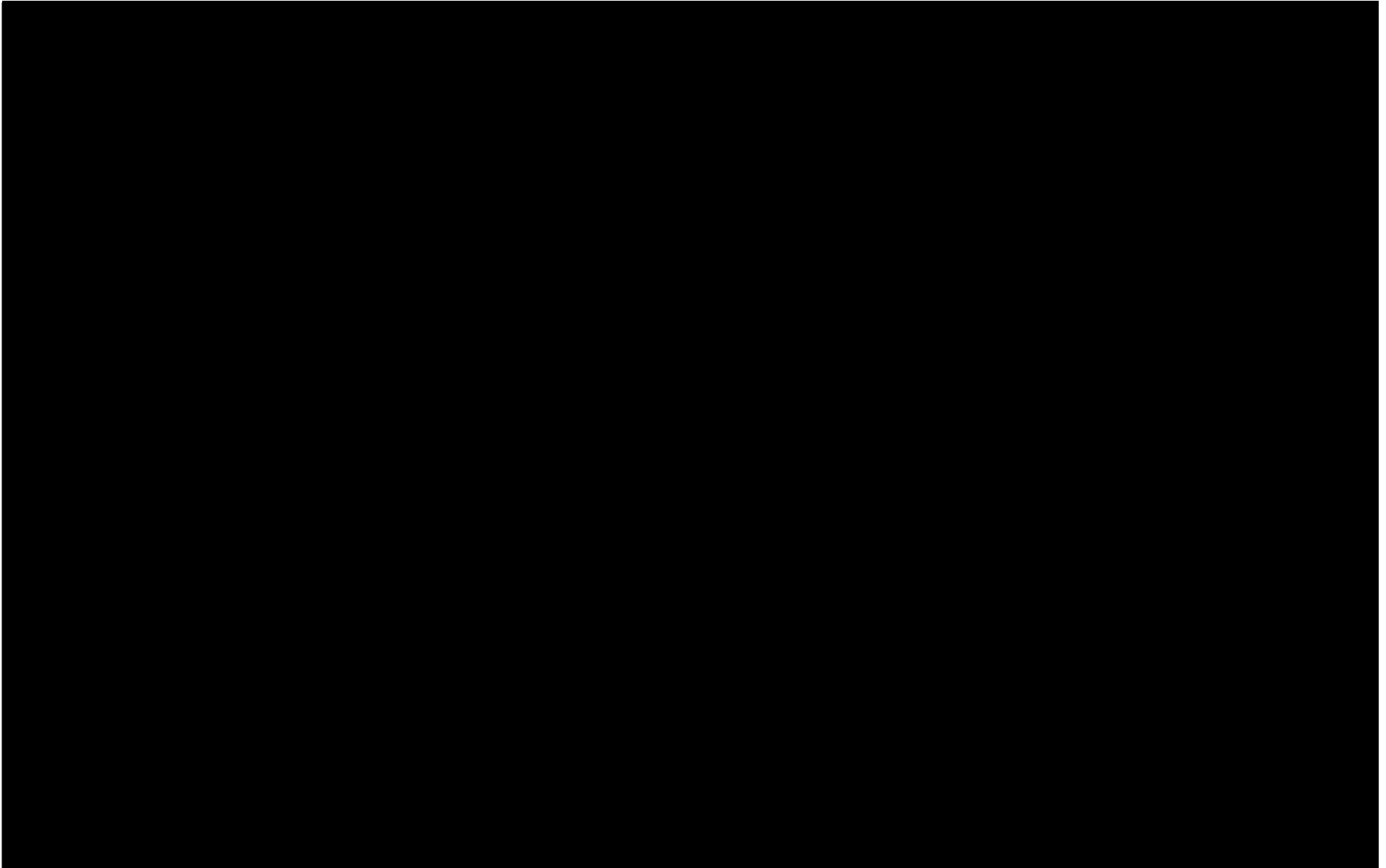


# Haldimand - Dunnville Regional Expansion (Overview)

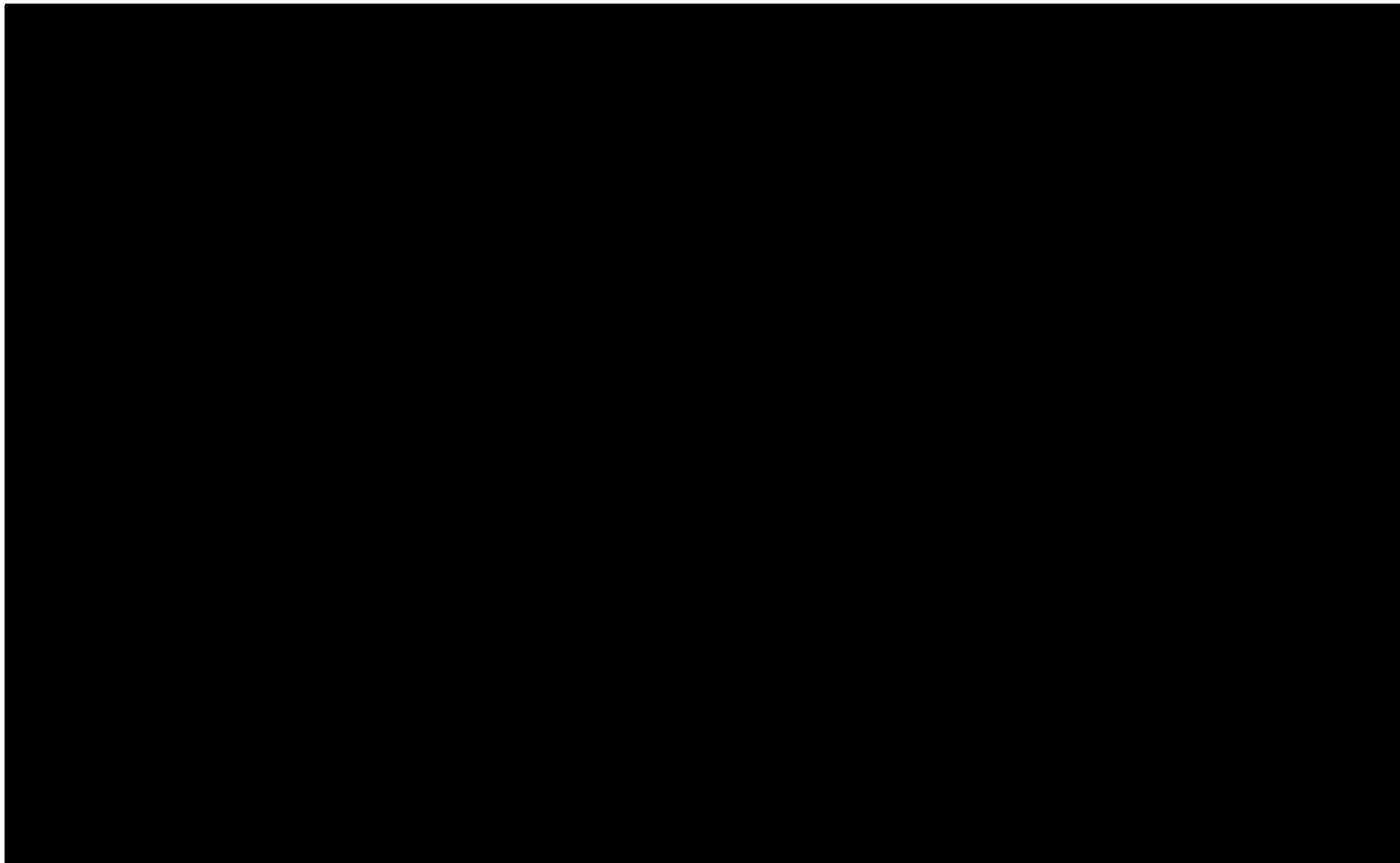
EB-2019-0255  
Schedule 8T-1(a)  
Redacted



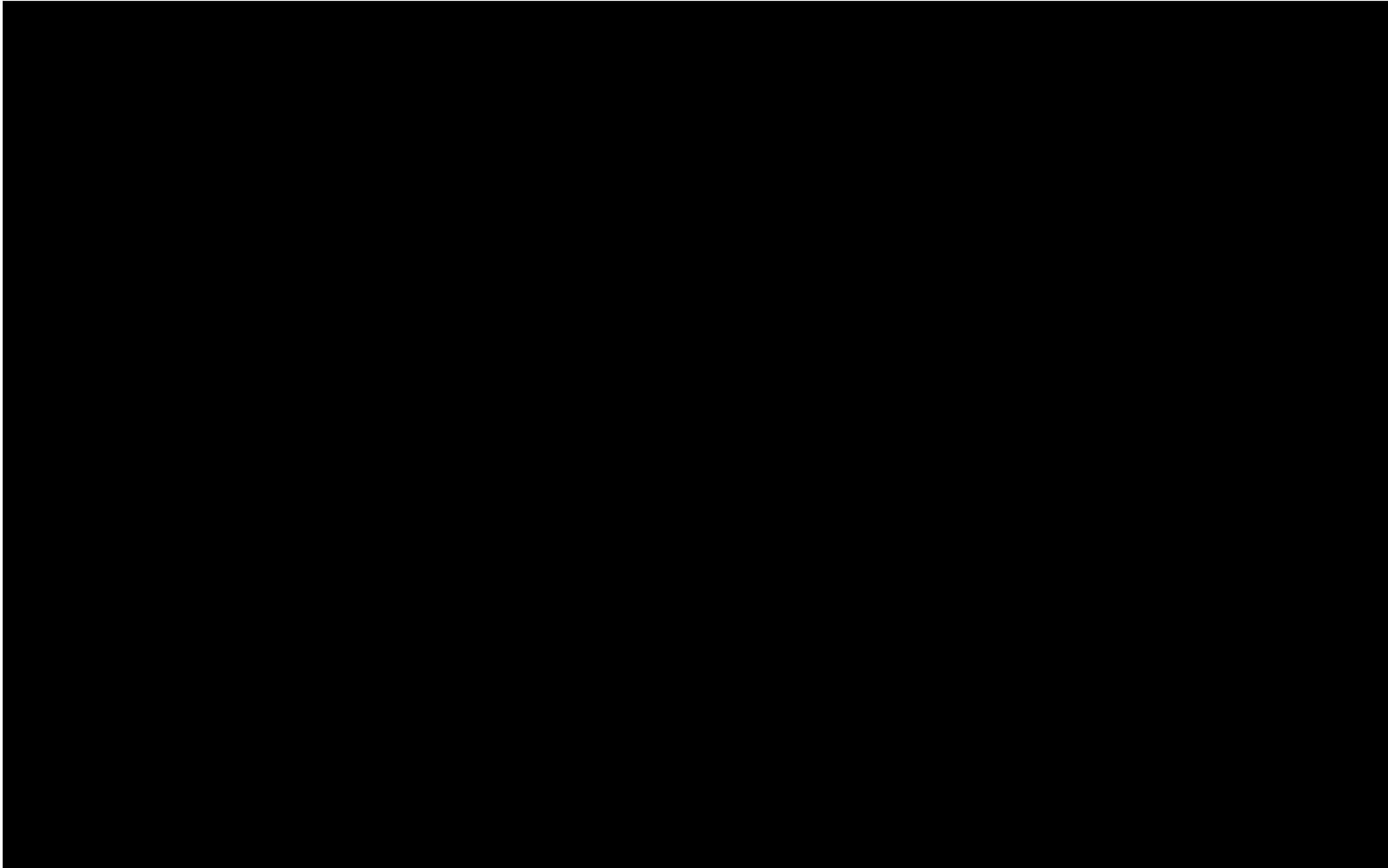
# Haldimand - Dunnville Regional Expansion (Detailed Map 1)



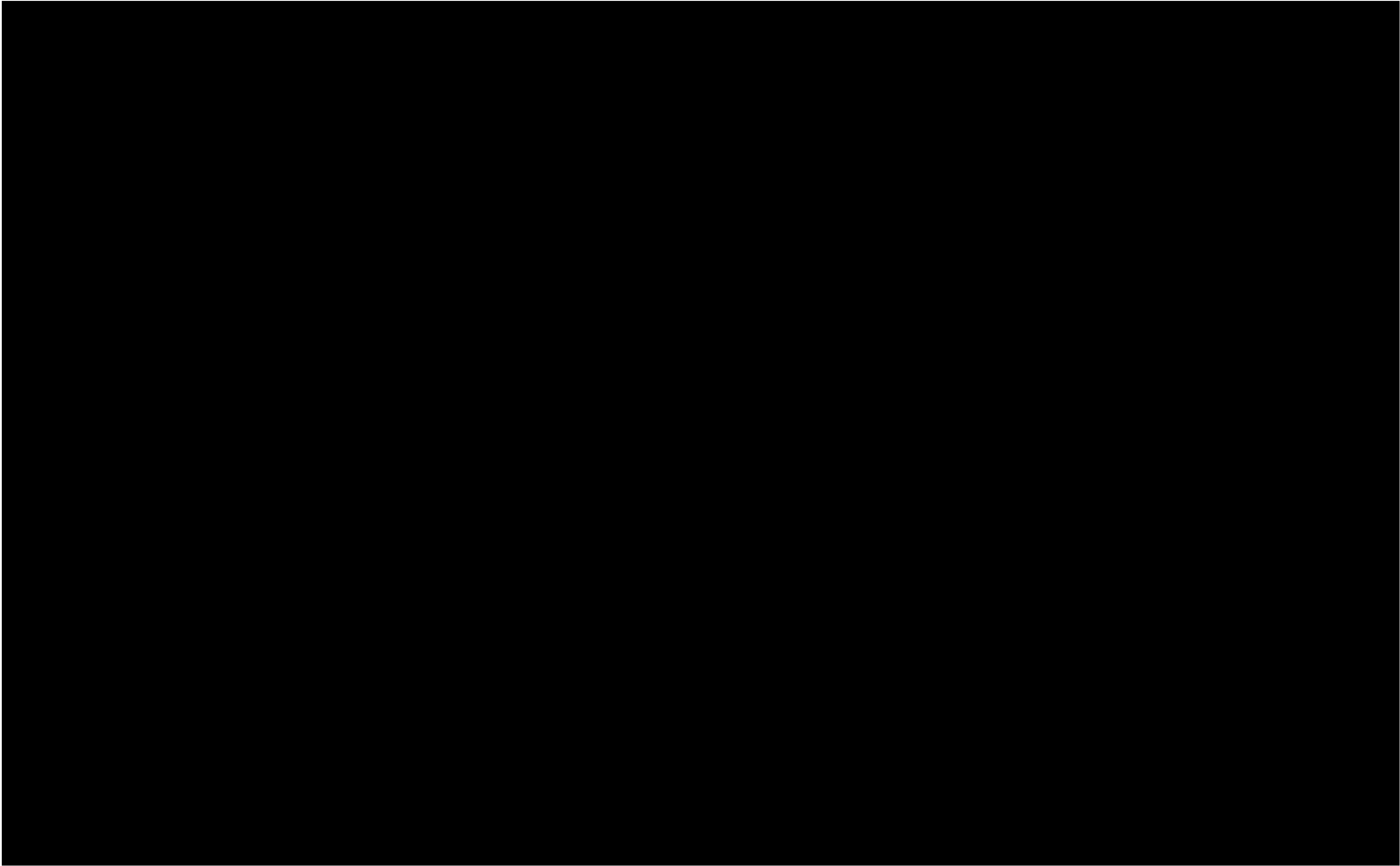
## Haldimand - Dunnville Regional Expansion (Detailed Map 2)



# Haldimand - Dunnville Regional Expansion (Detailed Map 3)



# Haldimand - Dunnville Regional Expansion (Detailed Map 4)





**Schedule 8T-2**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Dunnville Regional Expansion Project**

The tables below exclude the growth and costs associated with the Small Volume Component of the Project

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Residential	Firm		-	-	-	-	-	-	-	-	-	-	-
Commercial bidders	Firm		1	-	-	-	-	-	-	-	-	-	1
Institutional bidders	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural bidders	Firm		5	1	-	-	-	-	-	-	-	-	6
Industrial bidders	Firm		-	-	-	-	-	-	-	-	-	-	-
Total Customers that bid during EOI process			<u>6</u>	<u>1</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	
Cumulative Customers			6	7	7	7	7	7	7	7	7	7	

Table 3.3 - Annual and Cumulative Volumes Over The Rate Stability Period (m3)

<u>Customer Type</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Annual Volumes - m3</u>		<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Residential		-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial		70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	700,000
Institutional		-	-	-	-	-	-	-	-	-	-	-	-	-
Agricultural		6,474,405	8,231,072	8,797,738	10,688,547	10,688,547	12,645,467	12,645,467	13,752,387	14,859,307	14,859,307	14,859,307	14,859,307	113,642,246
Industrial		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Volumes		<u>6,544,405</u>	<u>8,301,072</u>	<u>8,867,738</u>	<u>10,758,547</u>	<u>10,758,547</u>	<u>12,715,467</u>	<u>12,715,467</u>	<u>13,822,387</u>	<u>14,929,307</u>	<u>14,929,307</u>	<u>14,929,307</u>	<u>14,929,307</u>	<u>114,342,246</u>

<u>Customer Type</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Cumulative Volumes - m3</u>		<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential		-	-	-	-	-	-	-	-	-	-	-	-	
Commercial		70,000	140,000	210,000	280,000	350,000	420,000	490,000	560,000	630,000	700,000			
Institutional		-	-	-	-	-	-	-	-	-	-	-	-	
Agricultural		6,474,405	14,705,477	23,503,215	34,191,763	44,880,310	57,525,777	70,171,244	83,923,632	98,782,939	113,642,246			
Industrial		-	-	-	-	-	-	-	-	-	-	-	-	
Total Volumes		<u>6,544,405</u>	<u>14,845,477</u>	<u>23,713,215</u>	<u>34,471,763</u>	<u>45,230,310</u>	<u>57,945,777</u>	<u>70,661,244</u>	<u>84,483,632</u>	<u>99,412,939</u>	<u>114,342,246</u>			

Table 4.2 - Total Capital Costs At End Of The Rate Stability Period

Total Capital Costs Large Volume Component	<u>Year 10</u>	Large Volume component of the project only
--	----------------	--

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement - Large Volume Component - net of funding	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>

Closing Rate Base (net of proposed Section 36.2 funding)	<u>Year 10</u>
--	----------------



The tables below exclude the growth and costs associated with the Small Volume Component of the Project

Table 7.2 - Profitability Index (PI) Without Section 36.2 Funding

	Net Present Value
Cash Inflow	
Revenue:	
Distribution Revenue	
System Expansion Surcharge (SES) Revenue	
Total Revenue (A)	
Expenses:	
O&M Expense	
Municipal Tax	
Income Tax	
Total Expenses (B)	
Total Cash Inflow (C = A + B)	
Cash Outflow	
Gross Capital	
Change in Working Capital	
Total Cash Outflow (D)	
Profitability Index (PI) Without Section 36.2 Funding (C / D)	

**Schedule 8T-4**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Dunnville Regional Expansion Project**

## Haldimand - Dunnville Regional Expansion Project Pipeline Construction Schedule

[illegible]

**Schedule 8T-5**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Dunnville Regional Expansion Project**



May 22, 2020

Enbridge Gas Inc.  
50 Kell Drive  
Chatham, ON N7M 5M1

To whom it may concern:

**RE: Request to Support Projects for the Natural Gas Expansion Support Program**

Please be advised that on [REDACTED], Haldimand County Council adopted the following resolution:

1. THAT Report [REDACTED] Request to Support Projects for the Natural Gas Expansion Support Program be received;
2. AND THAT the following resolution be endorsed:

WHEREAS Haldimand County has identified opportunities for natural gas expansion and growth in [REDACTED] ) and [REDACTED] given their strategic location;

AND WHEREAS existing natural gas infrastructure in Nanticoke, specifically [REDACTED] and [REDACTED] is limited and is a detriment to expanding existing businesses or attracting new large customers;

AND WHEREAS the [REDACTED] were recently identified by the Province of Ontario as provincially significant employment lands;

AND WHEREAS the communities of Featherstone and Springvale are currently without natural gas service and the residents of both areas and Haldimand County are supportive of obtaining natural gas service to these residents;

AND WHEREAS having limited access to natural gas puts Haldimand County at a distinct disadvantage to attracting new investment and making energy more affordable for rural residents;

AND WHEREAS Ontario's Natural Gas Expansion Support Program provides an opportunity for funding to help make natural gas expansion in Haldimand County more affordable for residents and businesses;



AND WHEREAS Enbridge Gas Inc. has recommended that Haldimand County's contribution toward the project costs equivalent to the municipal portion of property taxes recovered on the new infrastructure for a period of ten (10) years would demonstrate the community's support for the proposed project,

NOW THEREFORE BE IT RESOLVED THAT the two applications submitted by Enbridge Gas Inc. for the hamlets of Featherstone and Springvale be fully supported;

AND THAT an annual grant to Enbridge Gas Inc., equivalent to the annual incremental property tax that would be recovered on the new natural gas infrastructure for Featherstone and Springvale projects be approved for a period of 10 years;

AND THAT upon confirmation that Featherstone and Springvale projects are successful through the Natural Gas Expansion Support Program a Municipal Capital Facilities agreement and by-laws be established and presented to Council for endorsement;

AND THAT the two applications for Haldimand-Nanticoke and Haldimand-Dunnville, submitted by Enbridge Gas Inc. to the Natural Gas Expansion Support Program, be supported and the request for a financial contribution for the projects be supported in principle, with details of the County's financial support, in terms of both duration and amount, to be confirmed once project details are finalized;

AND THAT upon confirmation that the Haldimand-Nanticoke and Haldimand-Dunnville projects are successful through the Natural Gas Expansion Support Program a Municipal Capital Facilities agreement and by-laws will be established and presented to Council for endorsement;

AND THAT a copy of this resolution be forwarded along with the applications being made by Enbridge Gas Inc. to the Ontario government's Natural Gas Expansion Support Program;

AND THAT the Expression of Interest forms for anticipated increased gas capacity at the [REDACTED] and [REDACTED], be approved.



Central Administration Building  
53 Thorburn St. S.  
Cayuga, ON N0A 1E0  
[www.HaldimandCounty.ca](http://www.HaldimandCounty.ca)

---

Should you require further information, please contact Lidy Romanuk, Manager, Economic Development & Tourism at 905-318-5932, extension 6342.

Sincerely,

A handwritten signature in black ink, appearing to read "E Evelynbaum", written in a cursive style.

Evelyn Eichenbaum  
Manager, Citizen & Legislative Services/Clerk

EE/tc

cc Lidy Romanuk

**Schedule 8T-6**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Dunnville Regional Expansion Project**

Ontario Energy  
Board

Commission de l'Énergie  
de l'Ontario



RP-2003-0039  
EB-2003-0047

**IN THE MATTER OF** the *Municipal Franchises Act*, R.S.O.  
1990, c. M.55, as amended;

**AND IN THE MATTER OF** an application by Union Gas  
Limited for an order cancelling and replacing the existing  
Certificates of Public Convenience and Necessity for the County  
of Brant.

**Before:**

Art Birchenough  
Presiding Member

Ken McCann  
Member

## **ORDER GRANTING A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

Union Gas Limited ("Union") filed a application dated February 20, 2003 (the "Certificate Application") with the Ontario Energy Board (the "Board") under the *Municipal Franchises Act*, R.S.O. 1990, c. M.55 as amended (the "Act") for an order cancelling the existing Certificates of Public Convenience and Necessity for the predecessor municipalities of the County of Brant (the City of Fort William (F.B.C. 70) and the City of Port Arthur (F.B.C. 71)) and replacing them with a Certificate of Public Convenience and Necessity for the new County of Brant. The Board has assigned File No. RP-2003-0039/EB-2003-0047 to this Certificate Application.

The Board's Notice of Application was published on March 21, 2003. There were no intervenors. On April 30, 2003 the Board issued a Notice of Written Hearing. No party satisfied the Board that there was a good reason for not holding a written hearing. The replacement Certificate does not grant Union any additional rights to those it held under the predecessor certificates, and is requested by Union in order to recognize new municipal boundaries.

The Board found that, based on the evidence, granting the Certificate Application was in the public interest.

**THE BOARD THEREFORE ORDERS THAT:**

1. The existing Certificates of Public Convenience and Necessity for the County of Brant (F.B.C. 259), the Town of Paris (F.B.C. 259), the Township of Brantford (F.B.C. 259), the Township of Burford (F.B.C. 259 and E.B.C. 5), the Township of Oakland (E.B.C. 169 and E.B.C. 210), the Township of Onondaga (F.B.C. 259), and the Township of South Dumfries (F.B.C. 259) are cancelled and replaced with a single Certificate of Public Convenience and Necessity for the County of Brant (EB-2003-0047).).
2. A Certificate of Public Convenience and Necessity is granted to Union Gas Limited to construct works to supply gas in the City of Brant (EB-2003-0047).

**DATED** at Toronto, July 9, 2003.  
**ONTARIO ENERGY BOARD**

  
Peter H. O'Dell  
Assistant Board Secretary

**EB-2006-0284**

## **Certificate of Public Convenience and Necessity**

The Ontario Energy Board hereby grants

### **Union Gas Limited**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply gas to

### **The City of Hamilton**

This certificate replaces the certificates of the former municipalities that are now within the City of Hamilton.

**DATED** at Toronto, February 6, 2007

ONTARIO ENERGY BOARD

*Original signed by*

Mark C. Garner  
Managing Director, Market Operations

**EB-2006-0275**

## **Certificate of Public Convenience and Necessity**

The Ontario Energy Board hereby grants

### **Union Gas Limited**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply gas to

### **Haldimand County**

This certificate replaces the certificates of the former municipalities that are now within Haldimand County.

**DATED** at Toronto, January 15, 2007

ONTARIO ENERGY BOARD

*Original signed by*

Mark C. Garner  
Managing Director, Market Operations

F.B.C. 259

ONTARIO FUEL BOARD

IN THE MATTER OF The Municipal Franchises  
Act, R.S.O. 1950, Chapter 249, as amended;

AND IN THE MATTER OF an Application by  
Union Gas Company of Canada, Limited to  
the Ontario Fuel Board for approval of  
the Board to construct works to supply  
and/or to supply gas in the under-mentioned  
Municipalities.

B E F O R E:

A. R. Crozier, Esquire, Chairman, and	} Tuesday, the	
D. M. Treadgold, Esquire, Q.C., and		} 10th day of
J. J. Wingfelder, Esquire, Commissioners		

B E T W E E N:

UNION GAS COMPANY OF CANADA, LIMITED

- and -

City of Brantford,	Township of Dereham,
City of Galt,	Township of Dunn,
City of St. Thomas,	Township of Dunwich,
City of Woodstock,	Township of East Oxford,
Town of Delhi,	Township of Glanford,
Town of Dunnville,	Township of Gosfield North,
Town of Hespeler,	Township of Gosfield South,
Town of Ingersoll,	Township of Houghton,
Town of Kingsville,	Township of Mersea,
Town of Leamington,	Township of Middleton,
Town of Paris,	Township of Moulton,
Town of Port Dover,	Township of North Cayuga,
Town of Preston,	Township of North Dorchester,
Town of Simcoe,	Township of North Dumfries,
Town of Tillsonburg,	Township of North Walsingham,
Village of Caledonia,	Township of Oneida,
Village of Cayuga,	Township of Onondaga,
Village of Cottam,	Township of Orford,
Village of Dorchester,	Township of Rainham,
Village of Dutton,	Township of Seneca,
Village of Fingal,	Township of Sherbrooke,
Village of Hagersville,	Township of South Cayuga,
Village of Highgate,	Township of South Dumfries,
Village of Jarvis,	Township of South Walsingham,
Village of Lambeth,	Township of Southwold,
Village of Port Rowan,	Township of Townsend,
Village of Port Stanley,	Township of Walpole,
Village of Rodney,	Township of Westminster,
Village of Shedden,	Township of West Oxford,
Village of Waterford,	Township of Windham,
Village of West Lorne,	Township of Woodhouse,
Village of Wheatley,	Township of Yarmouth,
Township of Aldborough,	County of Brant,
Township of Ancaster,	County of Elgin,
Township of Barton,	County of Haldimand,
Township of Bayham,	County of Middlesex,
Township of Binbrook,	County of Norfolk,
Township of Brantford,	County of Oxford,
Township of Burford,	County of Waterloo,
Township of Canboro,	County of Wentworth.
Township of Charlotteville,	

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON Application of Union Gas Company of Canada, Limited



to the Ontario Fuel Board pursuant to Section 8 of The Municipal Franchises Act, R.S.O. 1950, Chapter 249, as amended, for approval of the said Board to construct works to supply and to supply gas in each of the Municipalities above mentioned; upon the hearing of such Application by the Board at its Offices, 4 Richmond Street East, in the City of Toronto and Province of Ontario on the 10th day of June, 1958, after due Notice of such hearing had been given as directed by the Board; in the presence of Counsel for the Applicant, Counsel for Central Pipeline Company Limited and United Development Company Limited, Counsel for the City of Galt, Counsel for the Town of Kingsville and the Townships of Gosfield South and Mersea and Counsel for S. J. Putman, Esquire of Kingsville; upon hearing the evidence adduced, the exhibits filed and Counsel aforesaid;

THIS BOARD DOTH CERTIFY, pursuant to Section 8 of The Municipal Franchises Act, R.S.O. 1950, Chapter 249, as amended, that public convenience and necessity appear to require that approval of the Ontario Fuel Board shall be and the same is hereby given to Union Gas Company of Canada, Limited to construct works to supply and to supply gas in each and all of the Municipalities above named, except in those certain areas and to those certain persons more particularly set forth in Schedule "A" hereto.

AND THIS BOARD DOTH FURTHER ORDER that the costs of this Application fixed at the sum of \$250.00 be paid forthwith to the Board by the Applicant.

DATED at Toronto, Ontario, this 17th day of March, A.D. 1959.

ONTARIO FUEL BOARD

"A. R. Crozier"

Chairman

"D. M. Treadgold"

Commissioner

"J. J. Wingfelder"

Commissioner

THIS IS SCHEDULE "A" TO THE WITHIN  
CERTIFICATE OF PUBLIC CONVENIENCE  
AND NECESSITY DATED THE        DAY  
OF        , 1959.

---

A. TOWNSHIP OF WESTMINSTER

- (i) All of Lot 1 in Concession B.
- (ii) The north half of Lot 1 in Concession 1.
- (iii) Those persons in the south half of Lot 1 in Concession 1 and in the north half of Lot 1 in Concession 2 receiving natural gas from any person other than Union Gas Company of Canada, Limited on the date of this Certificate.
- (iv) The south half of Lot 1 in Concession 2.
- (v) All of Lots 1, 2 and 3 in Concessions 3, 4, 5 and 6.
- (vi) All of Lots 1, 2, 3, 4 and 5 in Concession 7.
- (vii) All of Lots 3, 4 and 5 in Concession 8.

B. TOWNSHIP OF NORTH DORCHESTER

- (i) All of Lot 24 in Concession A.
- (ii) The north half of Lot 24 in Concession B.
- (iii) Those persons in the south half of Lot 24 in Concession B and in the north half of Lot 24 in Concession 1 receiving natural gas from any other person than Union Gas Company of Canada, Limited on the date of this Certificate.
- (iv) The south halves of Lots 21, 22, 23 and 24 in Concession 1.
- (v) All of Lots 21, 22, 23 and 24 in Concessions 2, 3, 4, 5 and 6.
- (vi) Those persons in the south halves of Lots 8 and 9 in Concession B and in the north halves of Lots 8 and 9 in Concession 1 receiving natural gas from any other person than Union Gas Company of Canada, Limited on the date of this Certificate.
- (vii) The south halves of Lots 6, 7, 8, 9 and 10 in Concession 1.
- (viii) All of Lots 6, 7, 8, 9 and 10 in Concessions 2, 3, 4, 5 and 6.

C. TOWNSHIP OF YARMOUTH

- (i) All of Lots 14, 15, 16 and 17 in Concession 15.
- (ii) All of Lots 13, 14, 15, 16 and 17 in Concession 14.
- (iii) All of Lots 19, 20, 21, 22, 23 and 24 in Concession 10, in Range II North of Edgeware Road, in Range I North of Edgeware Road and in Range I South of Edgeware Road.

- (iv) All of Lots 67, 68, 69, 70, 71, 72 and 73 in Concession 9 (North Talbot Road) and in Concession 8 (South Talbot Road).
- (v) All of Lots 22, 23, 24, 25, 26, 27 and 28 in Concessions 7, 6 and 5.
- (vi) All of Lots 21, 22, 23, 24, 25, 26, 27 and 28 in Concessions 4, 3, 2 and 1.

D. TOWNSHIP OF DEREHAM

- (i) All of Lots 15 to 24 both inclusive in Concession 1.
- (ii) All of Lots 15 to 28 both inclusive in Concessions 2 to 12 both inclusive.

E. TOWNSHIP OF BAYHAM

- All of the Municipality except,
  - (i) All of Lots 15, 16, 17, 18, 19, 20 and 21 in Concession 11.
  - (ii) All of Lots 20, 21, 22, 23, 24 and 25 in Concession 10.
  - (iii) All of Lots 20, 21, 22, 23, 24, 25, 26, 27 and 28 in Concession 9.
  - (iv) The north half of Lot 20 in Concession 8.
  - (v) All that part of Lot 21 in Concession 8 lying north of the most southerly point of intersection of The Canadian Pacific Railway right-of-way with King's Highway No. 19.
  - (vi) All that part of Lot 21 in Concession 8 lying between the southerly limit of King's Highway No. 19 and the location on the date of this Certificate of a 4" gas main of Union Gas Company of Canada, Limited which runs in a general easterly direction from King's Highway No. 19 to the easterly limit of such Lot.
  - (vii) All those parts of Lots 22, 23, and 24 in Concession 8 lying north of the road which runs in a general easterly and westerly direction through such Lots.
  - (viii) The south halves of Lots 22, 23 and 24 and the south six-tenths of Lots 25 and 26, all in Concession 8 but reserving however to any other person supplying natural gas therein on the date of this Certificate the right to continue to supply to the consumers receiving such gas on the date of this Certificate.
  - (ix) All of Lot 28 in Concession 8.

F. TOWNSHIP OF HOUGHTON

- All of the Municipality except,
  - (i) All of Gore Lot "A".
  - (ii) The north half of Gore Lot "B".

G. TOWNSHIP OF MIDDLETON

- (i) The south quarters of Lots 1 and 2 in Concession 1, North Talbot Road.
- (ii) All of Lots 1 and 2 in Concessions 1 and 2, South Talbot Road.

H. TOWNSHIP OF NORTH WALSINGHAM

- (i) All of Lots 1 in Concessions 13 and 14.
- (ii) All of Lots 1 to 5 both inclusive in Concessions 7 and 8.

I. TOWNSHIP OF SOUTH WALSINGHAM

- (i) Marsh Lot in front of Gore Lot A in Range B.
  - (ii) Gore Lot A in Range B.
  - (iii) Gore Lot B in Range A.
  - (iv) Gore Lot C in Concession 1.
  - (v) Gore Lot D in Concession 2.
  - (vi) Gore Lot E in Concession 3.
  - (vii) Marsh Lots 1, 2, 3, 4 and 5 in front of Lots 1, 2, 3, 4 and 5 respectively in Range B.
  - (viii) Lots 1 to 5 both inclusive in each of Ranges A and B.
  - (ix) Lots 1 to 5 both inclusive in Concessions 1 to 6 both inclusive.
-

**Schedule A1**  
**EB-2017-0108-A1**

**Certificate of Public Convenience and Necessity**

The Ontario Energy Board hereby grants

**Enbridge Gas Inc.**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply gas to

**Norfolk County**

as it is constituted on the date of this Decision and Order, in the following areas:

All of the former Townships of Windham and Charlotteville

All of the former Townships of Woodhouse and Townsend, excluding those parts lying in Haldimand County

All of the former Township of Middleton, excluding those parts lying in Oxford County and excluding the following:

- Concession North Side of Talbot Road East – South quarter of Lots 142 and 143
- Concession South Side of Talbot Road East – All of Lots 142 and 143
- Concession 2 South Side of Talbot Road East – All of Lot 1

All of the former Township of Walsingham, excluding those parts lying in the following:

- The Whole of Marsh Lots 1 to 5 (Inclusive)
- Concession B – All of Lots 1 to 5 (Inclusive)
- Concession A – All of Lots 1 to 5 (Inclusive)
- Concessions 1 to 6 – All of Lots 1 to 5 (Inclusive)
- Concession 7 – All of Lots 1 and 3 (but including 220 and 230 8<sup>th</sup> Concession Road located within the northern half of Lot 3), and the south halves of Lots 2, 4 and 5
- Concession 8 – All of Lot 1
- Concession 11 – All of Lot 1
- Concession 12 – All of Lot 1
- Concession 13 – All of Lot 1
- Concession 14 – All of Lot 1

Former Township of Houghton:

- All of Gore Lot A
- The north half of Gore Lot B

**DATED** at Toronto, October 17, 2019

**ONTARIO ENERGY BOARD**

Pascale Duguay  
Manager, Natural Gas

**Schedule 8U**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Nanticoke Regional Expansion Project**

**Enbridge Gas Inc.**  
**Potential Projects to Expand Access to Natural Gas Distribution**

<b>Part I – Name of Proponent</b>	
Name of Proponent: Enbridge Gas Inc.	File No: EB-2019-0255
Project Name: <a href="#">Haldimand - Nanticoke Regional Expansion Project (Economic Development)</a>	
Address of Head Office: 50 Keil Drive North Chatham, ON N7M 5M1	Telephone Number: 519-436-4600
Name of Individual to Contact:  Patrick McMahon	Office Telephone Number: 519-436-5325
	Cell Phone Number: 519-437-0759
	Email Address: <a href="mailto:patrick.mcmahon@enbridge.com">patrick.mcmahon@enbridge.com</a>

<b>Part II – Description of Proponent’s Technical Expertise and Financial Capability</b>
<p><i>Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.</i></p> <p><i>A proponent that is not currently rate-regulated as a natural gas distributor by the OEB and that has multiple proposed projects is only required to provide the information in this Part once, unless the proponent has different organizational or financial structure approaches for its projects. In that case, the information in this Part must be provided for each different organizational or financing structure.</i></p>



<b>Part II – Description of Proponent’s Technical Expertise and Financial Capability</b>	
2.1	<p><b>Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system.</b></p> <p>N/A</p>
2.2	<p><b>Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following:</b></p> <ul style="list-style-type: none"> <li>• <b>Current credit rating of the proponent, its parent or associated companies.</b></li> <li>• <b>Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual.</b></li> <li>• <b>If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets.</b></li> </ul> <p><b>New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available.</b></p> <p>N/A</p>

### Part III – Description of and Support for Project

3.1

Redacted

**Provide a general overview of the project, which is to include the following: communities to be connected, including whether the project would serve any on-reserve Indigenous communities; existing population of each community by residential, commercial/institutional and industrial sectors; routing; length of pipeline; and nominal pipe size.**

Enbridge Gas is proposing an Economic Development Project, similar in approach to the Chatham-Kent Rural Pipeline project from Phase 1 of the Natural Gas Expansion Program (NGEP), to serve the growing business needs in the western half of Haldimand County including the Nanticoke area. This area has existing natural gas infrastructure that is constrained such that significant upstream reinforcement of the pipeline network and local mains is required to facilitate growth. The proposed project has been designed to accommodate the sum of the large volume growth identified through an Expression of Interest process as well as small volume regular rate growth served from the same pipeline system, expected to occur through to 2030.

Rationale for considering Economic Development Projects: Strategic infrastructure investments underpin the quality of life and provide the foundation for business growth and competitiveness in Ontario. This Economic Development Project proposal focuses on meeting the needs of businesses that are in a part of Ontario positioned for growth.

The key benefits of providing economic access to natural gas for businesses are the resulting jobs and investment that this facilitates in the host communities. Phase 1 of the NGEP included a specific stream and separate evaluation criteria for Economic Development Projects like the Chatham-Kent Rural Pipeline Expansion Project. Enbridge Gas believes that whether looking at a small community many kilometres from a gas main, or a large business already using gas but looking to expand, the issue and solution is often the same: if the business or community cannot afford the costs that result from traditional economics, access to gas becomes economically out of reach and the benefits are not realized without financial assistance.

Background on Expression of Interest Process: From December 2019 through to the end of April 2020, Enbridge Gas worked with existing large volume gas customers and local Economic Development officials in and around the project area to identify potential growth requirements on a preliminary basis. Several potential projects were identified and considered.

In order to collect specific customer needs to determine the optimal design of the project, Enbridge Gas conducted an Expression of Interest process in early May 2020. All existing large volume customers in the proposed Area of Benefit were contacted and local municipal Economic Development professionals assisted in identifying additional growth opportunities. All potential bidders for incremental capacity were sent information as posted on the project webpage: <https://www.enbridgegas.com/haldimand-nanticoke-project> (attached as Schedule 8U-3.1A) and were invited to submit bids with their details on their incremental firm natural gas requirements.

Under EBO 188 guidelines, when one or more large volume customers are driving the need for reinforcement, they must bear an allocation of the costs of the project. In

Enbridge Gas' experience, if those allocations and subsequent feasibility assessments result in significant up-front contribution in aid of construction (CIAC) payments being required, even with a long-term gas service agreements, the customers will often cancel their business plans, move it to another part of the province, or move out of the province to another jurisdiction entirely.

Enbridge Gas, in conjunction and on behalf of the customers requesting capacity, is proposing funding from the NGEF for this project to improve the economic viability of the project and to ensure the customers' developments can proceed and stay in Ontario at the proposed locations. Many of the bidders have significant investments at their current sites and are hoping to leverage these sites for future development.

Expression of Interest results: Enbridge Gas received 9 completed and signed non-binding bid forms requesting incremental firm natural gas capacity totaling 51,867 m<sup>3</sup>/hour, including one bid from Six Nations Natural Gas Company representing the collective gas requirements from Six Nations of the Grand River First Nation out to 2030. Six of the nine bids provided details on the Economic Development aspects of their business plans. In aggregate they indicated that if they could proceed as proposed, they would collectively be investing \_\_\_\_\_ of private investment with a total job impact of \_\_\_\_\_ (\_\_\_\_\_ direct new jobs and \_\_\_\_\_ indirect jobs with \_\_\_\_\_ existing jobs at risk). This jobs and investment information is a summary of the data provided by bidders through their Expression of Interest bids to Enbridge Gas.

Project design considerations: The Area of Benefit associated with the Haldimand – Nanticoke Regional Expansion Project is embedded within the eastern half of the Eastern Transmission System (refer to maps under Schedule 8U-1) and is served from multiple sources of high-pressure gas including multiple interconnections to the Dawn to Parkway system and the TC Energy system.

The pipeline solution to serve the Project was also designed to meet the needs of the expected small volume growth over the entire eastern half of the Eastern Transmission system to ensure the optimal design and achieve all potential synergies and economies of scale. The forecast of small volume regular rate growth expected to occur out to 2030 over this broader area is 15,686 m<sup>3</sup>/hour. This consists of annual incremental growth of 1,262 new residential, 65 small commercial, 4 large commercial and 1 small new industrial customer. Of this annual growth served by the small volume component of the project, 126 residential and 6 small commercial customers are anticipated annually within the Area of Benefit for this project. As this small volume growth is embedded within areas of the province already with access to natural gas, they do not meet the definition of a "new community" and therefore they are not factored into this submission. The area will however benefit from the overall project. Without the demands associated with the large volume component of the project, Enbridge Gas will likely be proposing one or more system expansion projects over the coming years to serve the needs of the small volume growth. By combining the demands of the bidders and the small volume growth, economies of scale can be realized that can result in more economically efficient projects.

Project Segmentation and the Hourly Allocation Factor Approach: The Hourly Allocation Factor (HAF) approach has been used on four prior occasions by Enbridge Gas to allocate project costs to large volume customers in a fair and equitable manner. The Chatham-Kent Rural Pipeline Project (EB-2018-0188), which was a successful recipient

of funding under Phase 1 of the NGEP, used the HAF process to allocate costs and was placed into service in November 2019. The CK Rural Project and others were the template for a generic proposal currently before the Board (EB-2020-0094) and the process proposed for the economics with this project are consistent with the evidence in that proceeding.

Enbridge Gas is proposing to use the Hourly Allocation Factor process to allocate cost and capacity using a threshold of eligibility of 50 m<sup>3</sup>/h. The portion of the facilities costs needed for all customers requesting 50 m<sup>3</sup>/h or more are in the large volume component (being 75.9% of the project) and all those under 50 m<sup>3</sup>/h are in the small volume component (being 24.1% of the project) as per the following table.

Customer Segment	Growth (m <sup>3</sup> /h)	% capital allocation	Project Cost Allocation (millions)
Large volume component (bidders in the Area of Benefit)	51,867	75.9%	_____
Small volume component (general service growth)	15,686	24.1%	_____
Total	67,553	100%	_____

Economic Approach: Under this proposal, any NGEP funding received would be used to offset the capital allocation for the large volume component of the project and reduce the HAF applicable within the Area of Benefit. Without any funding the HAF would be \_\_\_\_\_ (\_\_\_\_\_). A review of each of the nine bidder volume forecasts shows that if sufficient funding is received to lower the HAF down to \_\_\_\_\_, all but three of the nine will be able to achieve a PI of 1.0 within 15 years on their portion of the HAF allocated costs. The remaining three will require a longer than 15-year term, an agreement with a premium to posted rate or a CIAC to cover their HAF allocated costs. This preliminary PI calculation excludes the customer's specific costs (such as customer station and service costs) which would be included for each customer's final feasibility assessment.

SES Considerations: Enbridge Gas proposes that since the Area of Benefit is not a new community, as there are multiple existing gas pipelines and customers in the area, the System Expansion Surcharge (SES) would not apply. This is consistent with the approach used and approved in CK Rural (EB-2018-0188).

The small volume component of the project (i.e., that portion that will be serving the residential growth) is not part of this proposal and would be addressed through the traditional regulatory mechanisms associated with a stand-alone project of the same scale and scope.

Proposed Facilities: The proposed reinforcement facilities that will be needed to serve the total demands identified include:

- 50 km of NPS12 steel pipe at 6,160 kPa from \_\_\_\_\_ (\_\_\_\_\_ and \_\_\_\_\_), following road allowances and/or rights of way, \_\_\_\_\_ to a point on \_\_\_\_\_ between \_\_\_\_\_. The map (Schedule 8U-1) shows this line starting at the north in the City of Hamilton, running south through City of Hamilton,



3.3	<p><b>Provide the annual and cumulative forecast of volumes (in m<sup>3</sup>) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community.</b></p> <p><b>For the residential segment, the default value for the average consumption level is 2,200 m<sup>3</sup> per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default.</b></p> <p>Please refer to Schedule 8U-2, Table 3.3.</p>
3.4	<p><b>Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system.</b></p> <p><b>Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided.</b></p> <p>N/A - Since these are all requests for incremental natural gas capacity, there are no conversion-related costs.</p>
3.5	<p><b>Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.</b></p> <p>Please refer to Schedule 8U-4 for Proposed Construction Schedule.</p>
3.6	<p><b>Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support.</b></p> <p>Please refer to Schedule 8U-5 for the letter of support from Haldimand County.</p>

3.7	<p><b>Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder.</b></p> <p><b>Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project.</b></p> <p>Please refer to Schedule 8U-6 for Enbridge's CPCNs for the County of Brant (RP-2003-0039 / EB-2003-0047), the City of Hamilton (EB-2006-0284), Haldimand County (EB-2006-0275), the Township of North Dumfries (FBC 259) and Norfolk County (EB-2017-0108-A1) which cover the entire area of the proposed project.</p>
<b>Part IV – Cost of Project</b>	
4.1	<p><b>Confirm that the proposed project includes a ten-year rate stability period.</b></p> <p>The proposed project does include a ten-year rate stability period.</p>
4.2	<p><b>Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten).</b></p> <p><b>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</b></p> <p><b>For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs.</b></p> <p><b>Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences.</b></p> <p>Please refer to Schedule 8U-2, Table 4.2. Costs include the Large Volume component of the project only and not any customer specific costs.</p>

4.3	<p><b>Provide the total annual forecast revenue requirement of the project over the ten-year rate stability period (using fully allocated OM&amp;A costs) and rate base amount at the end of year ten.</b></p> <p><b>Complete the tables below:</b></p> <p><b>Revenue Requirement</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th style="text-align: left;">Description</th> <th style="text-align: center;">Year 1</th> <th style="text-align: center;">Year 2...</th> <th style="text-align: center;">Year 10</th> <th style="text-align: center;">Total</th> </tr> <tr> <td>Revenue Requirement</td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th style="text-align: left;">Description</th> <th style="text-align: center;">Year 10</th> </tr> <tr> <td>Closing Rate Base</td> <td></td> </tr> </table> <p>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</p> <p>Please refer to Schedule 8U-2, Table 4.3.</p>	Description	Year 1	Year 2...	Year 10	Total	Revenue Requirement					Description	Year 10	Closing Rate Base	
Description	Year 1	Year 2...	Year 10	Total											
Revenue Requirement															
Description	Year 10														
Closing Rate Base															

<b>Part V – Section 36.2 Funding</b>	
5.1	<p><b>Provide the total amount of section 36.2 funding needed to support the project.</b></p> <p>\$109,011,394</p> <p>Please refer to Schedule 8U-2, Table 5.1.</p>
5.2	<p><b>Provide the section 36.2 funding amount per customer number served in year ten of the project.</b></p> <p>\$12,112,377</p> <p>Please refer to Schedule 8U-2, Table 5.2.</p>
5.3	<p><b>Provide the section 36.2 funding amount per volume (m<sup>3</sup>) in year ten of the project.</b></p> <p>\$0.40</p> <p>Please refer to Schedule 8U-2, Table 5.3.</p>



<b>Part VI – Distribution Charge</b>	
6.1	<p><b>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period.</b></p> <p><b>Provide a confirmation that there would be no material cross-subsidization between rate classes.</b></p> <p>N/A</p> <p>Please refer to Schedule 8U-2, Table 6.1 for Incremental Distribution Revenues.</p> <p>Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.</p>

<b>Part VII – Profitability Index / Benefit to Cost Ratio</b>	
7.1	<p><b>Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support.</b></p> <p><b>The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects).</b></p> <p>Please refer to Schedule 8U-2, Table 7.1.</p>
7.2	<p><b>Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding.</b></p> <p>Please refer to Schedule 8U-2, Table 7.2.</p>

<b>Part VIII – OEB Approvals</b>	
8.1	<p><b>Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order).</b></p> <ul style="list-style-type: none"> <li>• Leave to Construct</li> </ul>
8.2	<p><b>For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's <a href="#">website</a> and where applicable assume a written hearing process.</b></p> <p>Please refer to Schedule 8U-4.</p>

May 5, 2020

### **Haldimand – Nanticoke Regional Expansion Project Expression of Interest and Capacity Request Form**

To serve a growing demand for natural gas in the Haldimand – Nanticoke region, Enbridge Gas Inc. (“**Enbridge**”) is pleased to announce this Expression of Interest to expand the existing natural gas system to serve this area (see attached map on page 3).

This Haldimand – Nanticoke Regional Expansion Project (the “**Project**”) could provide up to 50,000 m<sup>3</sup>/hour of additional natural gas capacity to serve new and existing business customers in this developing area, depending upon location. The potential Project is targeting incremental large volume commercial, industrial and greenhouse growth planned to develop over the next five to ten years and could be in-service as early as fall 2022.

Enbridge Gas recognizes that with the COVID-19 pandemic, many businesses are currently facing significant challenges however in an attempt to leverage Ontario's [Natural Gas Expansion Support Program](#) the process must move forward at this time.

The development of this Project is contingent upon sufficient market support, approval of the Project by the Ontario Energy Board (“**OEB**”) and government funding support. If sufficient demand is demonstrated, Enbridge Gas, with the support of Haldimand County, will apply for funding from the Ontario government's [Natural Gas Expansion Support Program](#), with the goal of making the Project economically viable for customers in the area. Assuming the Project is successful in obtaining adequate funding and sufficient customer interest is expressed, the estimated Hourly Allocation Factor for incremental capacity for customers would be in the range of \$250 - \$350 per m<sup>3</sup>/hour. By targeting this range, Enbridge Gas is trying to ensure the Project is economic for customers. This allocation will address the facilities needed to serve the area shown on the attached map (page 3). This allocation does not include costs that are required to serve each specific customer such as new facilities built at the customer's site. The customer allocation and any customer specific service costs will be subject to an economic review based on OEB approved guidelines.

Enbridge Gas will consider the size and location of all requests for new capacity in designing the optimal facilities. If insufficient customer interest or required government funding is not forthcoming, the Project is unlikely to proceed as proposed.

Capacity would be available for the following services, depending on market support:

1. New firm distribution service
2. Conversion of existing interruptible distribution service to firm service

This Expression of Interest process closes, and completed Expressions of Interest Bid Forms are due, no later than **12:00 p.m. EDT on May 13, 2020.**

### **Service Description and Details**

1. As this Project requires a significant capital investment by Enbridge Gas, the term of the customer's natural gas distribution contracts will be no less than five years and not to exceed 20 years; and/or may include upfront payments for capacity and/or negotiated rates above currently posted. The facilities, rates and services included in this Expression of Interest will be subject to OEB approval, securing adequate government funding, and sufficient interest being received to justify a Project.
2. Submitting an Expression of Interest form:  
If you wish to participate in this Expression of Interest in the **Haldimand – Nanticoke Regional Expansion Project**, please complete, sign and return the attached non-binding Expression of Interest Bid Form via email to [Economic.Development@enbridge.com](mailto:Economic.Development@enbridge.com). Completed forms must be returned by email on or before 12 p.m. EDT on May 13, 2020

### **Expression of Interest Process and Bid Form**

This process is designed to gauge interest in the Project and to assist Enbridge Gas with determining the optimal facility requirements to meet market needs and prepare an application to the Natural Gas Expansion Support Program. Enbridge Gas will acknowledge receipt of all Bid Forms by email on or before end of day on May 13, 2020. Enbridge Gas in its sole discretion reserves the right to reject any and all proposals received. The returned Bid Forms will be time-stamped by the date on the email.

Any suggested contractual Condition(s) Precedent that the customer proposes should be clearly articulated and attached to the Bid Form and will be considered during the capacity allocation process.

Enbridge Gas anticipates allocating capacity on a preliminary and conditional basis to successful bidders no later than June 5<sup>th</sup>, 2020. Subject to a government funding approval (expected in 4Q 2020), successful bidders will then be asked to commit to the capacity by executing a Letter of Indemnity or an Enbridge Gas Distribution Contract or Letter of Agreement to more formally support the need for the project. **Any updates to the EOI process or timelines will be posted online here:** [www.enbridgegas.com/Haldimand-NanticokeExpansion](http://www.enbridgegas.com/Haldimand-NanticokeExpansion)

If you have any questions about the Haldimand – Nanticoke Regional Expansion Project, please contact your account manager or one of the following:

Blair Auton  
Sr. Analyst New Business  
Projects  
(289) 649-2066  
[Blair.Auton@enbridge.com](mailto:Blair.Auton@enbridge.com)

Enzo Greco  
Advisor Construction Project  
Management  
(289) 649-2061  
[Enzo.Greco@enbridge.com](mailto:Enzo.Greco@enbridge.com)

Wayne Passmore  
Specialist,  
Economic Development  
(519) 436-5356  
[Wayne.Passmore@enbridge.com](mailto:Wayne.Passmore@enbridge.com)

### **Map of proposed project service area**

The map below outlines the area that is under consideration for a potential project to expand natural gas capacity. All potential large volume commercial, greenhouse or industrial customers considering developments within this area over the next five to ten years are encouraged to participate in this Non-Binding Expression of Interest. Customer economics improve with economies of scale and proximity to any potential new facilities.



## **Expression of Interest Non-Binding Bid Form:**

Please complete, sign and return this Expression of Interest Non-Binding Bid Form ("**Bid Form**") on or **before 12:00 p.m. EDT on May 13, 2020**, via email to [Economic.Development@enbridge.com](mailto:Economic.Development@enbridge.com)

Based on the responses received through this Bid Form, Enbridge Gas will be able to define the optimal facilities required to support market needs and apply for needed funding support. Enbridge Gas will determine whether to proceed with the Project, as proposed or with a refined scope, or not at all, based on the assessment of the results from this signed Bid Form and project economics. Customers may only submit one Bid Form per property. Bid Forms will be treated as confidential and only aggregated or non-identifiable data will be used to support the Natural Gas Expansion Support Program funding application.

Property address: \_\_\_\_\_  
911 address X,Y (latitude and longitude, if known)

- ☐ **New firm natural gas needs.** An increase of existing firm gas needs at the current location (i.e. new equipment, new processes), or a new firm gas load as a result of a new build.
- New firm service, requesting \_\_\_\_\_ m<sup>3</sup>/hr; Starting Date: \_\_\_\_\_ (mmm/dd/year)
- Ultimate incremental gas needs (within next 10 years): \_\_\_\_\_ m<sup>3</sup>/hr (please provide details on estimated timing of increases)

- ☐ **Conversion from interruptible distribution service to firm distribution service.** The amount of incremental firm distribution service needed net of any existing firm distribution service.
- Conversion of interruptible distribution service to firm service, requesting \_\_\_\_\_ m<sup>3</sup>/hr.
- Starting Date: \_\_\_\_\_ (mmm/dd/year)

### **Economic Development impacts related to incremental gas needs:**

Number of net new jobs related to this expansion: \_\_\_\_\_ direct + \_\_\_\_\_ indirect = \_\_\_\_\_ total

Number of current jobs at risk if economical access to gas is not available: \_\_\_\_\_

Capital investment by Customer at the site conditional on economical access to gas: \$\_\_\_\_\_

Please detail any other benefits from increased access to gas (lower GHG emissions or costs by displacing an alternative energy source etc.): \_\_\_\_\_

Total Incremental distribution service capacity (New firm + conversion): \_\_\_\_\_ m<sup>3</sup>/hour.

Total job impacts related to economical access to natural gas (total new + current "at risk"): \_\_\_\_\_ jobs

**Customer Conditions Precedent:** If the Customer's Expression of Interest is subject to Conditions Precedent, (please attach a separate page with details if space insufficient):

Customer's legal name: \_\_\_\_\_

Name of Authorized Representative: \_\_\_\_\_  
Please Print Signature

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

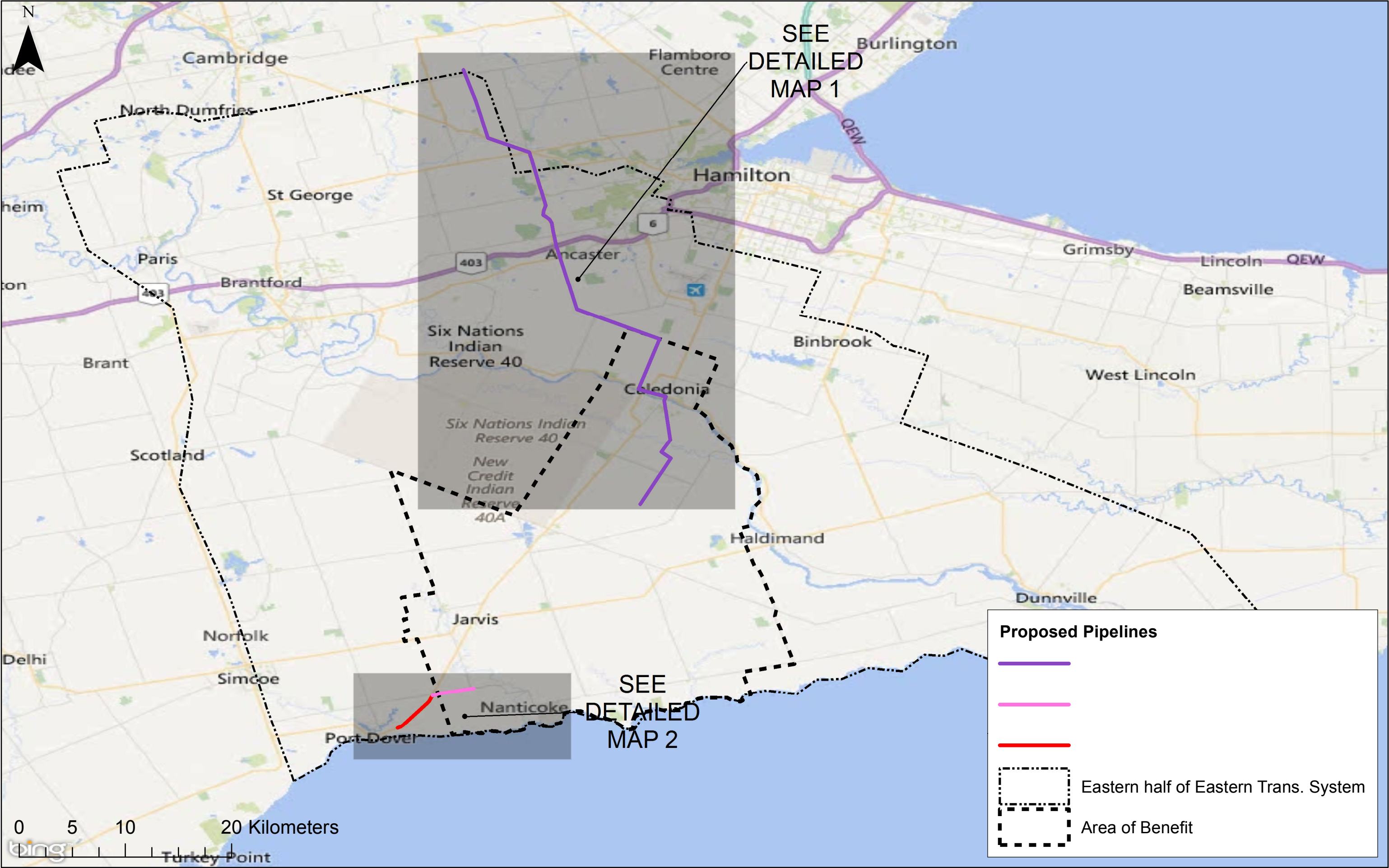
Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2020

**Schedule 8U-1**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Nanticoke Regional Expansion Project**



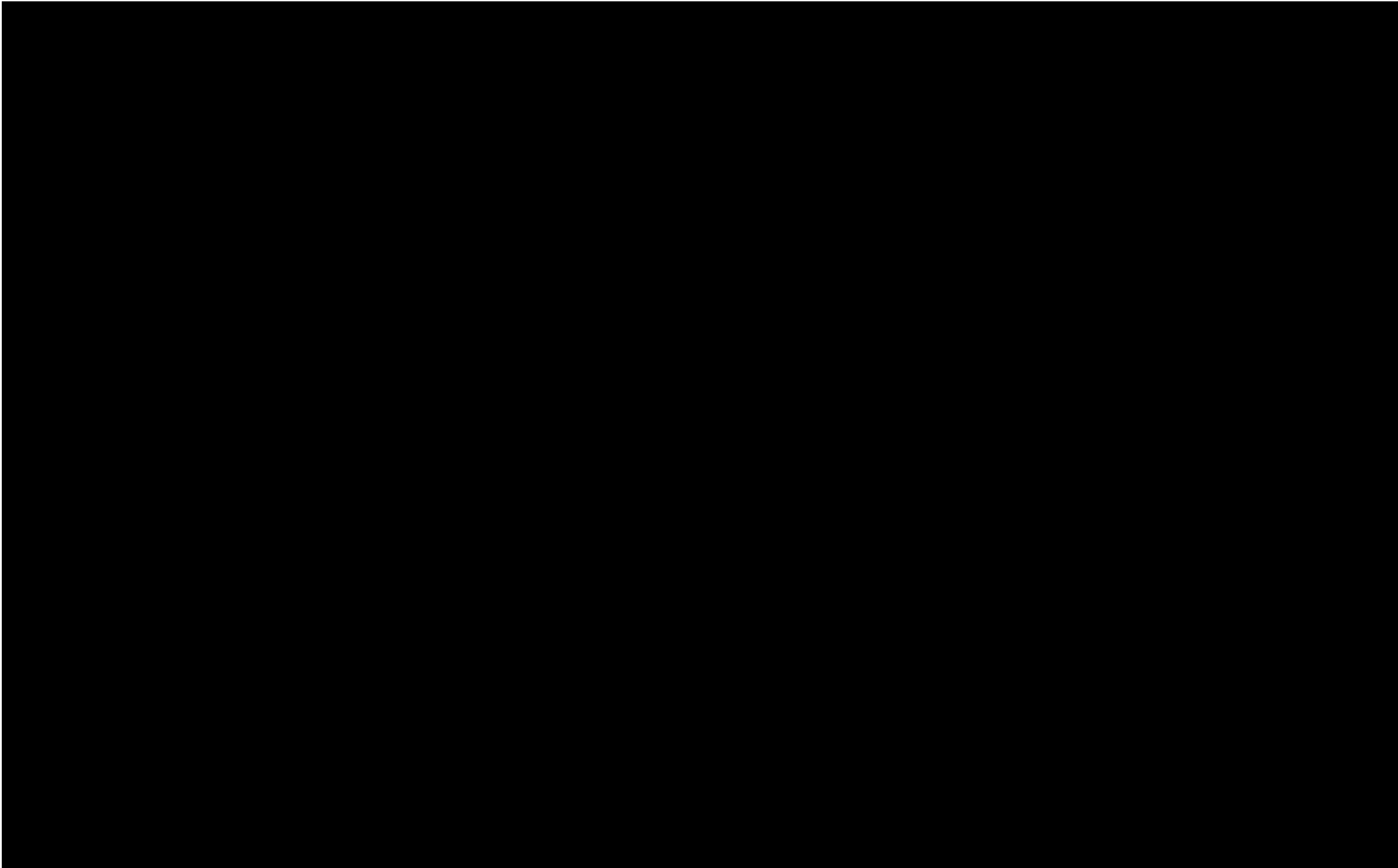
# Haldimand - Nanticoke Regional Expansion (Overview)

EB-2019-0255  
Schedule 8U-1(a)  
Redacted

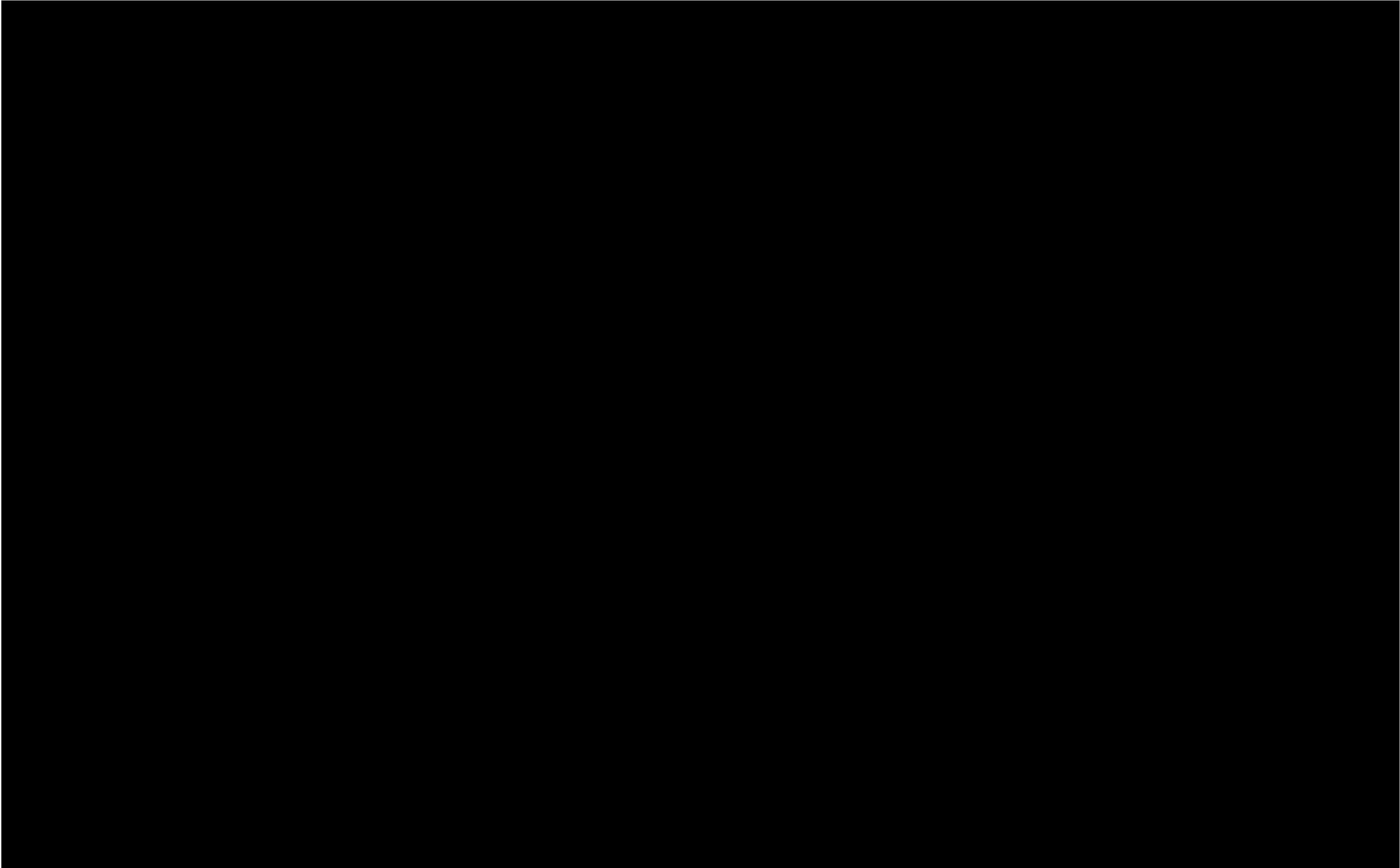




# Haldimand - Nanticoke Regional Expansion (Detailed Map 1)



# Haldimand - Nanticoke Regional Expansion (Detailed Map 2)



**Schedule 8U-2**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Nanticoke Regional Expansion Project**

The tables below exclude the growth and costs associated with the Small Volume Component of the Project

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Residential	Firm		-	-	-	-	-	-	-	-	-	-	-
Commercial bidders	Firm		3	-	1	-	-	-	-	-	-	-	4
Institutional bidders	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural bidders	Firm		2	-	-	-	-	-	-	-	-	-	2
Industrial bidders	Firm		2	-	-	1	-	-	-	-	-	-	3
Total Customers that bid during EOI process			<u>7</u>	<u>=</u>	<u>1</u>	<u>1</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	
Cumulative Customers			7	7	8	9	9	9	9	9	9	9	

Table 3.3 - Annual and Cumulative Volumes Over The Rate Stability Period (m3)

<u>Customer Type</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Residential		-	-	-	-	-	-	-	-	-	-	-
Commercial		2,386,876	5,700,594	6,604,882	7,749,225	11,046,952	12,109,270	13,800,466	16,930,547	18,040,661	18,040,661	112,410,132
Institutional		-	-	-	-	-	-	-	-	-	-	-
Agricultural		4,299,333	4,299,333	4,299,333	5,523,333	5,523,333	5,523,333	5,523,333	5,523,333	5,523,333	5,523,333	51,561,333
Industrial		191,932,333	191,932,333	196,932,333	245,280,113	245,280,113	250,280,113	250,280,113	250,280,113	250,280,113	250,280,113	2,322,757,790
Total Volumes		<u>198,618,542</u>	<u>201,932,260</u>	<u>207,836,548</u>	<u>258,552,671</u>	<u>261,850,399</u>	<u>267,912,716</u>	<u>269,603,912</u>	<u>272,733,993</u>	<u>273,844,107</u>	<u>273,844,107</u>	<u>2,486,729,256</u>

<u>Customer Type</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential		-	-	-	-	-	-	-	-	-	-	-
Commercial		2,386,876	8,087,470	14,692,352	22,441,577	33,488,529	45,597,799	59,398,264	76,328,811	94,369,472	112,410,132	
Institutional		-	-	-	-	-	-	-	-	-	-	-
Agricultural		4,299,333	8,598,667	12,898,000	18,421,333	23,944,667	29,468,000	34,991,333	40,514,667	46,038,000	51,561,333	
Industrial		191,932,333	383,864,666	580,796,999	826,077,112	1,071,357,225	1,321,637,338	1,571,917,451	1,822,197,564	2,072,477,677	2,322,757,790	
Total Volumes		<u>198,618,542</u>	<u>400,550,803</u>	<u>608,387,351</u>	<u>866,940,022</u>	<u>1,128,790,421</u>	<u>1,396,703,137</u>	<u>1,666,307,049</u>	<u>1,939,041,042</u>	<u>2,212,885,149</u>	<u>2,486,729,256</u>	

Table 4.2 - Total Capital Costs At End Of The Rate Stability Period

	<u>Year 10</u>	
Total Capital Costs Large Volume Component		Large Volume component of the project only

Table 4.3 - Revenue Requirement Over The Rate Stability Period

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Revenue Requirement - Large Volume Component - net of funding											

	<u>Year 10</u>
Closing Rate Base (net of proposed Section 36.2 funding)	



The tables below exclude the growth and costs associated with the Small Volume Component of the Project

Table 7.2 - Profitability Index (PI) Without Section 36.2 Funding

	Net Present Value
Cash Inflow	
Revenue:	
Distribution Revenue	
System Expansion Surcharge (SES) Revenue	
Total Revenue (A)	
Expenses:	
O&M Expense	
Municipal Tax	
Income Tax	
Total Expenses (B)	
Total Cash Inflow (C = A + B)	
Cash Outflow	
Gross Capital	
Change in Working Capital	
Total Cash Outflow (D)	
Profitability Index (PI) Without Section 36.2 Funding (C / D)	

**Schedule 8U-4**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Nanticoke Regional Expansion Project**

## Haldimand - Nanticoke Regional Expansion Project Pipeline Construction Schedule

[illegible]



**Schedule 8U-5**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Nanticoke Regional Expansion Project**



May 22, 2020

Enbridge Gas Inc.  
50 Kell Drive  
Chatham, ON N7M 5M1

To whom it may concern:

**RE: Request to Support Projects for the Natural Gas Expansion Support Program**

Please be advised that on [REDACTED], Haldimand County Council adopted the following resolution:

1. THAT Report [REDACTED] Request to Support Projects for the Natural Gas Expansion Support Program be received;
2. AND THAT the following resolution be endorsed:

WHEREAS Haldimand County has identified opportunities for natural gas expansion and growth in [REDACTED] ) and [REDACTED] given their strategic location;

AND WHEREAS existing natural gas infrastructure in Nanticoke, specifically [REDACTED] and [REDACTED] is limited and is a detriment to expanding existing businesses or attracting new large customers;

AND WHEREAS the [REDACTED] were recently identified by the Province of Ontario as provincially significant employment lands;

AND WHEREAS the communities of Featherstone and Springvale are currently without natural gas service and the residents of both areas and Haldimand County are supportive of obtaining natural gas service to these residents;

AND WHEREAS having limited access to natural gas puts Haldimand County at a distinct disadvantage to attracting new investment and making energy more affordable for rural residents;

AND WHEREAS Ontario's Natural Gas Expansion Support Program provides an opportunity for funding to help make natural gas expansion in Haldimand County more affordable for residents and businesses;

AND WHEREAS Enbridge Gas Inc. has recommended that Haldimand County's contribution toward the project costs equivalent to the municipal portion of property taxes recovered on the new infrastructure for a period of ten (10) years would demonstrate the community's support for the proposed project,

NOW THEREFORE BE IT RESOLVED THAT the two applications submitted by Enbridge Gas Inc. for the hamlets of Featherstone and Springvale be fully supported;

AND THAT an annual grant to Enbridge Gas Inc., equivalent to the annual incremental property tax that would be recovered on the new natural gas infrastructure for Featherstone and Springvale projects be approved for a period of 10 years;

AND THAT upon confirmation that Featherstone and Springvale projects are successful through the Natural Gas Expansion Support Program a Municipal Capital Facilities agreement and by-laws be established and presented to Council for endorsement;

AND THAT the two applications for Haldimand-Nanticoke and Haldimand-Dunnville, submitted by Enbridge Gas Inc. to the Natural Gas Expansion Support Program, be supported and the request for a financial contribution for the projects be supported in principle, with details of the County's financial support, in terms of both duration and amount, to be confirmed once project details are finalized;

AND THAT upon confirmation that the Haldimand-Nanticoke and Haldimand-Dunnville projects are successful through the Natural Gas Expansion Support Program a Municipal Capital Facilities agreement and by-laws will be established and presented to Council for endorsement;

AND THAT a copy of this resolution be forwarded along with the applications being made by Enbridge Gas Inc. to the Ontario government's Natural Gas Expansion Support Program;

AND THAT the Expression of Interest forms for anticipated increased gas capacity at the [REDACTED] and [REDACTED], be approved.



Central Administration Building  
53 Thorburn St. S.  
Cayuga, ON N0A 1E0  
[www.HaldimandCounty.ca](http://www.HaldimandCounty.ca)

---

Should you require further information, please contact Lidy Romanuk, Manager, Economic Development & Tourism at 905-318-5932, extension 6342.

Sincerely,

A handwritten signature in black ink, appearing to read "E Evelynbaum", written in a cursive style.

Evelyn Eichenbaum  
Manager, Citizen & Legislative Services/Clerk

EE/tc

cc Lidy Romanuk

**Schedule 8U-6**  
**Enbridge Gas Community Expansion Project Proposal**  
**Haldimand-Nanticoke Regional Expansion Project**

Ontario Energy  
Board

Commission de l'Énergie  
de l'Ontario



RP-2003-0039  
EB-2003-0047

**IN THE MATTER OF** the *Municipal Franchises Act*, R.S.O.  
1990, c. M.55, as amended;

**AND IN THE MATTER OF** an application by Union Gas  
Limited for an order cancelling and replacing the existing  
Certificates of Public Convenience and Necessity for the County  
of Brant.

**Before:**

Art Birchenough  
Presiding Member

Ken McCann  
Member

**ORDER GRANTING A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

Union Gas Limited ("Union") filed a application dated February 20, 2003 (the "Certificate Application") with the Ontario Energy Board (the "Board") under the *Municipal Franchises Act*, R.S.O. 1990, c. M.55 as amended (the "Act") for an order cancelling the existing Certificates of Public Convenience and Necessity for the predecessor municipalities of the County of Brant (the City of Fort William (F.B.C. 70) and the City of Port Arthur (F.B.C. 71)) and replacing them with a Certificate of Public Convenience and Necessity for the new County of Brant. The Board has assigned File No. RP-2003-0039/EB-2003-0047 to this Certificate Application.

The Board's Notice of Application was published on March 21, 2003. There were no intervenors. On April 30, 2003 the Board issued a Notice of Written Hearing. No party satisfied the Board that there was a good reason for not holding a written hearing. The replacement Certificate does not grant Union any additional rights to those it held under the predecessor certificates, and is requested by Union in order to recognize new municipal boundaries.

The Board found that, based on the evidence, granting the Certificate Application was in the public interest.

**THE BOARD THEREFORE ORDERS THAT:**

1. The existing Certificates of Public Convenience and Necessity for the County of Brant (F.B.C. 259), the Town of Paris (F.B.C. 259), the Township of Brantford (F.B.C. 259), the Township of Burford (F.B.C. 259 and E.B.C. 5), the Township of Oakland (E.B.C. 169 and E.B.C. 210), the Township of Onondaga (F.B.C. 259), and the Township of South Dumfries (F.B.C. 259) are cancelled and replaced with a single Certificate of Public Convenience and Necessity for the County of Brant (EB-2003-0047).).
2. A Certificate of Public Convenience and Necessity is granted to Union Gas Limited to construct works to supply gas in the City of Brant (EB-2003-0047).

**DATED** at Toronto, July 9, 2003.  
**ONTARIO ENERGY BOARD**



Peter H. O'Dell  
Assistant Board Secretary

**EB-2006-0284**

## **Certificate of Public Convenience and Necessity**

The Ontario Energy Board hereby grants

### **Union Gas Limited**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply gas to

### **The City of Hamilton**

This certificate replaces the certificates of the former municipalities that are now within the City of Hamilton.

**DATED** at Toronto, February 6, 2007

ONTARIO ENERGY BOARD

*Original signed by*

Mark C. Garner  
Managing Director, Market Operations



**EB-2006-0275**

## **Certificate of Public Convenience and Necessity**

The Ontario Energy Board hereby grants

### **Union Gas Limited**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply gas to

### **Haldimand County**

This certificate replaces the certificates of the former municipalities that are now within Haldimand County.

**DATED** at Toronto, January 15, 2007

ONTARIO ENERGY BOARD

*Original signed by*

Mark C. Garner  
Managing Director, Market Operations

F.B.C. 259

ONTARIO FUEL BOARD

IN THE MATTER OF The Municipal Franchises  
Act, R.S.O. 1950, Chapter 249, as amended;

AND IN THE MATTER OF an Application by  
Union Gas Company of Canada, Limited to  
the Ontario Fuel Board for approval of  
the Board to construct works to supply  
and/or to supply gas in the under-mentioned  
Municipalities.

B E F O R E:

A. R. Crozier, Esquire, Chairman, and	} Tuesday, the	
D. M. Treadgold, Esquire, Q.C., and		} 10th day of
J. J. Wingfelder, Esquire, Commissioners		

B E T W E E N:

UNION GAS COMPANY OF CANADA, LIMITED

- and -

City of Brantford,	Township of Dereham,
City of Galt,	Township of Dunn,
City of St. Thomas,	Township of Dunwich,
City of Woodstock,	Township of East Oxford,
Town of Delhi,	Township of Glanford,
Town of Dunnville,	Township of Gosfield North,
Town of Hespeler,	Township of Gosfield South,
Town of Ingersoll,	Township of Houghton,
Town of Kingsville,	Township of Mersea,
Town of Leamington,	Township of Middleton,
Town of Paris,	Township of Moulton,
Town of Port Dover,	Township of North Cayuga,
Town of Preston,	Township of North Dorchester,
Town of Simcoe,	Township of North Dumfries,
Town of Tillsonburg,	Township of North Walsingham,
Village of Caledonia,	Township of Oneida,
Village of Cayuga,	Township of Onondaga,
Village of Cottam,	Township of Orford,
Village of Dorchester,	Township of Rainham,
Village of Dutton,	Township of Seneca,
Village of Fingal,	Township of Sherbrooke,
Village of Hagersville,	Township of South Cayuga,
Village of Highgate,	Township of South Dumfries,
Village of Jarvis,	Township of South Walsingham,
Village of Lambeth,	Township of Southwold,
Village of Port Rowan,	Township of Townsend,
Village of Port Stanley,	Township of Walpole,
Village of Rodney,	Township of Westminster,
Village of Shedden,	Township of West Oxford,
Village of Waterford,	Township of Windham,
Village of West Lorne,	Township of Woodhouse,
Village of Wheatley,	Township of Yarmouth,
Township of Aldborough,	County of Brant,
Township of Ancaster,	County of Elgin,
Township of Barton,	County of Haldimand,
Township of Bayham,	County of Middlesex,
Township of Binbrook,	County of Norfolk,
Township of Brantford,	County of Oxford,
Township of Burford,	County of Waterloo,
Township of Canboro,	County of Wentworth.
Township of Charlotteville,	

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON Application of Union Gas Company of Canada, Limited

to the Ontario Fuel Board pursuant to Section 8 of The Municipal Franchises Act, R.S.O. 1950, Chapter 249, as amended, for approval of the said Board to construct works to supply and to supply gas in each of the Municipalities above mentioned; upon the hearing of such Application by the Board at its Offices, 4 Richmond Street East, in the City of Toronto and Province of Ontario on the 10th day of June, 1958, after due Notice of such hearing had been given as directed by the Board; in the presence of Counsel for the Applicant, Counsel for Central Pipeline Company Limited and United Development Company Limited, Counsel for the City of Galt, Counsel for the Town of Kingsville and the Townships of Gosfield South and Mersea and Counsel for S. J. Putman, Esquire of Kingsville; upon hearing the evidence adduced, the exhibits filed and Counsel aforesaid;

THIS BOARD DOTH CERTIFY, pursuant to Section 8 of The Municipal Franchises Act, R.S.O. 1950, Chapter 249, as amended, that public convenience and necessity appear to require that approval of the Ontario Fuel Board shall be and the same is hereby given to Union Gas Company of Canada, Limited to construct works to supply and to supply gas in each and all of the Municipalities above named, except in those certain areas and to those certain persons more particularly set forth in Schedule "A" hereto.

AND THIS BOARD DOTH FURTHER ORDER that the costs of this Application fixed at the sum of \$250.00 be paid forthwith to the Board by the Applicant.

DATED at Toronto, Ontario, this 17th day of March, A.D. 1959.

ONTARIO FUEL BOARD

"A. R. Crozier"

Chairman

"D. M. Treadgold"

Commissioner

"J. J. Wingfelder"

Commissioner

THIS IS SCHEDULE "A" TO THE WITHIN  
CERTIFICATE OF PUBLIC CONVENIENCE  
AND NECESSITY DATED THE        DAY  
OF        , 1959.

---

A. TOWNSHIP OF WESTMINSTER

- (i) All of Lot 1 in Concession B.
- (ii) The north half of Lot 1 in Concession 1.
- (iii) Those persons in the south half of Lot 1 in Concession 1 and in the north half of Lot 1 in Concession 2 receiving natural gas from any person other than Union Gas Company of Canada, Limited on the date of this Certificate.
- (iv) The south half of Lot 1 in Concession 2.
- (v) All of Lots 1, 2 and 3 in Concessions 3, 4, 5 and 6.
- (vi) All of Lots 1, 2, 3, 4 and 5 in Concession 7.
- (vii) All of Lots 3, 4 and 5 in Concession 8.

B. TOWNSHIP OF NORTH DORCHESTER

- (i) All of Lot 24 in Concession A.
- (ii) The north half of Lot 24 in Concession B.
- (iii) Those persons in the south half of Lot 24 in Concession B and in the north half of Lot 24 in Concession 1 receiving natural gas from any other person than Union Gas Company of Canada, Limited on the date of this Certificate.
- (iv) The south halves of Lots 21, 22, 23 and 24 in Concession 1.
- (v) All of Lots 21, 22, 23 and 24 in Concessions 2, 3, 4, 5 and 6.
- (vi) Those persons in the south halves of Lots 8 and 9 in Concession B and in the north halves of Lots 8 and 9 in Concession 1 receiving natural gas from any other person than Union Gas Company of Canada, Limited on the date of this Certificate.
- (vii) The south halves of Lots 6, 7, 8, 9 and 10 in Concession 1.
- (viii) All of Lots 6, 7, 8, 9 and 10 in Concessions 2, 3, 4, 5 and 6.

C. TOWNSHIP OF YARMOUTH

- (i) All of Lots 14, 15, 16 and 17 in Concession 15.
- (ii) All of Lots 13, 14, 15, 16 and 17 in Concession 14.
- (iii) All of Lots 19, 20, 21, 22, 23 and 24 in Concession 10, in Range II North of Edgeware Road, in Range I North of Edgeware Road and in Range I South of Edgeware Road.

- (iv) All of Lots 67, 68, 69, 70, 71, 72 and 73 in Concession 9 (North Talbot Road) and in Concession 8 (South Talbot Road).
- (v) All of Lots 22, 23, 24, 25, 26, 27 and 28 in Concessions 7, 6 and 5.
- (vi) All of Lots 21, 22, 23, 24, 25, 26, 27 and 28 in Concessions 4, 3, 2 and 1.

D. TOWNSHIP OF DEREHAM

- (i) All of Lots 15 to 24 both inclusive in Concession 1.
- (ii) All of Lots 15 to 28 both inclusive in Concessions 2 to 12 both inclusive.

E. TOWNSHIP OF BAYHAM

- All of the Municipality except,
  - (i) All of Lots 15, 16, 17, 18, 19, 20 and 21 in Concession 11.
  - (ii) All of Lots 20, 21, 22, 23, 24 and 25 in Concession 10.
  - (iii) All of Lots 20, 21, 22, 23, 24, 25, 26, 27 and 28 in Concession 9.
  - (iv) The north half of Lot 20 in Concession 8.
  - (v) All that part of Lot 21 in Concession 8 lying north of the most southerly point of intersection of The Canadian Pacific Railway right-of-way with King's Highway No. 19.
  - (vi) All that part of Lot 21 in Concession 8 lying between the southerly limit of King's Highway No. 19 and the location on the date of this Certificate of a 4" gas main of Union Gas Company of Canada, Limited which runs in a general easterly direction from King's Highway No. 19 to the easterly limit of such Lot.
  - (vii) All those parts of Lots 22, 23, and 24 in Concession 8 lying north of the road which runs in a general easterly and westerly direction through such Lots.
  - (viii) The south halves of Lots 22, 23 and 24 and the south six-tenths of Lots 25 and 26, all in Concession 8 but reserving however to any other person supplying natural gas therein on the date of this Certificate the right to continue to supply to the consumers receiving such gas on the date of this Certificate.
  - (ix) All of Lot 28 in Concession 8.

F. TOWNSHIP OF HOUGHTON

- All of the Municipality except,
  - (i) All of Gore Lot "A".
  - (ii) The north half of Gore Lot "B".

G. TOWNSHIP OF MIDDLETON

- (i) The south quarters of Lots 1 and 2 in Concession 1, North Talbot Road.
- (ii) All of Lots 1 and 2 in Concessions 1 and 2, South Talbot Road.

H. TOWNSHIP OF NORTH WALSINGHAM

- (i) All of Lots 1 in Concessions 13 and 14.
- (ii) All of Lots 1 to 5 both inclusive in Concessions 7 and 8.

I. TOWNSHIP OF SOUTH WALSINGHAM

- (i) Marsh Lot in front of Gore Lot A in Range B.
  - (ii) Gore Lot A in Range B.
  - (iii) Gore Lot B in Range A.
  - (iv) Gore Lot C in Concession 1.
  - (v) Gore Lot D in Concession 2.
  - (vi) Gore Lot E in Concession 3.
  - (vii) Marsh Lots 1, 2, 3, 4 and 5 in front of Lots 1, 2, 3, 4 and 5 respectively in Range B.
  - (viii) Lots 1 to 5 both inclusive in each of Ranges A and B.
  - (ix) Lots 1 to 5 both inclusive in Concessions 1 to 6 both inclusive.
-

**Schedule A1**  
**EB-2017-0108-A1**

**Certificate of Public Convenience and Necessity**

The Ontario Energy Board hereby grants

**Enbridge Gas Inc.**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply gas to

**Norfolk County**

as it is constituted on the date of this Decision and Order, in the following areas:

All of the former Townships of Windham and Charlotteville

All of the former Townships of Woodhouse and Townsend, excluding those parts lying in Haldimand County

All of the former Township of Middleton, excluding those parts lying in Oxford County and excluding the following:

- Concession North Side of Talbot Road East – South quarter of Lots 142 and 143
- Concession South Side of Talbot Road East – All of Lots 142 and 143
- Concession 2 South Side of Talbot Road East – All of Lot 1

All of the former Township of Walsingham, excluding those parts lying in the following:

- The Whole of Marsh Lots 1 to 5 (Inclusive)
- Concession B – All of Lots 1 to 5 (Inclusive)
- Concession A – All of Lots 1 to 5 (Inclusive)
- Concessions 1 to 6 – All of Lots 1 to 5 (Inclusive)
- Concession 7 – All of Lots 1 and 3 (but including 220 and 230 8<sup>th</sup> Concession Road located within the northern half of Lot 3), and the south halves of Lots 2, 4 and 5
- Concession 8 – All of Lot 1
- Concession 11 – All of Lot 1
- Concession 12 – All of Lot 1
- Concession 13 – All of Lot 1
- Concession 14 – All of Lot 1

Former Township of Houghton:

- All of Gore Lot A
- The north half of Gore Lot B

**DATED** at Toronto, October 17, 2019

**ONTARIO ENERGY BOARD**

Pascale Duguay  
Manager, Natural Gas



**Schedule 8V**  
**Enbridge Gas Community Expansion Project Proposal**  
**Hamilton Airport Regional Expansion Project**

**Enbridge Gas Inc.**  
**Potential Projects to Expand Access to Natural Gas Distribution**

<b>Part I – Name of Proponent</b>	
Name of Proponent: Enbridge Gas Inc.	File No: EB-2019-0255
Project Name: <a href="#">Hamilton Airport Regional Expansion Project (Economic Development)</a>	
Address of Head Office: 50 Keil Drive North Chatham, ON N7M 5M1	Telephone Number: 519-436-4600
Name of Individual to Contact:  Patrick McMahon	Office Telephone Number: 519-436-5325
	Cell Phone Number: 519-437-0759
	Email Address: <a href="mailto:patrick.mcmahon@enbridge.com">patrick.mcmahon@enbridge.com</a>

<b>Part II – Description of Proponent’s Technical Expertise and Financial Capability</b>
<p><i>Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.</i></p> <p><i>A proponent that is not currently rate-regulated as a natural gas distributor by the OEB and that has multiple proposed projects is only required to provide the information in this Part once, unless the proponent has different organizational or financial structure approaches for its projects. In that case, the information in this Part must be provided for each different organizational or financing structure.</i></p>

<b>Part II – Description of Proponent’s Technical Expertise and Financial Capability</b>	
2.1	<p><b>Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system.</b></p> <p>N/A</p>
2.2	<p><b>Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following:</b></p> <ul style="list-style-type: none"> <li>• <b>Current credit rating of the proponent, its parent or associated companies.</b></li> <li>• <b>Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual.</b></li> <li>• <b>If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets.</b></li> </ul> <p><b>New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available.</b></p> <p>N/A</p>

## Part III – Description of and Support for Project

3.1

Redacted

**Provide a general overview of the project, which is to include the following: communities to be connected, including whether the project would serve any on-reserve Indigenous communities; existing population of each community by residential, commercial/institutional and industrial sectors; routing; length of pipeline; and nominal pipe size.**

Enbridge Gas is proposing an Economic Development Project, similar in approach to the Chatham-Kent Rural Pipeline project from Phase 1 of the Natural Gas Expansion Program (NGEP), to serve the growing business needs in and around the Hamilton Airport Employment Growth District and Red Hill Business Park lands. This area has existing natural gas infrastructure that is constrained such that significant upstream reinforcement of the pipeline network and local mains is required to facilitate growth. The proposed project has been designed to accommodate the sum of the large volume growth identified through an Expression of Interest process as well as small volume regular rate growth served from the same pipeline system, expected to occur through to 2030.

Rationale for considering Economic Development Projects: Strategic infrastructure investments underpin the quality of life and provide the foundation for business growth and competitiveness in Ontario. This Economic Development Project proposal focuses on meeting the needs of businesses that are in a part of Ontario positioned for growth.

The key benefits of providing economic access to natural gas for businesses are the resulting jobs and investment that this facilitates in the host communities. Phase 1 of the NGEP included a specific stream and separate evaluation criteria for Economic Development Projects like the Chatham-Kent Rural Pipeline Expansion Project. Enbridge Gas believes that whether looking at a small community many kilometres from a gas main, or a large business already using gas but looking to expand, the issue and solution is often the same: if the business or community cannot afford the costs that result from traditional economics, access to gas becomes economically out of reach and the benefits are not realized without financial assistance.

Background on Expression of Interest Process: From December 2019 through to the end of April 2020, Enbridge Gas worked with existing large volume gas customers and local Economic Development officials in and around the project area to identify potential growth requirements on a preliminary basis. Several potential projects were identified and considered.

In order to collect specific customer needs to determine the optimal design of the project, Enbridge Gas conducted an Expression of Interest process in early May 2020. All existing large volume customers in the proposed Area of Benefit were contacted and local municipal Economic Development professionals assisted in identifying additional growth opportunities. All potential bidders for incremental capacity were sent information as posted on the project webpage: <https://www.enbridgegas.com/HamiltonAirportExpansion> (attached as Schedule 8V-3.1A) and were invited to submit bids with their details on their incremental firm natural gas requirements.

Under EBO 188 guidelines, when one or more large volume customers are driving the

need for reinforcement, they must bear an allocation of the costs of the project. In Enbridge Gas' experience, if those allocations and subsequent feasibility assessments result in significant up-front contribution in aid of construction (CIAC) payments being required, even with a long-term gas service agreements, the customers will often cancel their business plans, move it to another part of the province, or move out of the province to another jurisdiction entirely.

Enbridge Gas, in conjunction and on behalf of the customers requesting capacity, is proposing funding from the NGEP for this project to improve the economic viability of the project and to ensure the customers' developments can proceed as proposed. Many of the bidders indicated that their proposed business growth relies on a proximity to the Hamilton Airport.

Expression of Interest results: Enbridge Gas received 12 completed and signed non-binding bid forms requesting incremental firm natural gas capacity totaling 7,942 m<sup>3</sup>/hour. All 12 bids provided details on the Economic Development aspects of their business plans. In aggregate they indicated that if they could proceed as proposed, they would collectively be investing \_\_\_\_\_ of private investment and creating \_\_\_\_\_ direct new jobs and \_\_\_\_\_ indirect jobs. This jobs and investment information is a summary of the data provided by bidders through their Expression of Interest bids to Enbridge Gas.

Project design considerations: The Area of Benefit associated with the Hamilton Airport Regional Expansion Project is embedded within the eastern half of the Eastern Transmission System (refer to maps under Schedule 8V-1) and is served from multiple sources of high-pressure gas including multiple interconnections to the Dawn to Parkway system and the TC Energy system.

The pipeline solution to serve the Project was also designed to meet the needs of the expected small volume growth over the entire eastern half of the Eastern Transmission system to ensure the optimal design and achieve all potential synergies and economies of scale. The forecast of small volume regular rate growth expected to occur out to 2030 over this broader area is 15,686 m<sup>3</sup>/hour. This consists of annual incremental growth of 1,262 new residential, 65 small commercial, 4 large commercial and 1 small new industrial customers. Of this annual growth served by the small volume component of the project, 126 residential and 2 small commercial customers are anticipated annually within the Area of Benefit for this project. As this small volume growth is embedded within areas of the province already with access to natural gas, they do not meet the definition of a "new community" and therefore they are not factored into this submission. The area will however benefit from the overall project. Without the demands associated with the large volume component of the project, Enbridge Gas will likely be proposing one or more system expansion projects over the coming years to serve the needs of the small volume growth. By combining the demands of the bidders and the small volume growth, economies of scale can be realized that can result in more economically efficient projects.

Project Segmentation and the Hourly Allocation Factor Approach: The Hourly Allocation Factor (HAF) approach has been used on four prior occasions by Enbridge Gas to allocate project costs to large volume customers in a fair and equitable manner. The Chatham-Kent Rural Pipeline Project (EB-2018-0188), which was a successful recipient of funding under Phase 1 of the NGEP, used the HAF process to allocate costs and was

placed into service in November 2019. The CK Rural Project and others were the template for a generic proposal currently before the Board (EB-2020-0094) and the process proposed for the economics with this project are consistent with the evidence in that proceeding.

Enbridge Gas is proposing to use the Hourly Allocation Factor process to allocate cost and capacity using a threshold of eligibility of 50 m<sup>3</sup>/h. The portion of the facilities costs needed for all customers requesting 50 m<sup>3</sup>/h or more are in the large volume component (being 29.5% of the project) and all those under 50 m<sup>3</sup>/h are in the small volume component (being 70.5% of the project) as per the following table.

Customer Segment	Growth (m <sup>3</sup> /h)	% capital allocation	Project Cost Allocation (millions)
Large volume component (bidders in the Area of Benefit)	7,942	29.5%	_____
Small volume component (general service growth)	15,686	70.5%	_____
Total	23,628	100%	_____

Economic Approach: Under this proposal, any NGEP funding received would be used to offset the capital allocation for the large volume component of the project and reduce the HAF applicable within the Area of Benefit. Without any funding the HAF would be \_\_\_\_\_ (\_\_\_\_\_). A review of each of the 12 bidder volume forecasts shows that if sufficient funding is received to lower the HAF down to \_\_\_\_\_, all but three of the 12 will be able to achieve a PI of 1.0 within 15 years on their portion of the HAF allocated costs. The remaining three will require a longer than 15-year term, an agreement with a premium to posted rate or a CIAC to cover their HAF allocated costs. This preliminary PI calculation excludes the customer's specific costs (such as customer station and service costs) which would be included for each customer's final feasibility assessment.

SES Considerations: Enbridge Gas proposes that since the Area of Benefit is not a new community, as there are multiple existing gas pipelines and customers in the area, the System Expansion Surcharge (SES) would not apply. This is consistent with the approach used and approved in CK Rural (EB-2018-0188).

The small volume component of the project (i.e., that portion that will be serving the residential growth) is not part of this proposal and would be addressed through the traditional regulatory mechanisms associated with a stand-alone project of the same scale and scope.

Proposed Facilities: The proposed reinforcement facilities that will be needed to serve the total demands identified include:

- 12 km of NPS12 steel pipe at 6,160 kPa, starting at \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ in Brant County, \_\_\_\_\_ following road allowances and/or existing rights of way, parallel to the existing NPS12 pipeline \_\_\_\_\_, ending about \_\_\_\_\_ near \_\_\_\_\_

- \_\_\_\_\_ in Brant County.
- 3 km of NPS4 steel pipe at 1,860 kPa, parallel to the existing NPS2 pipeline along \_\_\_\_\_, starting \_\_\_\_\_ (\_\_\_\_\_, \_\_\_\_\_), in Haldimand County, then \_\_\_\_\_ in Norfolk County.
  - Upgrades at four stations: Two stations near Caledonia (15X-401 1A and 15X-401 2A located \_\_\_\_\_), in Haldimand County, the Brantford gate station (16U-601 1A on \_\_\_\_\_, \_\_\_\_\_ in Brant County) and the Kirkwall – Dominion gate station with TC Energy (16W-606 on \_\_\_\_\_, \_\_\_\_\_ in the City of Hamilton)
  - 1.692 km of NPS6 polyethylene pipe at 420kPa \_\_\_\_\_ starting at \_\_\_\_\_, \_\_\_\_\_ (parallel to an existing NPS2 polyethylene pipeline) in the City of Hamilton.
  - 0.7 km of NPS4 polyethylene pipe at 420 kPa, \_\_\_\_\_, \_\_\_\_\_, (parallel to the existing NPS2 polyethylene pipeline) in the City of Hamilton.
  - 0.46 km of NPS4 polyethylene pipe at 420 kPa \_\_\_\_\_, \_\_\_\_\_ in the City of Hamilton .
  - Rebuilding two stations to accommodate increased flow in the City of Hamilton (16X-604R near the intersection of \_\_\_\_\_ and \_\_\_\_\_ and 15X-105R 1A near the intersection of \_\_\_\_\_ and \_\_\_\_\_)

The approximate length and size of the pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Steel	12	12,000
Steel	4	3,000
Polyethylene	6	1,692
Polyethylene	4	702
Polyethylene	4	460

Economies of scale with multiple Eastern Transmission system projects: This batch of NGEF submissions of Economic Development Projects includes three projects that are interconnected within the Eastern Transmission System pipeline network: Hamilton Airport Regional Expansion Project, the Haldimand – Nanticoke Regional Expansion Project and the Haldimand – Dunnville Regional Expansion Project. Each has been designed and submitted as a “stand-alone” Economic Development Project. Collectively they identify a requirement of \_\_\_\_\_ of capital. There are, however, economies of scale and if all three projects were to proceed as one larger project, the capital required would likely drop by approximately 39%.

Please refer to Schedule 8V-1 for Project Maps.

3.2	<p><b>Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.</b></p> <p>Please refer to Schedule 8V-2, Table 3.2.</p>
3.3	<p><b>Provide the annual and cumulative forecast of volumes (in m<sup>3</sup>) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community.</b></p> <p><b>For the residential segment, the default value for the average consumption level is 2,200 m<sup>3</sup> per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default.</b></p> <p>Please refer to Schedule 8V-2, Table 3.3.</p>
3.4	<p><b>Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system.</b></p> <p><b>Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided.</b></p> <p>N/A - Since these are all requests for incremental natural gas capacity, there are no conversion-related costs.</p>



3.5	<p><b>Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.</b></p> <p>Please refer to Schedule 8V-4 for Proposed Construction Schedule.</p>
3.6	<p><b>Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support.</b></p> <p>Please refer to Schedule 8V-5 for the letter of support from the City of Hamilton.</p>
3.7	<p><b>Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder.</b></p> <p><b>Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project.</b></p> <p>Please refer to Schedule 8V-6 for Enbridge's CPCNs for the County of Brant (RP-2003-0039 / EB-2003-0047), the City of Hamilton (EB-2006-0284) and Haldimand County (EB-2006-0275) which cover the entire area of the proposed project.</p>
<b>Part IV – Cost of Project</b>	
4.1	<p><b>Confirm that the proposed project includes a ten-year rate stability period.</b></p> <p>The proposed project does include a ten-year rate stability period.</p>

4.2

**Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten).**

**Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).**

**For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs.**

**Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences.**

Please refer to Schedule 8V-2, Table 4.2. Costs include the Large Volume component of the project only and not any customer specific costs.

4.3

**Provide the total annual forecast revenue requirement of the project over the ten-year rate stability period (using fully allocated OM&A costs) and rate base amount at the end of year ten.**

**Complete the tables below:**

**Revenue Requirement**

Description	Year 1	Year 2...	Year 10	Total
Revenue Requirement				

Description	Year 10
Closing Rate Base	

**Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).**

Please refer to Schedule 8V-2, Table 4.3.

<b>Part V – Section 36.2 Funding</b>	
5.1	<p><b>Provide the total amount of section 36.2 funding needed to support the project.</b></p> <p>\$10,331,404</p> <p>Please refer to Schedule 8V-2, Table 5.1.</p>
5.2	<p><b>Provide the section 36.2 funding amount per customer number served in year ten of the project.</b></p> <p>\$860,950</p> <p>Please refer to Schedule 8V-2, Table 5.2.</p>
5.3	<p><b>Provide the section 36.2 funding amount per volume (m<sup>3</sup>) in year ten of the project.</b></p> <p>\$1.23</p> <p>Please refer to Schedule 8V-2, Table 5.3.</p>
<b>Part VI – Distribution Charge</b>	
6.1	<p><b>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period.</b></p> <p><b>Provide a confirmation that there would be no material cross-subsidization between rate classes.</b></p> <p>N/A</p> <p>Please refer to Schedule 8V-2, Table 6.1 for Incremental Distribution Revenues.</p> <p>Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.</p>

<b>Part VII – Profitability Index / Benefit to Cost Ratio</b>	
7.1	<p><b>Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support.</b></p> <p><b>The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects).</b></p> <p>Please refer to Schedule 8V-2, Table 7.1.</p>
7.2	<p><b>Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding.</b></p> <p>Please refer to Schedule 8V-2, Table 7.2.</p>

<b>Part VIII – OEB Approvals</b>	
8.1	<p><b>Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order).</b></p> <ul style="list-style-type: none"> <li>• Leave to Construct</li> </ul>
8.2	<p><b>For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB’s <a href="#">website</a> and where applicable assume a written hearing process.</b></p> <p>Please refer to Schedule 8V-4.</p>

April 28, 2020

### **Hamilton Airport Regional Expansion Project Expression of Interest and Capacity Request Form**

To serve a growing demand for natural gas in the region in an around the Hamilton International Airport, Enbridge Gas Inc. (“**Enbridge**”) is pleased to announce this Expression of Interest to expand the existing natural gas system to serve this area (see attached map on page 3).

This Hamilton Airport Regional Expansion Project (the “**Project**”) could provide up to 10,000 m<sup>3</sup>/hour of additional natural gas capacity to serve new and existing business customers in this developing area, depending upon location. The potential Project is targeting incremental large volume commercial and industrial growth planned to develop over the next five to ten years and could be in-service as early as fall 2022.

Enbridge recognizes that with the COVID-19 pandemic, many businesses are currently facing significant challenges however in an attempt to leverage Ontario’s [Natural Gas Expansion Support Program](#) the process must move forward at this time.

The development of this Project is contingent upon sufficient market support, approval of the Project by the Ontario Energy Board (“**OEB**”) and government funding support. If sufficient demand is demonstrated, Enbridge, with the support of the City of Hamilton, will apply for funding from the Ontario government’s [Natural Gas Expansion Support Program](#), with the goal of making the Project economically viable for customers in the area. Assuming the Project is successful in obtaining adequate funding and sufficient customer interest is expressed, the estimated Hourly Allocation Factor for incremental capacity for customers would be in the range of \$250 - \$350 per m<sup>3</sup>/hour. By targeting this range, Enbridge is trying to ensure the Project is economic for customers. This allocation will address the facilities needed to serve the area shown on the attached map (page 3). This allocation does not include costs that are required to serve each specific customer such as new facilities built at the customer’s site. The customer allocation and any customer specific service costs will be subject to an economic review based on OEB approved guidelines.

Enbridge will consider the size and location of all requests for new capacity in designing the optimal facilities. If insufficient customer interest or required government funding is not forthcoming, the Project is unlikely to proceed as proposed.

Capacity would be available for the following services, depending on market support:

1. New firm distribution service
2. Conversion of existing interruptible distribution service to firm service

This Expression of Interest process closes, and completed Expressions of Interest Bid Forms are due, no later than **12:00 p.m. EDT on May 13, 2020.**

**Service Description and Details**

1. As this Project requires a significant capital investment by Enbridge, the term of the customer's natural gas distribution contracts will be no less than five years and not to exceed 20 years; and/or may include upfront payments for capacity and/or negotiated rates above currently posted. The facilities, rates and services included in this Expression of Interest will be subject to OEB approval, securing adequate government funding, and sufficient interest being received to justify a Project.
2. Submitting an Expression of Interest form:  
If you wish to participate in this Expression of Interest in the **Hamilton Airport Regional Expansion Project**, please complete, sign and return the attached non-binding Expression of Interest Bid Form via email to [Economic.Development@enbridge.com](mailto:Economic.Development@enbridge.com). Completed forms must be returned by email on or before 12 p.m. EDT on May 13, 2020

**Expression of Interest Process and Bid Form**

This process is designed to gauge interest in the Project and to assist Enbridge with determining the optimal facility requirements to meet market needs and prepare an application to the Natural Gas Expansion Support Program. Enbridge will acknowledge receipt of all Bid Forms by email on or before end of day on May 13, 2020. Enbridge in its sole discretion reserves the right to reject any and all proposals received. The returned Bid Forms will be time-stamped by the date on the email.

Any suggested contractual Condition(s) Precedent that the customer proposes should be clearly articulated and attached to the Bid Form and will be considered during the capacity allocation process.

Enbridge anticipates allocating capacity on a preliminary and conditional basis to successful bidders no later than June 5<sup>th</sup>, 2020. Subject to a government funding approval (expected in 4Q 2020), successful bidders will then be asked to commit to the capacity by executing a Letter of Indemnity or an Enbridge Gas Distribution Contract or Letter of Agreement to more formally support the need for the project. **Any updates to the EOI process or timelines will be posted online here: [www.enbridgegas.com/HamiltonAirportExpansion](http://www.enbridgegas.com/HamiltonAirportExpansion)**

If you have any questions about the Hamilton Airport Regional Expansion Project, please contact your account manager or one of the following:

Blair Auton  
Sr. Analyst New Business  
Projects  
(289) 649-2066  
[Blair.Auton@enbridge.com](mailto:Blair.Auton@enbridge.com)

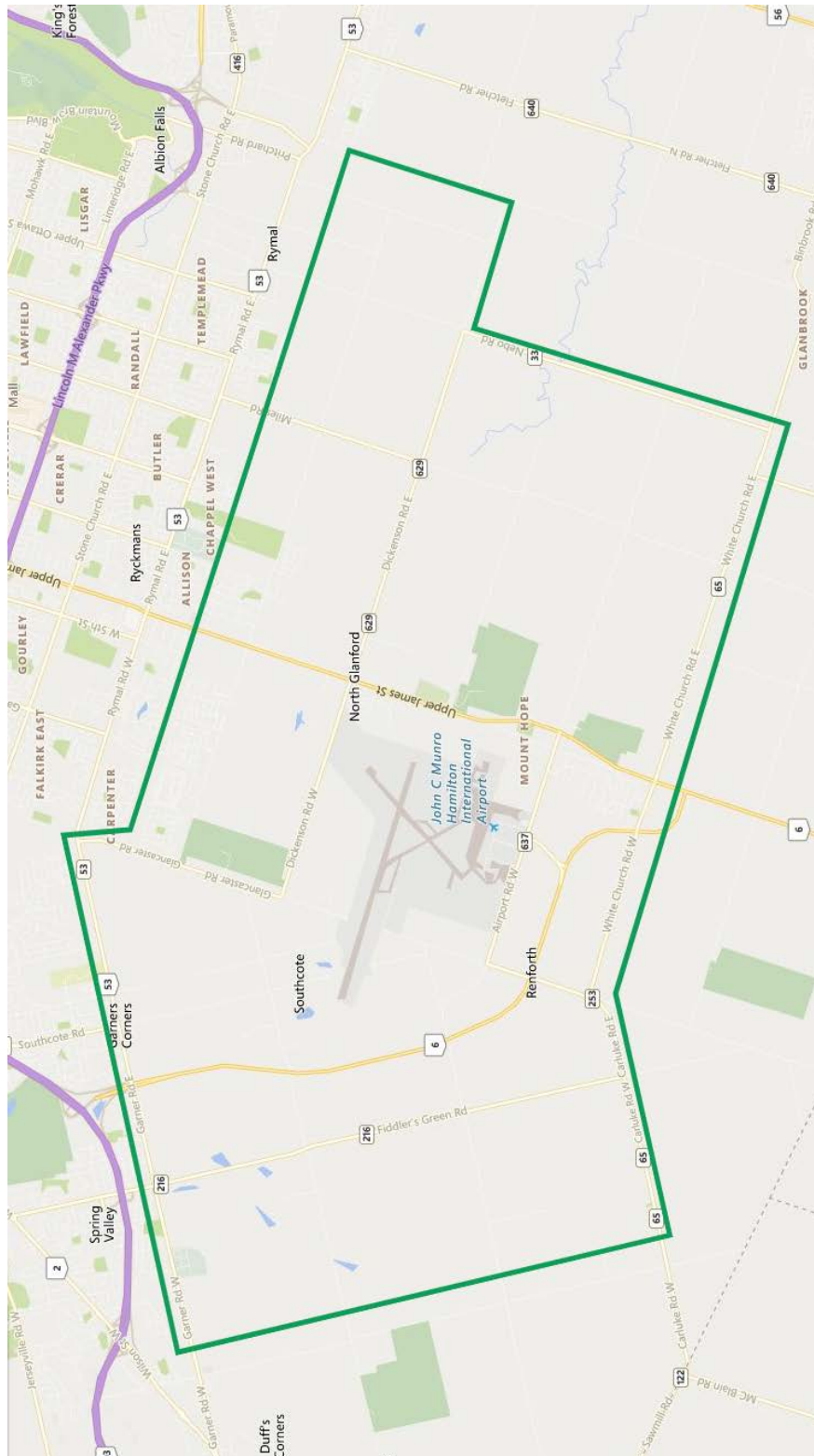
Enzo Greco  
Advisor Construction Project  
Management  
(289) 649-2061  
[Enzo.Greco@enbridge.com](mailto:Enzo.Greco@enbridge.com)

Wayne Passmore  
Specialist,  
Economic Development  
(519) 436-5356  
[Wayne.Passmore@enbridge.com](mailto:Wayne.Passmore@enbridge.com)

**Map of proposed project service area**

The map below outlines an area centered around the Hamilton International Airport and the Red Hill South Business Park that is under consideration for a potential project to expand natural gas capacity. All potential large volume commercial or industrial customers considering developments within this area over the next five to ten years are encouraged to participate in this Non-Binding

Expression of Interest. Customer economics improve with economies of scale and proximity to any potential new facilities.



## Expression of Interest Non-Binding Bid Form:

Please complete, sign and return this Expression of Interest Non-Binding Bid Form ("**Bid Form**") on or **before 12:00 p.m. EDT on May 13, 2020**, via email to [Economic.Development@enbridge.com](mailto:Economic.Development@enbridge.com)

Based on the responses received through this Bid Form, Enbridge will be able to define the optimal facilities required to support market needs and apply for needed funding support. Enbridge will determine whether to proceed with the Project, as proposed or with a refined scope, or not at all, based on the assessment of the results from this signed Bid Form and project economics. Customers may only submit one Bid Form per property. Bid Forms will be treated as confidential and only aggregated or non-identifiable data will be used to support the Natural Gas Expansion Support Program funding application.

Property address: \_\_\_\_\_  
911 address X,Y (latitude and longitude, if known)

- ☐ **New firm natural gas needs.** An increase of existing firm gas needs at the current location (i.e. new equipment, new processes), or a new firm gas load as a result of a new build.

New firm service, requesting \_\_\_\_\_ m<sup>3</sup>/hr; Starting Date: \_\_\_\_\_ (mmm/dd/year)

Ultimate incremental site potential gas needs (within next 10 years): \_\_\_\_\_ m<sup>3</sup>/hr

- ☐ **Conversion from interruptible distribution service to firm distribution service.** The amount of incremental firm distribution service needed net of any existing firm distribution service.

Conversion of interruptible distribution service to firm service, requesting \_\_\_\_\_ m<sup>3</sup>/hr.

Starting Date: \_\_\_\_\_ (mmm/dd/year)

### Economic Development impacts related to incremental gas needs:

Number of net new jobs related to this expansion: \_\_\_\_\_ direct + \_\_\_\_\_ indirect = \_\_\_\_\_ total

Number of current jobs at risk if economical access to gas is not available: \_\_\_\_\_

Capital investment by Customer at the site conditional on economical access to gas: \$\_\_\_\_\_

Please detail any other benefits from increased access to gas (lower GHG emissions or costs by displacing an alternative energy source etc.): \_\_\_\_\_

Total Incremental distribution service capacity (New firm + conversion): \_\_\_\_\_ m<sup>3</sup>/hour.

Total job impacts related to economical access to natural gas (total new + current "at risk"): \_\_\_\_\_ jobs

Customer Conditions Precedent: If the Customer's Expression of Interest is subject to Conditions Precedent, (please attach a separate page with details if space insufficient):

Customer's legal name: \_\_\_\_\_

Name of Authorized Representative: \_\_\_\_\_  
Please Print Signature

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

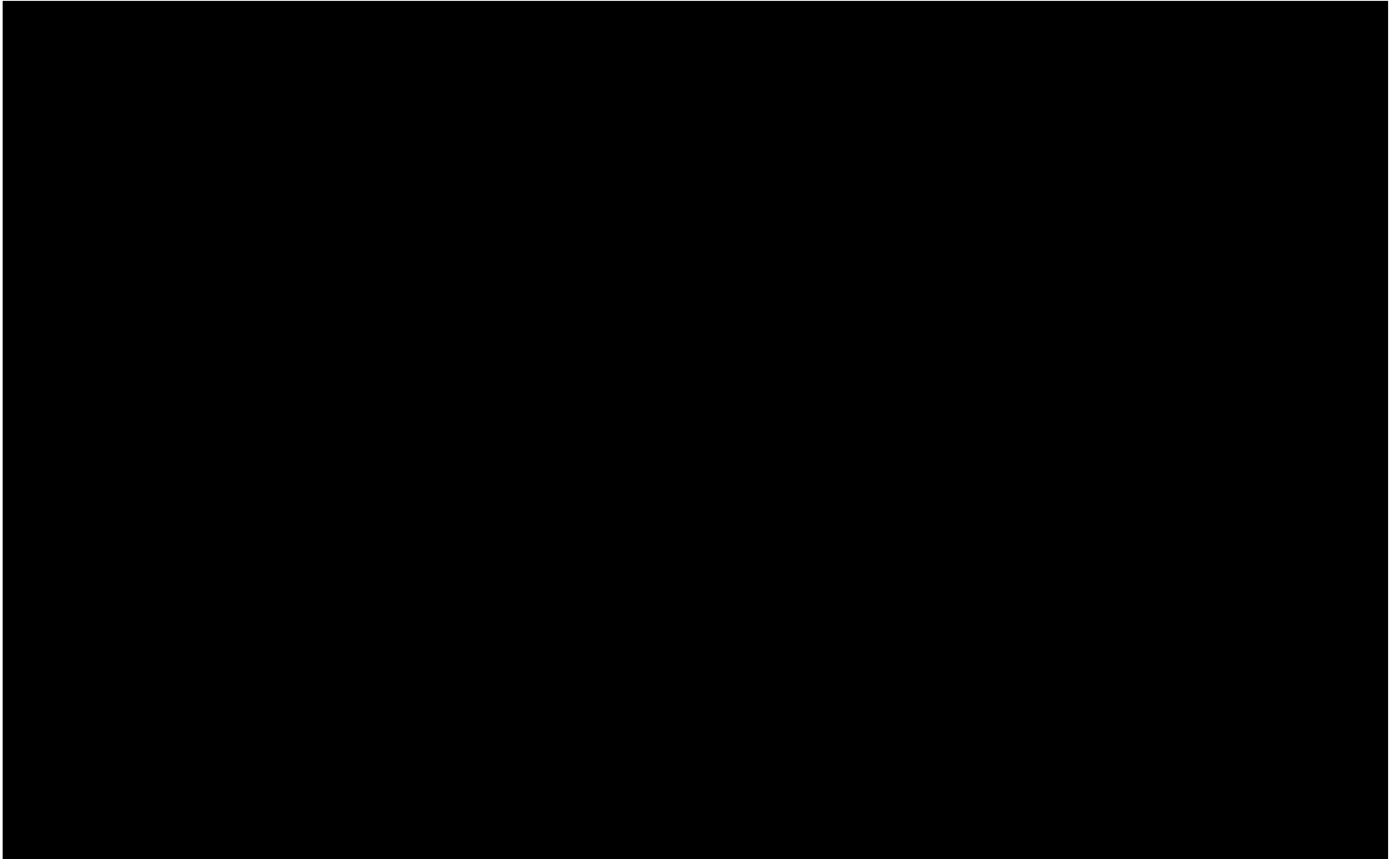
Dated this \_\_\_\_ day of \_\_\_\_\_, 2020



**Schedule 8V-1**  
**Enbridge Gas Community Expansion Project Proposal**  
**Hamilton Airport Regional Expansion Project**

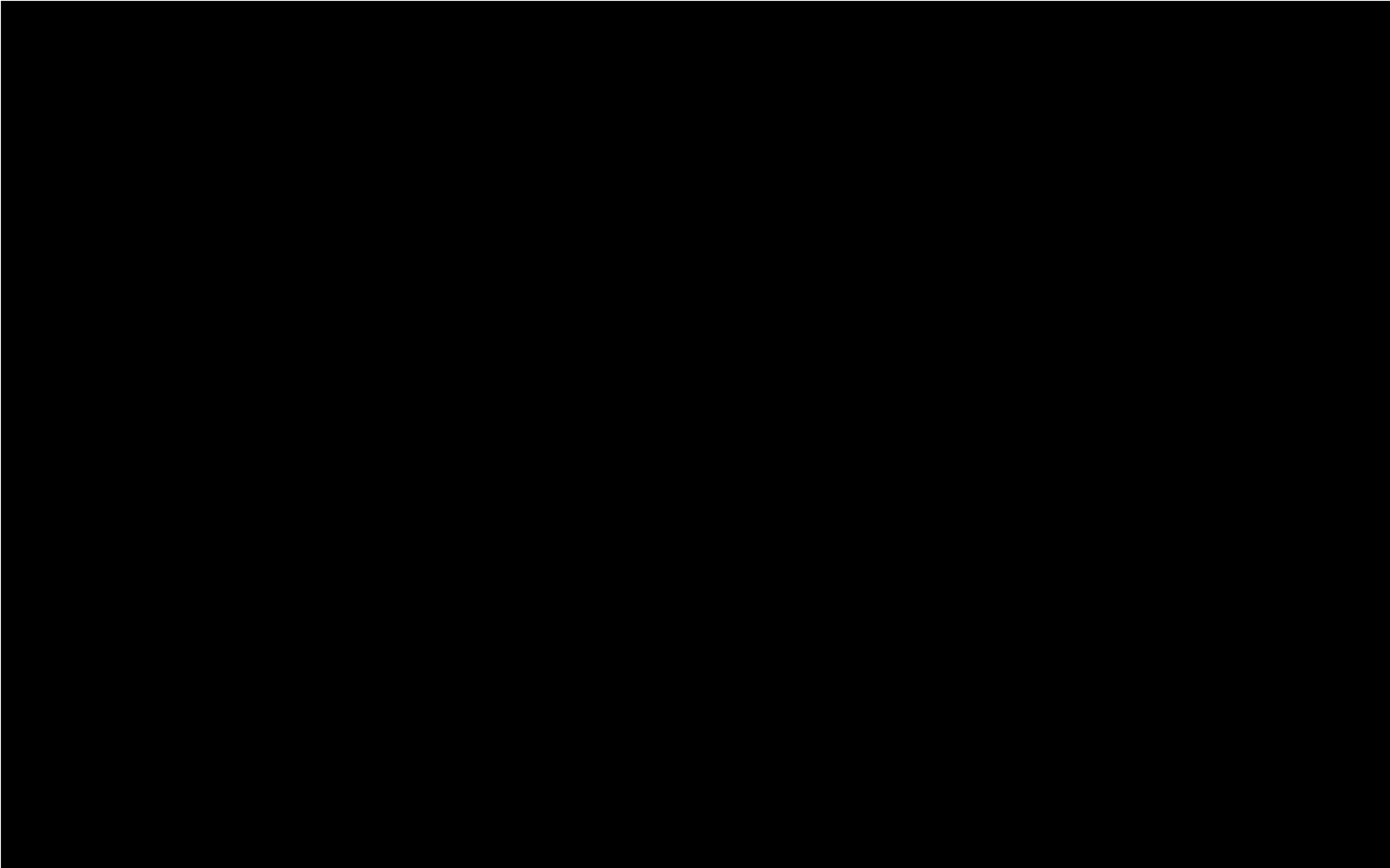
EB-2019-0255  
Schedule 8V-1(a)  
Redacted





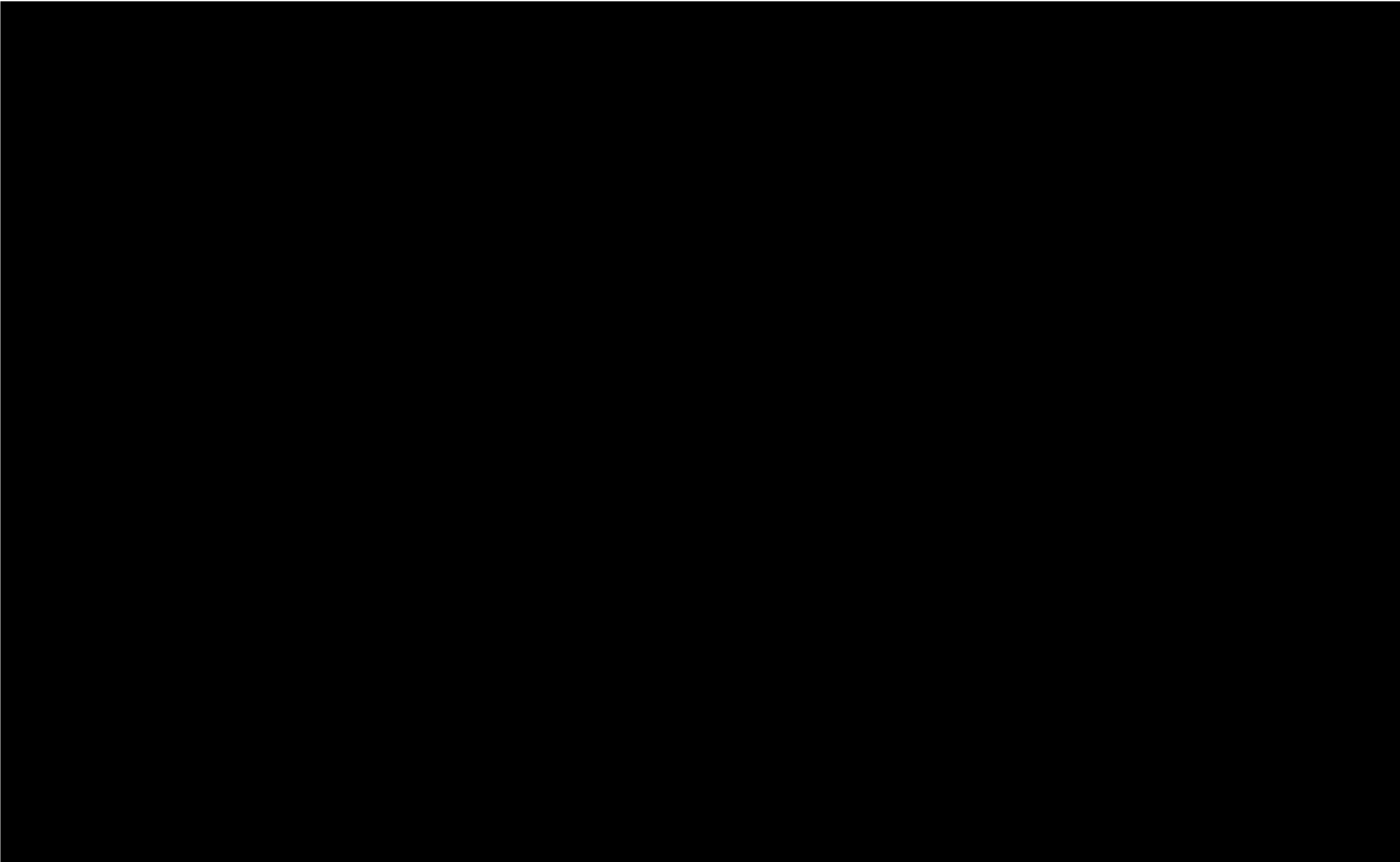
# Hamilton Airport Regional Expansion (Detailed Map 2)

EB-2019-0255  
Schedule 8V-1(c)



# Hamilton Airport Regional Expansion (Detailed Map 3)

EB-2019-0255  
Schedule 8V-1(d)



**Schedule 8V-2**  
**Enbridge Gas Community Expansion Project Proposal**  
**Hamilton Airport Regional Expansion Project**

The tables below exclude the growth and costs associated with the Small Volume Component of the Project

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Residential	Firm		-	-	-	-	-	-	-	-	-	-	-
Commercial bidders	Firm		11	1	-	-	-	-	-	-	-	-	12
Institutional bidders	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural bidders	Firm		-	-	-	-	-	-	-	-	-	-	-
Industrial bidders	Firm		-	-	-	-	-	-	-	-	-	-	-
Total Customers that bid during EOI process			<u>11</u>	<u>1</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	
Cumulative Customers			11	12	12	12	12	12	12	12	12	12	

Note: many of these bidders are developers that will ultimately have many commercial business customers at their sites

Table 3.3 - Annual and Cumulative Volumes Over The Rate Stability Period (m3)

<u>Customer Type</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Annual Volumes - m3</u>						<u>10</u>	<u>Total</u>
Residential		-	-	-	-	-	-	-	-	-	-	-	-
Commercial		5,234,514	6,014,514	6,478,514	6,778,514	7,478,514	7,778,514	7,978,514	8,188,514	8,388,514	8,388,514	8,388,514	72,707,143
Institutional		-	-	-	-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-	-	-	-
Industrial		-	-	-	-	-	-	-	-	-	-	-	-
Total Volumes		<u>5,234,514</u>	<u>6,014,514</u>	<u>6,478,514</u>	<u>6,778,514</u>	<u>7,478,514</u>	<u>7,778,514</u>	<u>7,978,514</u>	<u>8,188,514</u>	<u>8,388,514</u>	<u>8,388,514</u>	<u>8,388,514</u>	<u>72,707,143</u>

<u>Customer Type</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Cumulative Volumes - m3</u>						<u>10</u>	
Residential		-	-	-	-	-	-	-	-	-	-	-	
Commercial		5,234,514	11,249,029	17,727,543	24,506,057	31,984,571	39,763,086	47,741,600	55,930,114	64,318,629	72,707,143	72,707,143	
Institutional		-	-	-	-	-	-	-	-	-	-	-	
Agricultural		-	-	-	-	-	-	-	-	-	-	-	
Industrial		-	-	-	-	-	-	-	-	-	-	-	
Total Volumes		<u>5,234,514</u>	<u>11,249,029</u>	<u>17,727,543</u>	<u>24,506,057</u>	<u>31,984,571</u>	<u>39,763,086</u>	<u>47,741,600</u>	<u>55,930,114</u>	<u>64,318,629</u>	<u>72,707,143</u>		

Table 4.2 - Total Capital Costs At End Of The Rate Stability Period

Total Capital Costs Large Volume Component	<u>Year 10</u>	Large Volume component of the project only
--	----------------	--

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement - Large Volume Component - net of funding	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>

Closing Rate Base (net of proposed Section 36.2 funding)	<u>Year 10</u>	
--	----------------	--







The tables below exclude the growth and costs associated with the Small Volume Component of the Project

Table 7.2 - Profitability Index (PI) Without Section 36.2 Funding

	<u>Net Present Value</u>	
<u>Cash Inflow</u>		
Revenue:		
Distribution Revenue		
System Expansion Surcharge (SES) Revenue		
Total Revenue (A)		
Expenses:		
O&M Expense		
Municipal Tax		
Income Tax		
Total Expenses (B)		
Total Cash Inflow (C = A + B)		
<u>Cash Outflow</u>		
Gross Capital		
Change in Working Capital		
Total Cash Outflow (D)		
Profitability Index (PI) Without Section 36.2 Funding (C / D)		

**Schedule 8V-4**  
**Enbridge Gas Community Expansion Project Proposal**  
**Hamilton Airport Regional Expansion Project**

## Hamilton Airport Regional Expansion Project Pipeline Construction Schedule

[illegible]

**Schedule 8V-5**  
**Enbridge Gas Community Expansion Project Proposal**  
**Hamilton Airport Regional Expansion Project**



Hamilton

City Hall, 71 Main Street West  
Hamilton, Ontario,  
Canada L8P 4Y5  
www.hamilton.ca

Alvin Chan, Manager, Legislative Approvals / Staging of Development  
Planning and Economic Development Department  
Growth Management Division  
71 Main Street West, 6<sup>th</sup> Floor, Hamilton, ON L8P 4Y5  
Phone: 905.546.2424 Ext. 2978 Fax: 905.540-5611  
Email: Alvin.chan@hamilton.ca

June 5, 2020

Enbridge Gas Inc.  
50 Keil Drive North,  
Chatham, ON, Canada  
N7M 5M1

**Attention: Wayne Passmore**

**RE: City of Hamilton ("City") Letter of Support  
Enbridge Gas Inc. City of Hamilton Natural Gas Expansion Projects  
("Projects") for submission to the Ontario Energy Board; and, the Ministry of  
Energy Natural Gas Expansion Program**

---

Dear Wayne,

The City's interest in the five individual Projects relates to how it may impact the environmental and financial well-being of the municipality, as well as the health, safety and well-being of its inhabitants.

In review of these Projects for the expansion of natural gas services by Enbridge Gas Inc., to the Airport Employment Growth District and Red Hill Business Parks; and, the rural settlement areas of Rockton; Westover; Sheffield; and Alberton, be submitted to the Ontario Energy Board for application under the Ministry of Energy Natural Gas Expansion Program.

Accordingly, as per the Program Guidelines, **the City supports the expansion of natural gas services to the Airport Employment Growth District and Red Hill Business Parks; and, to the rural settlement areas of Rockton; Westover; Sheffield; and, Alberton. However, the City is not in a position to make any financial contributions to this Project**, as per the rationale documented below:

**Rationale for No Financial Contribution:**

**Financial Concerns:**

Staff was unable to document the financial implications of the individual Projects and requests for Financial Contribution, due to internal deadlines and availability of Council meetings.

**Subject: City of Hamilton (“City”) Letter of Support  
Enbridge Gas Inc. City of Hamilton Natural Gas Expansion Projects  
 (“Projects”) for submission to the Ontario Energy Board; and, the  
Ministry of Energy Natural Gas Expansion Program**

As such, the City was not provided sufficient time to complete a thorough financial analysis and evaluation of the potential implications of making a financial contribution to these projects.

In particular, albeit the City did receive mapping from Enbridge Gas Inc, additional information, including but not limited to, the type, length, and diameter of the pipeline, and the rate applied for property assessment purposes would be required together in consultation with the Municipal Property Assessment Corporation (MPAC) in order to validate the estimated property tax figure.

*Natural Heritage Concerns; Source Water Protection Concerns; Cultural and Built Heritage Concerns; Municipal Infrastructure Concerns; Climate Emergency; and, Emergency Response.*

In discussion with Enbridge Gas Inc., the preferred options and optimal route have not yet been established and will be completed should the Ministry approve a Grant for any of the five individual projects.

Accordingly, the City requests the opportunity under any project, to review and comment on any proposed options and / or routes; and potential conditions of approval, as part of any approval process, including, but not limited to, applications before the Ontario Energy Board.

Lastly, in the absence of a preferred option or route, the City was not provided sufficient time to evaluate partnering and the timing of project construction, in order to leverage other municipal works occurring along the same corridor for any of these projects.

Should you have any questions, please do not hesitate to contact the undersigned.

Sincerely,



Alvin Chan, BES, MCIP, RPP  
Manager, Legislative Approvals/Staging of Development  
Growth Management Division  
Planning and Economic Development Department  
71 Main Street West, 6<sup>th</sup> Floor  
Hamilton, ON, L8P 4Y5  
905-546-2424 Ext 2978  
[alvin.chan@hamilton.ca](mailto:alvin.chan@hamilton.ca)

**Subject: City of Hamilton (“City”) Letter of Support  
Enbridge Gas Inc. City of Hamilton Natural Gas Expansion Projects  
 (“Projects”) for submission to the Ontario Energy Board; and, the  
Ministry of Energy Natural Gas Expansion Program**

C.C. Jason Thorne, General Manager, Planning and Economic Development Department  
Tony Sergi, Senior Director, Growth Management Division  
Norm Schleeahn, Director, Economic Development Division  
Guy Paparella, Special Projects Manager, Growth Management Division  
Sue Rimac, Business Development Consultant, Economic Development Division  
Jennifer Patterson, Senior Business Development Consultant, Economic Development Division  
Councilor Brenda Johnson (Ward 11)  
Councilor Lloyd Ferguson (Ward 12)  
Councilor Arlene Vanderbeek (Ward 13)

**Schedule 8V-6**  
**Enbridge Gas Community Expansion Project Proposal**  
**Hamilton Airport Regional Expansion Project**



Ontario Energy  
Board

Commission de l'Énergie  
de l'Ontario



RP-2003-0039  
EB-2003-0047

**IN THE MATTER OF** the *Municipal Franchises Act*, R.S.O.  
1990, c. M.55, as amended;

**AND IN THE MATTER OF** an application by Union Gas  
Limited for an order cancelling and replacing the existing  
Certificates of Public Convenience and Necessity for the County  
of Brant.

**Before:**

Art Birchenough  
Presiding Member

Ken McCann  
Member

**ORDER GRANTING A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

Union Gas Limited ("Union") filed a application dated February 20, 2003 (the "Certificate Application") with the Ontario Energy Board (the "Board") under the *Municipal Franchises Act*, R.S.O. 1990, c. M.55 as amended (the "Act") for an order cancelling the existing Certificates of Public Convenience and Necessity for the predecessor municipalities of the County of Brant (the City of Fort William (F.B.C. 70) and the City of Port Arthur (F.B.C. 71)) and replacing them with a Certificate of Public Convenience and Necessity for the new County of Brant. The Board has assigned File No. RP-2003-0039/EB-2003-0047 to this Certificate Application.

The Board's Notice of Application was published on March 21, 2003. There were no intervenors. On April 30, 2003 the Board issued a Notice of Written Hearing. No party satisfied the Board that there was a good reason for not holding a written hearing. The replacement Certificate does not grant Union any additional rights to those it held under the predecessor certificates, and is requested by Union in order to recognize new municipal boundaries.

The Board found that, based on the evidence, granting the Certificate Application was in the public interest.

**THE BOARD THEREFORE ORDERS THAT:**

1. The existing Certificates of Public Convenience and Necessity for the County of Brant (F.B.C. 259), the Town of Paris (F.B.C. 259), the Township of Brantford (F.B.C. 259), the Township of Burford (F.B.C. 259 and E.B.C. 5), the Township of Oakland (E.B.C. 169 and E.B.C. 210), the Township of Onondaga (F.B.C. 259), and the Township of South Dumfries (F.B.C. 259) are cancelled and replaced with a single Certificate of Public Convenience and Necessity for the County of Brant (EB-2003-0047).).
2. A Certificate of Public Convenience and Necessity is granted to Union Gas Limited to construct works to supply gas in the City of Brant (EB-2003-0047).

**DATED** at Toronto, July 9, 2003.  
**ONTARIO ENERGY BOARD**



Peter H. O'Dell  
Assistant Board Secretary

**EB-2006-0284**

## **Certificate of Public Convenience and Necessity**

The Ontario Energy Board hereby grants

### **Union Gas Limited**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply gas to

### **The City of Hamilton**

This certificate replaces the certificates of the former municipalities that are now within the City of Hamilton.

**DATED** at Toronto, February 6, 2007

ONTARIO ENERGY BOARD

*Original signed by*

Mark C. Garner  
Managing Director, Market Operations

**EB-2006-0275**

## **Certificate of Public Convenience and Necessity**

The Ontario Energy Board hereby grants

### **Union Gas Limited**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply gas to

### **Haldimand County**

This certificate replaces the certificates of the former municipalities that are now within Haldimand County.

**DATED** at Toronto, January 15, 2007

ONTARIO ENERGY BOARD

*Original signed by*

Mark C. Garner  
Managing Director, Market Operations