Schedule 8I Enbridge Gas Community Expansion Project Proposal

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

Part I – Name of Proponent	
Name of Proponent:	File No:
Enbridge Gas Inc.	EB-2019-0255
Project Name: South Stormont (Ault Island)	Community Expansion Project
Address of Head Office:	Telephone Number:
50 Keil Drive North	519-436-4600
Chatham, ON N7M 5M1	
Name of Individual to Contact:	Office Telephone Number:
	519-436-5325
Patrick McMahon	Cell Phone Number:
	519-437-0759
	Email Address:
	patrick.mcmahon@enbridge.com

Part II – Description of Proponent's Technical Expertise and Financial Capability

Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.

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.

Part	II – Description of Proponent's Technical Expertise and Financial Capability
2.1	Describe the proponent's technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	 Describe the proponent's financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: Current credit rating of the proponent, its parent or associated companies. 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. 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.
	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.
	N/A

Part I	II – Description of and Sup	port for Project							
3.1	Provide a general overvie	w of the project, whic	h is to include the						
Redacted	following: communities to be connected, including whether the project								
	would serve any on-reserve Indigenous communities; existing population								
	of each community by res	sidential, commercial/	institutional and industrial						
	sectors; routing; length o								
	Enbridge Gas is proposing to expand the gas distribution service within the Township of South Stormont to the community of Ault Island. The proposed facilities will provide access to natural gas to a forecasted 145 customers (130 residential and 15 commercial / institutional).								
	Indeside at the corner of	and	ylene pipeline in the community of						
	supply line will run	towar	ds Ault Island, pass through						
	and end	at in the	e rownship of South Dundas.						
	Facilities are also proposed al Township of South Dundas.	long and	In the						
	Township of South Dundas.								
	The approximate length and s	ize of the distribution pipe	elines required:						
	Pipe Type	Diameter (NPS)	Length (m)						
	Polyethylene	2	11,300						
	Polyethylene	4	13,200						
	Steel	4	750						
	Please refer to Schedule 8	-1 for Project Map.							
3.2	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. Please refer to Schedule 8I-2, Table 3.2.								
		,							

3.3	Provide the annual and cumulative forecast of volumes (in m ³) over the ten- year rate stability period by residential, commercial/institutional and industrial sectors for each community.
	For the residential segment, the default value for the average consumption level is 2,200 m ³ 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.
	Please refer to Schedule 8I-2, Table 3.3.
3.4	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.
	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.
	Please refer to Schedule 8I-3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.
	Please refer to Schedule 8I-4 for Proposed Construction Schedule.
3.6	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.
	No letter of support has been provided by the local government in time for this project submission.

3.7	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.
	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.
	Please refer to Schedule 8I-6 for Enbridge's CPCNs for the Township of South Stormont (EB-2013-0259) and the Township of South Dundas (EB-2006-0142) which cover the entire area of the proposed project.
Part I	V – Cost of Project
4.1	Confirm that the proposed project includes a ten-year rate stability period.
	The proposed project does include a ten-year rate stability period.
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 8I-2, Table 4.2.

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	Veer 40	1						
	Description Closing Rate Base	Year 10							
			l						
	average GDP IPI FDD. For in use the OEB-prescribed inte (CWIP).	erest rate fo							
	Please refer to Schedule 8I-2	, Table 4.3.							
Part V	/ – Section 36.2 Funding								
5.1	Provide the total amount of project.	section 36	.2 funding n	eeded to su	upport the				
	\$15,927,671								
	Please refer to Schedule 8I-2, Table 5.1.								
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project.								
	\$109,846								
	Please refer to Schedule 8I-2								
5.3	Provide the section 36.2 fur of the project.	nding amou	int per volur	ne (m³) in y	ear ten				
	\$48.22								
	Please refer to Schedule 8I-2	, Table 5.3.							

Part \	/I – Distribution Charge
6.1	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.
	Provide a confirmation that there would be no material cross- subsidization between rate classes.
	Please refer to Schedule 8I-2, Table 6.1.
	Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part V	/II – Profitability Index / Benefit to Cost Ratio
7.1	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.
	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).
	Please refer to Schedule 8I-2, Table 7.1.
7.2	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.
	Please refer to Schedule 8I-2, Table 7.2.

Part V	/III – OEB Approvals							
8.1	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).							
	Leave to Construct							
	 System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding) 							
8.2	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 <u>website</u> and where applicable assume a written hearing process. Please refer to Schedule 8I-4.							

Schedule 8I-1 Enbridge Gas Community Expansion Project Proposal

EB-2019-0255 Schedule 8I-1 Redacted

Life Takes Energy



Schedule 8I-2 Enbridge Gas Community Expansion Project Proposal

Community Expansion South Stormont (Ault Island) InService Date: Nov-01-2023

Customer Type	Firm / IT	Project Year	1	<u>2</u>
Residential	Firm		35	31
Commercial	Firm		-	7
Institutional	Firm		-	-
Agricultural	Firm		-	1
Industrial	Firm		-	-
Total Customers			<u>35</u>	<u>39</u>
Cumulative Customers			35	74

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

Customer Type	Project Year 1	<u>2</u>
Residential	38,500	111,100
Commercial	-	14,400
Institutional	-	-
Agricultural	-	1,100
Industrial	-	-
Total Volumes	<u>38,500</u>	<u>126,600</u>

						Guinulative	volumes - m	5			
Customer Type	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>Z</u>	<u>8</u>	<u>9</u>	<u>10</u>
Residential		38,500	149,600	308,000	488,400	685,300	898,700	1,128,600	1,375,000	1,637,900	1,916,200
Commercial		-	14,400	46,800	86,400	130,700	177,200	224,800	272,400	320,000	367,600
Institutional		-	-	-	-	-	-	-	-	-	-
Agricultural		-	1,100	4,400	8,800	13,200	17,600	22,000	26,400	30,800	35,200
Industrial		-	-	-	-	-	-	-	-	-	-
Total Volumes		<u>38,500</u>	<u>165,100</u>	<u>359,200</u>	<u>583,600</u>	<u>829,200</u>	<u>1,093,500</u>	<u>1,375,400</u>	<u>1,673,800</u>	<u>1,988,700</u>	<u>2,319,000</u>

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

Total Capital Costs	I	<u>Year 10</u>	
Table 4.3 - Revenue Requirement Over The Rate Stability Period			
Revenue Requirement	Project Year	<u>1</u>	<u>2</u>
Closing Rate Base (net of proposed Section 36.2 funding)		<u>Year 10</u>	

EB-2019-0255 Schedule 8I-2 Redacted

	<u>3</u> 12	<mark>4</mark> 8	<u>5</u>	<u>6</u> 8	<u>7</u>	<mark>8</mark> 8	<u>9</u>	<u>10</u>	Total
,			1	0	1	0	1	1	130
	2	2	1	1	-	-	-	-	13
	-	-	-	-	-	-	-	-	-
	1	-	-	-	-	-	-	-	2
	-	-	-	-	-	-	-	-	-
	<u>15</u>	<u>10</u>	<u>8</u>	<u>9</u>	<u>7</u>	<u>8</u>	<u>7</u>	<u>7</u>	<u>145</u>
	89	99	107	116	123	131	138	145	
			Annual Vo	olumes - m3					
	3	4	5	<u>6</u>	7	8	9	<u>10</u>	<u>Total</u>
	158,400	180,400	196,900	213,400	229,900	246,400	262,900	278,300	1,916,200
		-		-		-			
	32,400	39,600	44,300	46,500	47,600	47,600	47,600	47,600	367,600
	-	-	-	-	-	-	-	-	-
	3,300	4,400	4,400	4,400	4,400	4,400	4,400	4,400	35,200
	-	-	-	-	-	-	-	-	-
	10/ 100	224 400	245 600	264 300	281 000	208 /00	31/ 000	330 300	2 310 000

-	-	-	-	-	-	-	-	-
<u>194,100</u>	<u>224,400</u>	<u>245,600</u>	<u>264,300</u>	<u>281,900</u>	<u>298,400</u>	<u>314,900</u>	<u>330,300</u>	<u>2,319,000</u>
		Cumulative	Volumes - m3	1				

<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>

Community Expansion South Stormont (Ault Island) InService Date: Nov-01-2023

Table 5.1 - Total Amount of Section	36.2 Funding		
Section 36.2 Fur	nding Needed to Support the Project		\$ 15,927,671
Table 5.2 - Section 36.2 Funding An	nount Per Customer Served		
Section 36.2 Fur	nding Amount Per Customer Served		<u>Year 10</u> <u>\$ 109,846</u>
Table 5.3 - Section 36.2 Funding An	nount Per Volume (m3)		
Section 36.2 Fur	nding Amount Per Year 10 Volume (m3)		<u>Year 10</u> <u>\$ 48.22</u>
Table 6.1 - Distribution Charge			
	enue	Project Year	\$ 8,108 25,835
Distribution Reve SES Revenue Total Distribution	on Charge		8,855 29,118 \$ 16,963 54,953
SES Revenue Total Distributio	-		<u>\$ 16,963</u> <u>54,953</u>
SES Revenue Total Distributio Table 7.1 - Profitability Index (PI) In <u>Cash Inflow</u> Revenue: Distribution Reve	clusive of Section 36.2 Funding enue on Surcharge (SES) Revenue	<u>Net Pre</u>	
SES Revenue Total Distribution Table 7.1 - Profitability Index (PI) In <u>Cash Inflow</u> Revenue: Distribution Reve System Expansi	clusive of Section 36.2 Funding enue on Surcharge (SES) Revenue A)	<u>Net Pre</u>	<u>\$ 16,963</u> <u>54,953</u>
SES Revenue Total Distribution Table 7.1 - Profitability Index (PI) In <u>Cash Inflow</u> Revenue: Distribution Reve System Expansi Total Revenue (Expenses: O&M Expense Municipal Tax Income Tax	clusive of Section 36.2 Funding enue on Surcharge (SES) Revenue A)	<u>Net Pre</u>	<u>\$ 16,963</u> <u>54,953</u>
SES Revenue Total Distribution Table 7.1 - Profitability Index (PI) In <u>Cash Inflow</u> Revenue: Distribution Revenue: Distribution Revenue System Expansi Total Revenue (A Expenses: O&M Expense Municipal Tax Income Tax Total Expenses	clusive of Section 36.2 Funding enue on Surcharge (SES) Revenue A) (B) w (C = A + B) on 36.2 Funding ing Capital	Net Pre	<u>\$ 16,963</u> <u>54,953</u>
SES Revenue Total Distribution Table 7.1 - Profitability Index (PI) In <u>Cash Inflow</u> Revenue: Distribution Revenue: Distribution Revenue System Expansis Total Revenue (A Expenses: O&M Expense Municipal Tax Income Tax Total Expenses Total Cash Inflow <u>Cash Outflow</u> Gross Capital Proposed Section Change in Work Total Cash Outflow	clusive of Section 36.2 Funding enue on Surcharge (SES) Revenue A) (B) w (C = A + B) on 36.2 Funding ing Capital	Net Pres	<u>\$ 16,963</u> <u>54,953</u>

EB-2019-0255 Schedule 8I-2 Redacted

<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>
39,052	45,092	49,385	53,324	57,030	60,505	63,980	67,223 \$	469,536
44,643	51,612	56,488	60,789	64,837	68,632	72,427	75,969	533,370
<u>83,695</u>	<u>96,704</u>	<u>105,873</u>	<u>114,113</u>	<u>121,867</u>	<u>129,137</u>	<u>136,407</u>	<u>143,192</u>	1,002,906

Community Expansion South Stormont (Ault Island) InService Date: Nov-01-2023

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

<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)

Net Present Value







EB-2019-0255 Schedule 8I-2 Redacted

Schedule 8I-3 Enbridge Gas Community Expansion Project Proposal

Section 3.4 South Stormont (Ault Island)

Total Forecasted Customers 145 65% **Penetration Rate**

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Annual	Estimated Annual Savings per customer	Estimated Annual Savings	GHG per customer	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community -	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil Electricity F/A	30 13	21% 9%									(74) 47
Electricity Baseboard	17	12%				-					62
Propane	64	44%				-					
Wood	13	9%			N/A		N/A	N/A	N/A	N/A	N/A
Other	7	5%	\$ 5,000	N/A	N/A	\$-	N/A				
Total	145	100%	\$ 31,100	\$ 8,395	\$ 5,981	\$ 2,414	\$ 62,074	12.7	3.8	542	(27)

2 Based on Market Research gathered information. All of the costs are installed costs, so the cost of new equipment + the cost of having it installed.

		Emission Factors									
	CO2	CH4	N2O	CO2e	Units						
Natural Gas	1863 g/m3	0.037 g/m3	0.035 g/m3	0.00187435	5 tonnes/m3						
Heating Oil	2725 g/L	0.006 g/L	0.031 g/L	0.002734388	8 tonnes/L						
Propane	1510 g/L	0.024 g/L	0.108 g/L	0.001542784	4 tonnes/L						
Electricity	30 g/kWh	-	-	0.00003	3 tonnes/kWh						
Wood	-	-	-	-	-						

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario) Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

Estimated Annual GHG Change (tCO2e) = Estimated Annual GHG For Natural Gas - Estimated Annual GHG For Existing Fuel (tCO2e)

	Rate	e 01 (Community Expansion	on, Non-FN)							
	Consumption Equivalent Price per Unit									
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.680					
Heating oil	L	2397	Heating oil	\$/L	1.163					
Electricity	kWh	17778	Electricity	\$/kWh	0.112					
Propane	L	3309	Propane	\$/L	0.487					

Notes:

Gas prices correspond to EGI (Union Gas North East) April 2020 rates, including 23 cents per m3 SES charge

Heating Oil Prices correspond to the latest available Toronto retail prices (February 2019)

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER) The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

Propane prices are currently unavailable for the Union North Rate zones.

Carbon price is included for all energy types as reported. All costs exclude HST.

EB-2019-0255 Schedule 8I-3

1 Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specifically, the fuel share distribution from 27 prospective expansion areas surveyed in 2018 and 2020 were averaged, with weights based number of homes in each area.

Schedule 8I-4 Enbridge Gas Community Expansion Project Proposal

South Stormont (Ault Island) Community Expansion Project Pipeline Construction Schedule

Task Nama						2	022											20	23											20	24					T
Task Name	Jan	Feb	Ma	r Apr	May	y Jun	Jul	l Aug	g Sep	0 Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Environmental Assessments																																				
Permits & Approvals																																				
Leave to Construct Application and Approval																																				
Pre-Construction, Construction and Testing																																				
In Service																																				

EB-2019-0255 Schedule 8I-4

Schedule 8I-6 Enbridge Gas Community Expansion Project Proposal

EB-2013-0259

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 in the geographic boundaries of the

Township of South Stormont

This certificate replaces the existing certificates held by Union for the former Township of Osnabruck (F.B.C. 215), and the former Township of Cornwall (F.B.C. 226).

DATED at Toronto, August 29, 2013

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli Board Secretary

EB-2006-0142

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, to construct works to supply gas to the

Corporation of the Township of South Dundas

Dated at Toronto, August 9, 2006

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli Board Secretary

Schedule 8J Enbridge Gas Community Expansion Project Proposal

South Stormont - Newington

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

Part I – Name of Proponent	
Name of Proponent:	File No:
Enbridge Gas Inc.	EB-2019-0255
Project Name: South Stormont (Newington) Co	ommunity Expansion Project
Address of Head Office:	Telephone Number:
50 Keil Drive North	519-436-4600
Chatham, ON N7M 5M1	
Name of Individual to Contact:	Office Telephone Number:
	519-436-5325
Patrick McMahon	Cell Phone Number:
	519-437-0759
	Email Address:
	patrick.mcmahon@enbridge.com

Part II – Description of Proponent's Technical Expertise and Financial Capability

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2.2	 Describe the proponent's financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: Current credit rating of the proponent, its parent or associated companies. 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. 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.
	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.
	N/A

Part I	I – Description of and Sup	port for Project	
3.1 Redacted	Provide a general overvie following: communities t would serve any on-rese	ew of the project, whic to be connected, inclue rve Indigenous commu- sidential, commercial/	ding whether the project unities; existing population institutional and industrial
	South Stormont to the comm	unity of Newington. The p	on service within the Township of proposed facilities will provide 39 residential, 17 commercial /
	and	in the community of	ylene pipe near the intersection of Finch. The proposed distribution
			,, and
	A reinforcement segment will intersection of		and easement near the
	A small existing distribution s loads.	tation will require upsizing	to feed Finch and Newington
	The approximate length and	size of the distribution pipe	elines required:
	Ріре Туре	Diameter (NPS)	Length (m)
	Polyethylene	2	5,700
	Polyethylene	4	8,650
	The approximate length and	size of the reinforcement p	pipeline required:
	Pipe Type	Diameter (NPS)	Length (m)
	Steel	6	1,150
3.2	Please refer to Schedule 8 Provide the annual and c attachments over the ten commercial/institutional Indicate for each custom would be firm or interrup Please refer to Schedule 8	umulative forecast of year rate stability per and industrial sectors er type whether the se tible.	iod by residential, for each community.

3.3	Provide the annual and cumulative forecast of volumes (in m ³) over the ten- year rate stability period by residential, commercial/institutional and industrial sectors for each community.
	For the residential segment, the default value for the average consumption level is 2,200 m ³ 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.
	Please refer to Schedule 8J-2, Table 3.3.
3.4	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.
	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.
	Please refer to Schedule 8J-3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.
	Please refer to Schedule 8J-4 for Proposed Construction Schedule.
3.6	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.
	No letter of support has been provided by the local government in time for this project submission.

3.7	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.
	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.
	Please refer to Schedule 8J-6 for Enbridge's CPCN for the Township of South Stormont (EB-2013-0259) which covers the entire area of the proposed project.
Part I	V – Cost of Project
4.1	Confirm that the proposed project includes a ten-year rate stability period.
	The proposed project does include a ten-year rate stability period.
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 8J-2, Table 4.2.

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											
			1									
	Description	Year 10										
	Closing Rate Base											
	Where applicable, the inflat average GDP IPI FDD. For in use the OEB-prescribed into (CWIP).	nterest duri	ng construe	ction, the p	roponent is to							
	Please refer to Schedule 8J-2	2, Table 4.3.										
Part \	/ – Section 36.2 Funding											
5.1	Provide the total amount of project.	section 36	.2 funding n	eeded to su	upport the							
	\$7,785,571											
	Please refer to Schedule 8J-2	2, Table 5.1.										
5.2	Provide the section 36.2 fur year ten of the project.	nding amou	int per custo	omer numb	er served in							
	\$72,762											
	Please refer to Schedule 8J-2	2, Table 5.2.										
5.3	Provide the section 36.2 fur of the project.	nding amou	nt per volui	me (m³) in y	vear ten							
	\$22.50											
	Please refer to Schedule 8J-2	2, Table 5.3.										

Device	
Part \	/I – Distribution Charge
6.1	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.
	Provide a confirmation that there would be no material cross- subsidization between rate classes.
	Please refer to Schedule 8J-2, Table 6.1.
	Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part \	/II – Profitability Index / Benefit to Cost Ratio
7.1	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.
	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).
	Please refer to Schedule 8J-2, Table 7.1.
7.2	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.
	Please refer to Schedule 8J-2, Table 7.2.

Part V	VIII – OEB Approvals
8.1	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).
	Leave to Construct
	 System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	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 <u>website</u> and where applicable assume a written hearing process. Please refer to Schedule 8J-4.

Schedule 8J-1 Enbridge Gas Community Expansion Project Proposal

South Stormont - Newington

EB-2019-0255 Schedule 8J-1 Redacted

Life Takes Energy

South Stormont (Newington)



Schedule 8J-2 Enbridge Gas Community Expansion Project Proposal

South Stormont - Newington

Community Expansion South Stormont (Newington) InService Date: Nov-01-2023

Table 3.2 - Customer Attachments Over The Rate Stability Period				
Customer Type	Firm / IT	Project Year	1	<u>2</u>
Residential	Firm		27	20
Commercial	Firm		-	11
Institutional	Firm		-	-
Agricultural	Firm		-	-
Industrial	Firm		-	1
Total Customers			<u>27</u>	<u>32</u>
Cumulative Customers			27	59

Table 3.3 - Annual

<u>Firm / IT</u>	Project Year	<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>
		27		13	7	7	3	3	3	3	3	89
		-	11	4	1	1	-	-	-	-	-	17
		-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-
Firm		-	1	-	-	-	-	-	-	-	-	1
		<u>27</u>	<u>32</u>	<u>17</u>	<u>8</u>	<u>8</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>107</u>
		27	59	76	84	92	95	98	101	104	107	
						Annual Vo	olumes - m3					
	Project Year	1	<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>
		29,700	81,400	117,700	139,700	155,100	166,100	172,700	179,300	185,900	192,500	1,420,100
		-	18,800	43,400	50,300	52,500	53,600	53,600	53,600	53,600	53,600	433,000
		-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-
		-	50,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	850,000
		<u>29,700</u>	<u>150,200</u>	<u>261,100</u>	<u>290,000</u>	<u>307,600</u>	<u>319,700</u>	<u>326,300</u>	<u>332,900</u>	<u>339,500</u>	<u>346,100</u>	<u>2,703,100</u>
						Cumulative	Volumes - m3					
	Firm / IT Firm Firm Firm Firm	Firm Firm Firm Firm	Firm 27 Firm - Firm - Firm - Firm - Firm - 27 27 27 27 27 27 27 27 27 27	Firm 27 20 Firm - 11 Firm - - 27 32 27 59 Project Year 1 2 29,700 81,400 - 18,800 - - - - - - - - - - - - - -	Firm 27 20 13 Firm - 11 4 Firm - - - Firm - 1 - Erm - 1 - 27 32 17 27 59 76 Project Year 1 2 3 29,700 81,400 117,700 - - 18,800 43,400 - - - - - - 50,000 100,000	Firm 27 20 13 7 Firm $ 11$ 4 1 Firm $ -$ Firm $ 1$ $ 127$ 32 17 8 27 59 76 84 Project Year 1 2 3 4 $29,700$ $81,400$ $117,700$ $139,700$ $ 18,800$ $43,400$ $50,300$ $ -$	Firm Fim 27 20 13 7 7 Firm Firm - 11 4 1 1 Firm - - - - - Firm - - - - - Firm - - - - - - 1 - - - - - 1 - - - - 227 32 117 8 8 27 59 76 84 92 Annual Vo 29,700 81,400 117,700 139,700 155,100 - 18,800 43,400 50,300 52,500 - - - - - - - 50,000 100,000 100,000 100,000 100,000 29,700 150,200 261,100 280,000 307,600	Firm 27 20 13 7 7 3 Firm - 11 4 1 1 - Firm - - - - - - - Firm - <td< td=""><td>Firm Firm Firm 27 20 13 7 7 3 3 Firm Firm - 11 4 1 1 - - Firm -<</td><td>Firm Firm Firm27 $20$$20$ $13$$13$ $7$$7$ $7$$3$ $3$$3$ $3$$3$ 3Firm Firm$-$ $1$$-$ $1$$-$ $-$ $-$ $-$</br></br></br></br></br></br></br></br></br></br></br></br></br></br></br></br></br></br></br></br></td><td>$\begin{array}{c ccccccccccccccccccccccccccccccccccc$</td><td>$\begin{array}{c ccccccccccccccccccccccccccccccccccc$</td></td<>	Firm Firm Firm 27 20 13 7 7 3 3 Firm Firm - 11 4 1 1 - - Firm -<	Firm Firm Firm 27 20 20 13 13 7 7 7 3 3 3 3 3 3 Firm Firm $-$ 1 $-$ 1 $-$ $ -$ $ -$ 	$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$

						Guinulative	Volumes - ma	,				
Customer Type	Project Year	<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		29,700	111,100	228,800	368,500	523,600	689,700	862,400	1,041,700	1,227,600	1,420,100	
Commercial		-	18,800	62,200	112,500	165,000	218,600	272,200	325,800	379,400	433,000	
Institutional		-	-	-	-	-	-	-	-	-	-	
Agricultural		-	-	-	-	-	-	-	-	-	-	
Industrial		-	50,000	150,000	250,000	350,000	450,000	550,000	650,000	750,000	850,000	
Total Volumes		<u>29,700</u>	<u>179,900</u>	<u>441,000</u>	<u>731,000</u>	<u>1,038,600</u>	<u>1,358,300</u>	<u>1,684,600</u>	<u>2,017,500</u>	<u>2,357,000</u>	<u>2,703,100</u>	

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

Total Capital Costs		<u>Year 10</u>										
Table 4.3 - Revenue Requirement Over The Rate Stability Period												
Revenue Requirement	Project Year	1	2	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	Z	<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>										

EB-2019-0255 Schedule 8J-2 Redacted

Community Expansion South Stormont (Newington) InService Date: Nov-01-2023

Table 5.1 - Total Amount of Section 36.2 Funding				
Section 36.2 Funding Needed to	Support the Project		\$ 7,785,571	
Table 5.2 - Section 36.2 Funding Amount Per Cust	comer Served			
Section 36.2 Funding Amount P	er Customer Served		\$ 72,762	
Table 5.3 - Section 36.2 Funding Amount Per Volu	me (m3)			
Section 36.2 Funding Amount P	er Year 10 Volume (m3)		<u>Year 10</u> \$ 22.50	
Table 6.1 - Distribution Charge				
Distribution Revenue SES Revenue Total Distribution Charge		Project Year	1 \$ 6,255 6,831 <u>\$ 13,086</u>	24,094 34,546 <u>58,640</u>
Table 7.1 - Profitability Index (PI) Inclusive of Sect	tion 36.2 Funding			
<u>Cash Inflow</u> Revenue: Distribution Revenue System Expansion Surcharge (S Total Revenue (A)	SES) Revenue	<u>Net Pres</u>	sent Value	
Expenses: O&M Expense Municipal Tax Income Tax Total Expenses (B)				
Total Cash Inflow ($C = A + B$)				
<u>Cash Outflow</u> 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)		<u>1.00</u>	

EB-2019-0255 Schedule 8J-2 Redacted

<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>
39,740	45,655	49,362	51,910	53,300	54,690	56,080	57,470	\$ 438,554
60,053	66,700	70,748	73,531	75,049	76,567	78,085	79,603	621,713
<u>99,793</u>	<u>112,355</u>	<u>120,110</u>	<u>125,441</u>	<u>128,349</u>	<u>131,257</u>	<u>134,165</u>	<u>137,073</u>	<u>\$ 1,060,267</u>
Community Expansion South Stormont (Newington) InService Date: Nov-01-2023

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

<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)

Net Present Value







EB-2019-0255 Schedule 8J-2 Redacted

Schedule 8J-3 Enbridge Gas Community Expansion Project Proposal

South Stormont - Newington

Section 3.4 South Stormont (Newington)

Total Forecasted Customers 107 Penetration Rate 66%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Saving	GHG per customer	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community -	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total) community switching to natural gas (tCO2e)
Oil	22	21%	\$ 5,000	\$ 2,787	\$ 1,495	\$ 1,292	\$ 29,03	6.6	-2.4	147	(55)
Electricity F/A	10	9%									35
Electricity Baseboard	13	12%	\$ 12,000	\$ 1,998	\$ 1,495	\$ 503	\$ 6,45	7 0.5	5 3.6	5 7	46
Propane	47	44%	\$ 600	\$ 1,611	\$ 1,495	\$ 116	\$ 5,47	4 5.1	L -1.0	240	(46)
Wood	10	9%	\$ 3,500	N/A	N/A	\$-	N/	N/A	N/A	N/A	N/A
Other	5	5%	\$ 5,000	N/A	N/A	\$-	N/	A			
Total	107	100%	\$ 31,100	\$ 8,395	\$ 5,981	\$ 2,414	\$ 45,80	5 12.7	3.8	400	(20)

2 Based on Market Research gathered information. All of the costs are installed costs, so the cost of new equipment + the cost of having it installed.

		Em	ission Factors	
	CO2	CH4	N2O	CO2e Units
Natural Gas	1863 g/m3	0.037 g/m3	0.035 g/m3	0.001874355 tonnes/m3
Heating Oil	2725 g/L	0.006 g/L	0.031 g/L	0.002734388 tonnes/L
Propane	1510 g/L	0.024 g/L	0.108 g/L	0.001542784 tonnes/L
Electricity	30 g/kWh	-	-	0.00003 tonnes/kWh
Wood	-	-	-	

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario) Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

Estimated Annual GHG Change (tCO2e) = Estimated Annual GHG For Natural Gas - Estimated Annual GHG For Existing Fuel (tCO2e)

	Rate	e 01 (Community Expansio	on, Non-FN)		
	Consumption Equivale	ent		Price per Uni	t
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.680
Heating oil	L	2397	Heating oil	\$/L	1.163
Electricity	kWh	17778	Electricity	\$/kWh	0.112
Propane	L	3309	Propane	\$/L	0.487

Notes:

Gas prices correspond to EGI (Union Gas North East) April 2020 rates, including 23 cents per m3 SES charge

Heating Oil Prices correspond to the latest available Toronto retail prices (February 2019)

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER) The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

Propane prices are currently unavailable for the Union North Rate zones.

Carbon price is included for all energy types as reported. All costs exclude HST.

EB-2019-0255 Schedule 8J-3

1 Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specifically, the fuel share distribution from 27 prospective expansion areas surveyed in 2018 and 2020 were averaged, with weights based number of homes in each area. Fuel percentages may not add up to 100% due to rounding error.

Schedule 8J-4 Enbridge Gas Community Expansion Project Proposal

South Stormont - Newington

South Stormont (Newington) Community Expansion Project Pipeline Construction Schedule

Task Nama						1	2022													2023	3											2	024					
Task Name		Fe	b M	ar Ap	or Ma	ay Ju	n Ju	ul A	ug S	ep C	Oct	Nov	Dec	Jan	Feb	Mar	Ар	Ma	y Ju	n .	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mai	Apr	May	/ Jun	Jul	Aug	Sep	Oct	Nov	Dec
Environmental Assessments																																						
Permits & Approvals																																						
Leave to Construct Application and Approval																																						
Pre-Construction, Construction and Testing																																						
In Service																																						

EB-2019-0255 Schedule 8J-4

Schedule 8J-6 Enbridge Gas Community Expansion Project Proposal

South Stormont - Newington

EB-2013-0259

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 in the geographic boundaries of the

Township of South Stormont

This certificate replaces the existing certificates held by Union for the former Township of Osnabruck (F.B.C. 215), and the former Township of Cornwall (F.B.C. 226).

DATED at Toronto, August 29, 2013

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli Board Secretary Schedule 8K Enbridge Gas Community Expansion Project Proposal

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

Part I – Name of Proponent	
Name of Proponent:	File No:
Enbridge Gas Inc.	EB-2019-0255
Project Name: South Stormont () Community Expansion Project
Address of Head Office: 50 Keil Drive North Chatham, ON N7M 5M1	Telephone Number: 519-436-4600
Name of Individual to Contact:	Office Telephone Number: 519-436-5325
Patrick McMahon	Cell Phone Number: 519-437-0759 Email Address: patrick.mcmahon@enbridge.com

Part II – Description of Proponent's Technical Expertise and Financial Capability

Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.

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.

Part	II – Description of Proponent's Technical Expertise and Financial Capability
2.1	Describe the proponent's technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	 Describe the proponent's financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: Current credit rating of the proponent, its parent or associated companies. 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. 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.
	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.
	N/A

Part I 3.1 Redacted	I – Description of and Support for Project 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 to expand the gas distribution service within the Township of South Stormont on The proposed facilities will provide access to natural gas to a forecasted 27 residential customers.									
	The proposed project will tie-in to an existing 4" steel pipe on between and The proposed distribution system will extend to cover unserved section of that are located within South Stormont and the City of Cornwall.									
	There will be no reinforcement required to accommodate additional loads for the system. A new distribution station will be required at the tie-in location.									
	The approximate length and size of the distribution pipelines required:									
	Pipe TypeDiameter (NPS)Length (m)Polyethylene21,400									
	Please refer to Schedule 8K-1 for Project Map.									
3.2	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.									
	Please refer to Schedule 8K-2, Table 3.2.									
3.3	Provide the annual and cumulative forecast of volumes (in m ³) over the ten- year rate stability period by residential, commercial/institutional and industrial sectors for each community.									
	For the residential segment, the default value for the average consumption level is 2,200 m ³ 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.									
	Please refer to Schedule 8K-2, Table 3.3.									

 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. 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. Please refer to Schedule 8K-3, Table 3.4. ^{3.5} Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. 		
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4		Stormont (EB-2013-0259) and the City of Cornwall (FBC 91) which cover the
		4

Part	IV – Cost of Project								
4.1	Confirm that the proposed project includes a ten-year rate stability period.								
	The proposed project does include a ten-year rate stability period.								
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 quaverage GDP IPI FDD. For interest during construction, the proponer use the OEB-prescribed interest rate for construction work in progra (CWIP). For projects proposing to use CNG and/or LNG, the costs of require infrastructure and other associated costs must be included as part 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 8K-2, Table 4.2.								
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								
	DescriptionYear 1Year 2Year 10TotalRevenue 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 8K-2, Table 4.3.								

Part V	/ – Section 36.2 Funding
5.1	Provide the total amount of section 36.2 funding needed to support the project.
	\$883,628 Please refer to Schedule 8K-2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project.
	\$32,727
	Please refer to Schedule 8K-2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m ³) in year ten of the project.
	\$15.16
	Please refer to Schedule 8K-2, Table 5.3.

Part \	/I – Distribution Charge
6.1	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.
	Provide a confirmation that there would be no material cross- subsidization between rate classes.
	Please refer to Schedule 8K-2, Table 6.1.
	Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio

7.1	 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. 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). Please refer to Schedule 8K-2, Table 7.1.
7.2	 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. Please refer to Schedule 8K-2, Table 7.2.

Part	VIII – OEB Approvals
8.1	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).
	 System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	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 <u>website</u> and where applicable assume a written hearing process. Please refer to Schedule 8K-4.

Schedule 8K-1 Enbridge Gas Community Expansion Project Proposal

South Stormont 1

EB-2019-0255 Schedule 8K-1 Redacted





Schedule 8K-2 Enbridge Gas Community Expansion Project Proposal

Community Expansion South Stormont (_____) InService Date: Nov-01-2023

Table 3.2 - Customer Attachments Over The Rate Stability Period

Customer Type	<u>Firm / IT</u>	Project Year	<u>1</u>	<u>2</u>	
Residential	Firm		8	6	
Commercial	Firm		-	-	
Institutional	Firm		-	-	
Agricultural	Firm		-	-	
Industrial	Firm		-	-	
Total Customers			<u>8</u>	<u>6</u>	
Cumulative Customers			8	14	

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

Customer Type	Project Year	1	<u>2</u>
Residential		8,800	24,200
Commercial		-	-
Institutional		-	-
Agricultural		-	-
Industrial		-	-
Total Volumes		<u>8,800</u>	<u>24,200</u>

Customer Type Residential	Project Year	<u>1</u> 8,800	<mark>2</mark> 33,000
Commercial		-	-
Institutional		-	-
Agricultural		-	-
Industrial		-	-
Total Volumes		<u>8,800</u>	<u>33,000</u>

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

Total Capital Costs		<u>Year 10</u>										
Table 4.3 - Revenue Requirement Over The Rate Stability Period												
Revenue Requirement	Project Year	<u>1</u>	2	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	Z	<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>										

EB-2019-0255 Schedule 8K-2 Redacted

3 4 - - -	4 2 - - -	5 2 - - -	<mark>6</mark> 1 - - -	7 1 - - -	8 1 - - -	9 1 - - -	<u>10</u> 1 - - -	<u>Total</u> 27 - - -
<u>4</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>27</u>
18	20	22	23	24	25	26	27	

		Annual Vo	lumes - m3					
<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>
35,200	41,800	46,200	49,500	51,700	53,900	56,100	58,300	425,700
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	
<u>35,200</u>	<u>41,800</u>	<u>46,200</u>	<u>49,500</u>	<u>51,700</u>	<u>53,900</u>	<u>56,100</u>	<u>58,300</u>	425,700

		Cumulative	Volumes - m3				
<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>Z</u>	<u>8</u>	<u>9</u>	<u>10</u>
68,200	110,000	156,200	205,700	257,400	311,300	367,400	425,700
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>68,200</u>	<u>110,000</u>	<u>156,200</u>	<u>205,700</u>	<u>257,400</u>	<u>311,300</u>	<u>367,400</u>	<u>425,700</u>

Community Expansion South Stormont (_____) InService Date: Nov-01-2023

Table 5.1 - Total Amount of Section 36.2 Funding			
Section 36.2 Funding Needed to Support the Project	\$	883,628	
Table 5.2 - Section 36.2 Funding Amount Per Customer Served			
Section 36.2 Funding Amount Per Customer Served	<u>\$</u>	<u>Year 10</u> 32,727	
Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)	1		
Section 36.2 Funding Amount Per Year 10 Volume (m3)	<u>\$</u>	<u>Year 10</u> 15.16	
Table 6.1 - Distribution Charge	1		
Distribution Revenue SES Revenue Total Distribution Charge	Project Year \$ \$	1,853 2,024 3,877	2 5,097 5,566 <u>10,663</u>
Table 7.1 - Profitability Index (PI) Inclusive of Section 36.2 Funding	Not Procent	/alua	
<u>Cash Inflow</u> Revenue: Distribution Revenue System Expansion Surcharge (SES) Revenue Total Revenue (A)	<u>Net Present</u>		
Expenses: O&M Expense Municipal Tax Income Tax Total Expenses (B)			
Total Cash Inflow ($C = A + B$)			
<u>Cash Outflow</u> Gross Capital Proposed Section 36.2 Funding Change in Working Capital			
Total Cash Outflow (D)			

EB-2019-0255 Schedule 8K-2 Redacted

<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>
7,413	8,803	9,730	10,425	10,888	11,351	11,815	12,278 \$	89,653
8,096	9,614	10,626	11,385	11,891	12,397	12,903	13,409	97,911
<u>15,509</u>	<u>18,417</u>	<u>20,356</u>	<u>21,810</u>	<u>22,779</u>	<u>23,748</u>	<u>24,718</u>	<u>25,687</u> \$	187,564

Community Expansion South Stormont (_____) InService Date: Nov-01-2023

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

<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)

Net Present Value







EB-2019-0255 Schedule 8K-2 Redacted Schedule 8K-3 Enbridge Gas Community Expansion Project Proposal

Section 3.4 South Stormont (______

Total Forecasted Customers 27 **Penetration Rate** 65%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	(existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savin	GHG per customer s Existing Fuel	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community -	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	6	21%	\$ 5,000	\$ 2,787	\$ 1,495	\$ 1,292	\$ 7,3	6.6	-2.4	37	(14)
Electricity F/A	2	9%	\$ 5,000	\$ 1,998	\$ 1,495	\$ 503	\$ 1,2	.2 0.5	3.6	5 1	9
Electricity Baseboard	3	12%	\$ 12,000	\$ 1,998	\$ 1,495	\$ 503	\$ 1,6	.9 0.5	3.6	2	12
Propane	12	44%	\$ 600	\$ 1,611	\$ 1,495	\$ 116	\$ 1,3	5.1	-1.0	61	(12)
Wood	2	9%	\$ 3,500	N/A	N/A	\$-	N	A N/A	N/A	N/A	N/A
Other	1	5%	\$ 5,000	N/A	N/A	\$-	N	Ά			
Total	27	100%	\$ 31,100	\$ 8,395	\$ 5,981	\$ 2,414	\$ 11,5	59 12.7	3.8	101	(5)

1 Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specifically, the fuel share distribution from 27 prospective expansion areas surveyed in 2018 and 2020 were averaged, with weights based number of homes in each area. Fuel percentages may not add up to 100% due to rounding error.

2 Based on Market Research gathered information. All of the costs are installed costs, so the cost of new equipment + the cost of having it installed.

		Em	ission Factors	
	CO2	CH4	N2O	CO2e Units
Natural Gas	1863 g/m3	0.037 g/m3	0.035 g/m3	0.001874355 tonnes/m3
Heating Oil	2725 g/L	0.006 g/L	0.031 g/L	0.002734388 tonnes/L
Propane	1510 g/L	0.024 g/L	0.108 g/L	0.001542784 tonnes/L
Electricity	30 g/kWh	-	-	0.00003 tonnes/kWh
Wood	-	-	-	

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario) Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

Estimated Annual GHG Change (tCO2e) = Estimated Annual GHG For Natural Gas - Estimated Annual GHG For Existing Fuel (tCO2e)

	Rat	e 01 (Community Expansic	on, Non-FN)					
	Consumption Equivale		Price per Unit					
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.680			
Heating oil	L	2397	Heating oil	\$/L	1.163			
Electricity	kWh	17778	Electricity	\$/kWh	0.112			
Propane	L	3309	Propane	\$/L	0.487			

Notes:

Gas prices correspond to EGI (Union Gas North East) April 2020 rates, including 23 cents per m3 SES charge

Heating Oil Prices correspond to the latest available Toronto retail prices (February 2019)

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER) The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

Propane prices are currently unavailable for the Union North Rate zones.

Carbon price is included for all energy types as reported. All costs exclude HST.

EB-2019-0255 Schedule 8K-3 Redacted

Schedule 8K-4 Enbridge Gas Community Expansion Project Proposal

South Stormont (______) Community Expansion Project Pipeline Construction Schedule

Task Nama		2022							2023							2024																			
Task Name	Jan	Feb	Ma	r Ap	r Ma	y Jun	Jul	Aug	Sep	Oct	Nov D	ec Ja	ו Fe	b Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Environmental Assessments																																			
Permits & Approvals																																			
Leave to Construct Application and Approval																																			
Pre-Construction, Construction and Testing																																			
In Service																																			

EB-2019-0255 Schedule 8K-4 Redacted

Schedule 8K-6 Enbridge Gas Community Expansion Project Proposal

EB-2013-0259

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 in the geographic boundaries of the

Township of South Stormont

This certificate replaces the existing certificates held by Union for the former Township of Osnabruck (F.B.C. 215), and the former Township of Cornwall (F.B.C. 226).

DATED at Toronto, August 29, 2013

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli Board Secretary

EB-2019-0255 Schedule 8K-6(b)

F.B.C. 91

ONTARIO FUEL BOARD

IN THE MATTER OF The Municipal Franchises Act, R.S.O. 1950, Chapter 249, and amendments thereto;

AND IN THE MATTER OF an application by Lakeland Natural Gas Limited for a certificate of Public Convenience and Necessity to construct works and to supply gas to the inhabitants of the City of Cornwall.

BEFORE:

Α.	R.	CROZIER, Chairman)	TUESDAY,	the 18th	day
L.	R.	MacTAVISH, Q.C., Commissioner)	of June,	1957.	14
W.	R.	HOWARD, Commissioner			9

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON THE APPLICATION OF Lakeland Natural Gas Limited (hereinafter referred to as the "Applicant") for a certificate of Public Convenience and Necessity to construct works to supply and to supply gas to the inhabitants of the City of Cornwall pursuant to the provisions of The Municipal Franchises Act, R.S.O. 1950, Chapter 249, Section 8 and amendments thereto, and at a public hearing of such application by the Board at the City of Cornwall on the 18th day of June, 1957, after due notice of such hearing had been given as directed by the Board, in the presence of counsel for the Applicant, and counsel for The Consumers' Gas Company of Toronto, and upon consideration of the evidence and exhibits produced at the hearing and upon hearing what was alleged by counsel aforesaid:

1. THIS BOARD DOTH ORDER that a Certificate of Public Convenience and Necessity be and the same is hereby granted to Lakeland Natural Gas Limited for the supply of natural gas to the inhabitants of the City of Cornwall, and for the construction of the works necessary therefor. 2. AND THIS BOARD DOTH FURTHER ORDER that the costs of this hearing are fixed at \$300.00 and shall be paid forthwith by the Applicant to the Board.

2

*

DATED at Toronto this 16th day of July, 1957.

ONTARIO FUEL BOARD

mer Chairman

L.R. Huribin.

Commissioner word

Schedule 8L Enbridge Gas Community Expansion Project Proposal

Sudbury -_____

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

Part I – Name of Proponent	
Name of Proponent:	File No:
Enbridge Gas Inc.	EB-2019-0255
Project Name: Sudbury () Community Expansion Project
Address of Head Office: 50 Keil Drive North Chatham, ON N7M 5M1	Telephone Number: 519-436-4600
Name of Individual to Contact:	Office Telephone Number: 519-436-5325
Patrick McMahon	Cell Phone Number:
	519-437-0759
	Email Address:
	patrick.mcmahon@enbridge.com

Part II – Description of Proponent's Technical Expertise and Financial Capability

Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.

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.

Part	II – Description of Proponent's Technical Expertise and Financial Capability
2.1	Describe the proponent's technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	 Describe the proponent's financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: Current credit rating of the proponent, its parent or associated companies. 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. 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.
	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.
	N/A

Part I	II – Description of and Suppo	ort for Project	
3.1 Redacted		e connected, incl Indigenous com lential, commercia	uding whether the project munities; existing population al/institutional and industrial
	Enbridge Gas is proposing to ex Greater Sudbury in the facilities will provide access to na and 1 commercial / institutional).	and atural gas to a foreca	
	The proposed project will tie-in to and will extend along properties.	near	pipe at the intersection of The proposed distribution system to provide access to residential
	An existing station will require up The approximate length and size	C C	,
	Pipe Type Polyethylene	Diameter (NPS) 2	Length (m) 3,990
	Please refer to Schedule 8L-1	for Project Map.	
3.2	Provide the annual and curr attachments over the ten-ye commercial/institutional and Indicate for each customer would be firm or interruptib	ear rate stability pe d industrial sector type whether the s	eriod by residential, rs for each community.
	Please refer to Schedule 8L-2	, Table 3.2.	
3.3		by residential,	f volumes (in m ³) over the ten- commercial/institutional and
	level is 2,200 m ³ per year. A regarding the annual consu	proponent that ha	U U
	determined that it is more a		e it must explain how it has default.

		4
	the proposed project. Please refer to Schedule 8L-6 for Enbridge's CPCN for the City of Greater Sudbury (RP-2003-0122 / EB-2003-0165) which covers the entire area of the proposed project.	
	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	
3.7	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.	
	commitment to financial support. No letter of support has been provided by the local government in time for this project submission.	
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any	
	Please refer to Schedule 8L-4 for Proposed Construction Schedule.	
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.	
	Please refer to Schedule 8L-3, Table 3.4.	
	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.	
3.4	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	

Part	IV – Cost of Project										
4.1	Confirm that the proposed project includes a ten-year rate stability period.										
	The proposed project does include a ten-year rate stability period.										
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 rece average GDP IPI FDD. For interest during construction, the pro use the OEB-prescribed interest rate for construction work in p (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 8L-2, Table 4.2.										
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										
	DescriptionYear 1Year 2Year 10TotalRevenue Requirement </th										
	DescriptionYear 10Closing 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).										
	use the OEB-prescribed interest rate for construction work in progress										

Part V	V – Section 36.2 Funding
5.1	Provide the total amount of section 36.2 funding needed to support the project.
	\$2,568,396 Please refer to Schedule 8L-2, Table 5.1.
5.2	 Provide the section 36.2 funding amount per customer number served in year ten of the project. \$80,262 Please refer to Schedule 8L-2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m ³) in year ten of the project. \$37.06 Please refer to Schedule 8L-2, Table 5.3.

Part \	/I – Distribution Charge	
6.1	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.	
	Provide a confirmation that there would be no material cross- subsidization between rate classes.	
	Please refer to Schedule 8L-2, Table 6.1.	
	Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.	
Part	/II – Profitability Index / Benefit to Cost Ratio	
------	---	--

7.1	 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. 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). Please refer to Schedule 8L-2, Table 7.1.
7.2	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. Please refer to Schedule 8L-2, Table 7.2.

Part V	/III – OEB Approvals
8.1	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).
	Leave to Construct
	 System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	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 <u>website</u> and where applicable assume a written hearing process. Please refer to Schedule 8L-4.

Schedule 8L-1 Enbridge Gas Community Expansion Project Proposal

EB-2019-0255 Schedule 8L-1 Redacted

Greater Sudbury



Schedule 8L-2 Enbridge Gas Community Expansion Project Proposal

Community Expansion Sudbury (_____)

InService Date: Nov-01-2023

Table 3.2 - Customer Attachments Over The Rate Stability Period

Customer Type	<u>Firm / IT</u>	Project Year	<u>1</u>	<u>2</u>
Residential	Firm		10	7
Commercial	Firm		-	1
Institutional	Firm		-	-
Agricultural	Firm		-	-
Industrial	Firm		-	-
Total Customers			<u>10</u>	<u>8</u>
Cumulative Customers			10	18

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

Customer Type	Project Year	1	<u>2</u>
Residential		11,000	29,700
Commercial		-	1,100
Institutional		-	-
Agricultural		-	-
Industrial		-	-
Total Volumes		<u>11,000</u>	<u>30,800</u>

Customer Type	Project Year 1	2
Residential	11,000	40,700
Commercial	-	1,100
Institutional	-	-
Agricultural	-	-
Industrial	-	-
Total Volumes	<u>11,000</u>	<u>41,800</u>

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

Total Capital Costs		<u>Year 10</u>										
Table 4.3 - Revenue Requirement Over The Rate Stability Period												
Revenue Requirement	Project Year	<u>1</u>	2	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	Z	<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>										

EB-2019-0255 Schedule 8L-2 Redacted

	3 5 - - - 5 23	4 2 - - - 2 25	5 2 - - 2 - 2 2 27	6 1 - - - <u>1</u> 28	7 1 - - 1 29	8 1 - - - <u>1</u> 30	9 1 - - - <u>1</u> 31	<u>10</u> 1 - - <u>1</u> 32	<u>Total</u> 31 - - <u>-</u> <u>32</u>
	3 900 200 - -	4 50,600 2,200 - -	Annual Vol 5 55,000 2,200 - -	umes - m3 <u>6</u> 58,300 2,200 - -	<mark>7</mark> 60,500 2,200 - -	8 62,700 2,200 - -	<mark>9</mark> 64,900 2,200 - -	10 67,100 2,200 - -	<u>Total</u> 502,700 18,700 - -
83,	<u>3</u> 600 300	<u>4</u> 134,200 5,500	<u>57,200</u> Cumulative V <u>5</u> 189,200 7,700	<u>60,500</u> olumes - m3 <u>6</u> 247,500 9,900 -	<u>62,700</u> <u>7</u> 308,000 12,100 -	<u>64,900</u> <u>8</u> 370,700 14,300 -	<u>9</u> 435,600 16,500	<u>69,300</u> <u>10</u> 502,700 18,700 -	<u>521,400</u>
<u>86.</u>	- - <u>900</u>	- - <u>139,700</u>	- - <u>196,900</u>	- - <u>257,400</u>	- - <u>320,100</u>	- - <u>385,000</u>	- - <u>452,100</u>	- - <u>521,400</u>	

Community Expansion Sudbury (_____) InService Date: Nov-01-2023

Table 5.1 - Tota			
	al Amount of Section 36.2 Funding		
	Section 36.2 Funding Needed to Support the Project	\$ 2,568,396	
Table 5.2 - Sec	tion 36.2 Funding Amount Per Customer Served		
	tion 30.2 I unuing Amount Per Customer Serveu		
		<u>Year 10</u>	
	Section 36.2 Funding Amount Per Customer Served	\$ 80,262	
Table 5.2 See	tion 26.2 Funding Amount Par Volume (m2)		
Table 5.5 - Sec	tion 36.2 Funding Amount Per Volume (m3)		
		<u>Year 10</u>	
	Section 36.2 Funding Amount Per Year 10 Volume (m3)	\$ 37.06	
Table 6.1 - Dist	tribution Charge		
		Project Year <u>1</u>	<u>2</u>
	Distribution Revenue		487
	SES Revenue		084
	Total Distribution Charge		<u>571</u>
Table 7.1 - Pro	fitability 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:		
	Expenses: O&M Expense		
	O&M Expense		
	O&M Expense Municipal Tax		
	O&M Expense		
	O&M Expense Municipal Tax Income Tax Total Expenses (B)		
	O&M Expense Municipal Tax Income Tax Total Expenses (B) Total Cash Inflow (C = A + B)		
	O&M Expense Municipal Tax Income Tax Total Expenses (B) Total Cash Inflow (C = A + B) <u>Cash Outflow</u>		
	O&M Expense Municipal Tax Income Tax Total Expenses (B) Total Cash Inflow (C = A + B) <u>Cash Outflow</u> Gross Capital		
	O&M Expense Municipal Tax Income Tax Total Expenses (B) Total Cash Inflow (C = A + B) <u>Cash Outflow</u> Gross Capital Proposed Section 36.2 Funding		
	O&M Expense Municipal Tax Income Tax Total Expenses (B) Total Cash Inflow (C = A + B) <u>Cash Outflow</u> Gross Capital Proposed Section 36.2 Funding Change in Working Capital		
	O&M Expense Municipal Tax Income Tax Total Expenses (B) Total Cash Inflow (C = A + B) <u>Cash Outflow</u> Gross Capital Proposed Section 36.2 Funding		
	O&M Expense Municipal Tax Income Tax Total Expenses (B) Total Cash Inflow (C = A + B) <u>Cash Outflow</u> Gross Capital Proposed Section 36.2 Funding Change in Working Capital Total Cash Outflow (D)		
	O&M Expense Municipal Tax Income Tax Total Expenses (B) Total Cash Inflow (C = A + B) <u>Cash Outflow</u> Gross Capital Proposed Section 36.2 Funding Change in Working Capital	<u>1.00</u>	

EB-2019-0255 Schedule 8L-2 Redacted

<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>
9,498	11,120	12,046	12,741	13,205	13,668	14,131	14,595 \$ 1	09,808
10,373	12,144	13,156	13,915	14,421	14,927	15,433	15,939 1	19,922
<u>19,871</u>	<u>23,264</u>	<u>25,202</u>	<u>26,656</u>	<u>27,626</u>	<u>28,595</u>	<u>29,564</u>	<u>30,534</u>	<u>29,730</u>

Community Expansion Sudbury (_____

InService Date: Nov-01-2023

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

<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)

Net Present Value







EB-2019-0255 Schedule 8L-2 Redacted Schedule 8L-3 Enbridge Gas Community Expansion Project Proposal

Section 3.4 Sudbury ()			
	Total Forecasted Customers	32	Penetration Rate	65%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)		Estimated Annual Savings	GHG per customer Existing Fuel	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community -	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	7	21%	\$ 5,000	\$ 2,787	\$ 1,495	\$ 1,292	\$ 8,683	6.6	-2.4	44	(16)
Electricity F/A	3	9%	\$ 5,000	\$ 1,998	\$ 1,495	\$ 503	\$ 1,448	0.5	3.6	2	10
Electricity Baseboard	4	12%	\$ 12,000	\$ 1,998	\$ 1,495	\$ 503	\$ 1,931	0.5	3.6	2	14
Propane	14	44%	\$ 600	\$ 1,611	\$ 1,495	\$ 116	\$ 1,637	5.1	-1.0	72	(14)
Wood	3	9%	\$ 3,500	N/A	N/A	\$-	N/A	N/A	N/A	N/A	N/A
Other	2	5%	\$ 5,000	N/A	N/A	\$-	N/A				
Total	32	100%	\$ 31,100	\$ 8,395	\$ 5,981	\$ 2,414	\$ 13,699	12.7	3.8	120	(6)

1 Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specifically, the fuel share distribution from 27 prospective expansion areas surveyed in 2018 and 2020 were averaged, with weights based number of homes in each area. Fuel percentages may not add up to 100% due to rounding error.

2 Based on Market Research gathered information. All of the costs are installed costs, so the cost of new equipment + the cost of having it installed.

		Em	ission Factors	
	CO2	CH4	N2O	CO2e Units
Natural Gas	1863 g/m3	0.037 g/m3	0.035 g/m3	0.001874355 tonnes/m3
Heating Oil	2725 g/L	0.006 g/L	0.031 g/L	0.002734388 tonnes/L
Propane	1510 g/L	0.024 g/L	0.108 g/L	0.001542784 tonnes/L
Electricity	30 g/kWh	-	-	0.00003 tonnes/kWh
Wood	-	-	-	

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario) Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

Estimated Annual GHG Change (tCO2e) = Estimated Annual GHG For Natural Gas - Estimated Annual GHG For Existing Fuel (tCO2e)

	Rate	e 01 (Community Expansic	on, Non-FN)		
	Consumption Equivale	ent		Price per Uni	t
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.680
Heating oil	L	2397	Heating oil	\$/L	1.163
Electricity	kWh	17778	Electricity	\$/kWh	0.112
Propane	L	3309	Propane	\$/L	0.487

Notes:

Gas prices correspond to EGI (Union Gas North East) April 2020 rates, including 23 cents per m3 SES charge

Heating Oil Prices correspond to the latest available Toronto retail prices (February 2019)

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER) The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

Propane prices are currently unavailable for the Union North Rate zones.

Carbon price is included for all energy types as reported. All costs exclude HST.

EB-2019-0255 Schedule 8L-3 Redacted

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Schedule 8L-4 Enbridge Gas Community Expansion Project Proposal

Sudbury (______) Community Expansion Project

Pipeline Construction Schedule

Task Nama		2022							2023								2024																			
Task Name	Jan	Feb	Ma	ar Ap	or M	ay Ju	n J	ul Au	g Se	p Oc	t Nov	/ Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Environmental Assessments																																				
Permits & Approvals																																				
Leave to Construct Application and Approval																																				
Pre-Construction, Construction and Testing																																				
In Service																																				

EB-2019-0255 Schedule 8L-4 Redacted

Schedule 8L-6 Enbridge Gas Community Expansion Project Proposal

Ontario Energy Board

ŝ,

Commission de l'Ènergie de l'Ontario



RP-2003-0122	1
EB-2003-0165	
Certificate of Public Convenience and Necessity	2
	3
The Ontario Energy Board hereby grants	4
Union Gas Limited	5
approval under section 8 of the Municipal Franchises Act, R.S.O. 1990, c. M.55, to construct works to supply gas to the	6
City of Greater Sudbury.	7
This certificate replaces the certificates of the former municipalities that are now within the geo- graphic area of the City of Greater Sudbury.	8
DATED at Toronto, October 2, 2003.	9

ONTARIO

Peter H. O'Dell Assistant Secretary

DocID: OEB: 12TZ5-0

Schedule 8M Enbridge Gas Community Expansion Project Proposal

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

Part I – Name of Proponent	
Name of Proponent:	File No:
Enbridge Gas Inc.	EB-2019-0255
Project Name: Sudbury () Community Expansion Project
Address of Head Office:	Telephone Number:
50 Keil Drive North Chatham, ON N7M 5M1	519-436-4600
Name of Individual to Contact:	Office Telephone Number: 519-436-5325
Patrick McMahon	Cell Phone Number:
	519-437-0759
	Email Address:
	patrick.mcmahon@enbridge.com

Part II – Description of Proponent's Technical Expertise and Financial Capability

Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.

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.

Part	II – Description of Proponent's Technical Expertise and Financial Capability
2.1	Describe the proponent's technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	 Describe the proponent's financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: Current credit rating of the proponent, its parent or associated companies. 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. 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.
	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.
	N/A

Part I	II – Description of and Sup	port for Project							
3.1	Provide a general overvie		h is to include the						
Redacted	following: communities to	o be connected, includ	ling whether the project						
	would serve any on-reserve Indigenous communities; existing population								
	of each community by residential, commercial/institutional and industrial								
	sectors; routing; length o								
	Enbridge Gas is proposing to								
	Greater Sudbury in the	developm	ent area. The proposed facilities						
	will provide access to natural	gas to a forecasted 64 res	sidential customers.						
	The many set of a start will de t	- (den en la company de climiter en discu						
			ylene pipe near the intersection of						
	and	The proposed c	listribution system will extend						
	lo	lo	and up to						
	An existing station will require	unsizina							
		apsizing.							
	The approximate length and s	size of the distribution pipe	elines required:						
	Pipe Type	Diameter (NPS)	Length (m)						
	Polyethylene	2	1,039						
	The approximate length and s	size of the supply laterals	required:						
	Pipe Type	Diameter (NPS)	Length (m)						
	Polyethylene	4	3,132						
	Diagona rafar ta Sabadula 81	1 for Droject Mon							
	Please refer to Schedule 8	vi-i ioi Piojectiviap.							
3.2	Provide the annual and c	umulative forecast of t	the number of customer						
	attachments over the ten-								
	commercial/institutional and industrial sectors for each community.								
	Indicate for each custome		-						
	would be firm or interrupt								
	Please refer to Schedule 8	V-2. Table 3.2.							
		,							

3.3	Provide the annual and cumulative forecast of volumes (in m ³) over the ten- year rate stability period by residential, commercial/institutional and industrial sectors for each community.
	For the residential segment, the default value for the average consumption level is 2,200 m ³ 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.
	Please refer to Schedule 8M-2, Table 3.3.
3.4	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.
	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.
	Please refer to Schedule 8M-3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.
	Please refer to Schedule 8M-4 for Proposed Construction Schedule.
3.6	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.
	No letter of support has been provided by the local government in time for this project submission.

3.7	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.
	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.
	Please refer to Schedule 8M-6 for Enbridge's CPCN for the City of Greater Sudbury (RP-2003-0122 / EB-2003-0165) which covers the entire area of the proposed project.
Part I	V – Cost of Project
4.1	Confirm that the proposed project includes a ten-year rate stability period.
	The proposed project does include a ten-year rate stability period.
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 8M-2, Table 4.2.

4.3	Provide the total annual for the ten-year rate stability pe rate base amount at the end	eriod (using	fully alloca							
	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 inflat average GDP IPI FDD. For in use the OEB-prescribed inte (CWIP).	nterest duri	ng construc	ction, the pr	roponent is to					
	Please refer to Schedule 8M-	2, Table 4.3								
	/ – Section 36.2 Funding									
5.1	Provide the total amount of project.	section 36	.2 funding n	eeded to su	upport the					
	\$2,619,026									
	Please refer to Schedule 8M-	2, Table 5.1								
5.2	Provide the section 36.2 fur year ten of the project.	nding amou	int per custo	omer numb	er served in					
	\$ 40,922									
	Please refer to Schedule 8M-2, Table 5.2.									
5.3	Provide the section 36.2 fur of the project.	nding amou	int per volui	ne (m³) in y	vear ten					
	\$18.90									
	Please refer to Schedule 8M-	2, Table 5.3								

Part \	/I – Distribution Charge
6.1	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.
	Provide a confirmation that there would be no material cross- subsidization between rate classes.
	Please refer to Schedule 8M-2, Table 6.1.
	Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part V	VII – Profitability Index / Benefit to Cost Ratio
7.1	 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. 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).
	Please refer to Schedule 8M-2, Table 7.1.
7.2	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.
	Please refer to Schedule 8M-2, Table 7.2.

Part V	/III – OEB Approvals
8.1	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).
	Leave to Construct
	 System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	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 <u>website</u> and where applicable assume a written hearing process. Please refer to Schedule 8M-4.

Schedule 8M-1 Enbridge Gas Community Expansion Project Proposal

Greater Sudbury 1



EB-2019-0255 Schedule 8M-1 Redacted

Schedule 8M-2 Enbridge Gas Community Expansion Project Proposal

Community Expansion Sudbury (_____)

InService Date: Nov-01-2023

Table 3.2 - Customer Attachments Over The Rate Stability Period

2 - Customer Attachments Over the Nate Stability Ferrou													
Customer Type	Firm / IT	Project Year	1	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>Z</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Residential	Firm		20	14	10	5	5	2	2	2	2	2	64
Commercial	Firm		-	-	-	-	-	-	-	-	-	-	-
Institutional	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural	Firm		-	-	-	-	-	-	-	-	-	-	-
Industrial	Firm		-	-	-	-	-	-	-	-	-	-	-
Total Customers			<u>20</u>	<u>14</u>	<u>10</u>	<u>5</u>	<u>5</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>64</u>
Cumulative Customers			20	34	44	49	54	56	58	60	62	64	

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

Customer Type	Project Year	1	<u>2</u>	
Residential		22,000	59,400	
Commercial		-	-	
Institutional		-	-	
Agricultural		-	-	
Industrial		-	-	
Total Volumes	_	<u>22,000</u>	<u>59,400</u>	

						Cumulative	Volumes - m3	•			
Customer Type	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>Z</u>	<u>8</u>	<u>9</u>	<u>10</u>
Residential		22,000	81,400	167,200	269,500	382,800	503,800	629,200	759,000	893,200	1,031,800
Commercial		-	-	-	-	-	-	-	-	-	-
Institutional		-	-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-	-
Industrial		-	-	-	-	-	-	-	-	-	-
Total Volumes	_	<u>22,000</u>	<u>81,400</u>	<u>167,200</u>	<u>269,500</u>	<u>382,800</u>	<u>503,800</u>	<u>629,200</u>	<u>759,000</u>	<u>893,200</u>	<u>1,031,800</u>

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

Total Capital Costs		<u>Year 10</u>										
Table 4.3 - Revenue Requirement Over The Rate Stability Period												
Revenue Requirement	Project Year	<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>										

EB-2019-0255 Schedule 8M-2 Redacted

		Annual Vo	olumes - m3					
<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>Z</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
85,800	102,300	113,300	121,000	125,400	129,800	134,200	138,600	1,031,800
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>85,800</u>	<u>102,300</u>	<u>113,300</u>	<u>121,000</u>	<u>125,400</u>	<u>129,800</u>	<u>134,200</u>	<u>138,600</u>	<u>1,031,800</u>

Community Expansion Sudbury (_____) InService Date: Nov-01-2023

Table 5.1 - Total Amount o	f Section 36.2 Funding		
	· · · · · · · · · · · · · · · · · · ·		
Sectio	n 36.2 Funding Needed to Support the Project		\$ 2,619,026
			\$ 2,010,020
Table 5.2 - Section 36.2 Fu	nding Amount Per Customer Served		
			<u>Year 10</u>
Sectio	n 36.2 Funding Amount Per Customer Served		\$ 40,922
00000	n bolz i unung Ambunt i er bustomer berveu		φ 40,322
Table 5.2 Section 26.2 Eu	nding Amount Day Volume (m2)		
Table 5.3 - Section 36.2 Fu	nding Amount Per Volume (m3)		
			Veer 40
0			<u>Year 10</u>
Sectio	n 36.2 Funding Amount Per Year 10 Volume (m3)		<u>\$ 18.90</u>
Table 6.1 - Distribution Ch	arge		
		Project Year	<u>1</u> <u>2</u>
	ution Revenue		\$ 4,633 12,510
SES R	levenue		5,060 13,662
Total	Distribution Charge		<u>\$ 9,693</u> <u>26,172</u>
Table 7.1 - Profitability Ind	ex (PI) Inclusive of Section 36.2 Funding		
		Net Pres	ent Value
<u>Cash I</u>	nflow		
Reven	ue:		
Distrib	ution Revenue		
Syster	n Expansion Surcharge (SES) Revenue		
Total F	Revenue (A)		
Expen	ses:		
O&M E	Expense		
	pal Tax		
Incom			
	Expenses (B)		
Total (Cash Inflow (C = A + B)		
Cash (<u>Dutflow</u>		
	Capital		
	sed Section 36.2 Funding		
	e in Working Capital		
Chang			
Total (Cash Outflow (D)		
Total (Cash Outflow (D)		
			1.00
	Cash Outflow (D) bility Index (PI) Inclusive of Section 36.2 Funding (C / D)		<u>1.00</u>
			<u>1.00</u>

EB-2019-0255 Schedule 8M-2 Redacted

<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>Z</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
18,070	21,545	23,861	25,483	26,410	27,336	28,263	29,190 \$ 2	17,300
19,734	23,529	26,059	27,830	28,842	29,854	30,866	31,878 2	37,314
<u>37,804</u>	<u>45.074</u>	<u>49,920</u>	<u>53,313</u>	<u>55,252</u>	<u>57,190</u>	<u>59,129</u>	<u>61,068</u>	<u>54.614</u>

Community Expansion Sudbury (_____)

InService Date: Nov-01-2023

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

<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)

Net Present Value







EB-2019-0255 Schedule 8M-2 Redacted Schedule 8M-3 Enbridge Gas Community Expansion Project Proposal

Section 3.4 Sudbury ()			
Total Forecasted Customers	64	Penetration Rate	65%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Saving:	GHG per customer Existing Fuel	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community -	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil Electricity F/A Electricity Baseboard Propane Wood	13 6 8 28 6	21% 9% 12% 44% 9%	\$ 5,000 \$ 12,000 \$ 600	\$ 1,998	\$ 1,495	\$ 503 \$ 503 \$ 116	\$ 2,89 [°] \$ 3,867	2 0.5 2 0.5 4 5.1	3.6 3.6	3 4	(33) 21 28 (28) N/A
Other Total	3 64	5% 5% 100%	\$ 5,000	N/A	N/A	\$-	N//	X.	3.8		(12)

2 Based on Market Research gathered information. All of the costs are installed costs, so the cost of new equipment + the cost of having it installed.

		Emission Factors									
	CO2	CH4	N2O	CO2e Units							
Natural Gas	1863 g/m3	0.037 g/m3	0.035 g/m3	0.001874355 tonnes/m3							
Heating Oil	2725 g/L	0.006 g/L	0.031 g/L	0.002734388 tonnes/L							
Propane	1510 g/L	0.024 g/L	0.108 g/L	0.001542784 tonnes/L							
Electricity	30 g/kWh	-	-	0.00003 tonnes/kWł							
Wood	-	-	-								

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario) Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

Estimated Annual GHG Change (tCO2e) = Estimated Annual GHG For Natural Gas - Estimated Annual GHG For Existing Fuel (tCO2e)

	Rate 01 (Community Expansion, Non-FN)										
Consumption Equivalent Price per Unit											
Gas	as m3 2200 Gas (incl. fixed) \$/m3 0.680										
Heating oil	L	2397	Heating oil	\$/L	1.163						
Electricity	kWh	17778	Electricity	\$/kWh	0.112						
Propane	L	3309	Propane	\$/L	0.487						

Notes:

Gas prices correspond to EGI (Union Gas North East) April 2020 rates, including 23 cents per m3 SES charge

Heating Oil Prices correspond to the latest available Toronto retail prices (February 2019)

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER) The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

Propane prices are currently unavailable for the Union North Rate zones.

Carbon price is included for all energy types as reported. All costs exclude HST.

EB-2019-0255 Schedule 8M-3 Redacted

1 Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specifically, the fuel share distribution from 27 prospective expansion areas surveyed in 2018 and 2020 were averaged, with weights based number of homes in each area. Fuel percentages may not add up to 100% due to rounding error.

Schedule 8M-4 Enbridge Gas Community Expansion Project Proposal

Sudbury (______) Community Expansion Project Pipeline Construction Schedule

Task Nama		2022									2023												2024															
Task Name	Jan	Feb	M	ar A	pr N	1ay J	un	Jul	Aug	Sep	Oct	No	v De	: Jan	Fel	Ma	r Ap	r M	ay J	lun	Jul	Aug	Sep	Oct	Nov	/ Dec	Jan	Feb	Mai	Apr	Ma	y Jur	Jul	Aug	g Sep	Oct	Nov	Dec
Environmental Assessments																																						
Permits & Approvals																																						
Leave to Construct Application and Approval							Ì																															
Pre-Construction, Construction and Testing																																						
In Service																																						

EB-2019-0255 Schedule 8M-4 Redacted

Schedule 8M-6 Enbridge Gas Community Expansion Project Proposal

Ontario Energy Board

ŝ,

Commission de l'Ènergie de l'Ontario



RP-2003-0122	1
EB-2003-0165	
Certificate of Public Convenience and Necessity	2
	3
The Ontario Energy Board hereby grants	4
Union Gas Limited	5
approval under section 8 of the <i>Municipal Franchises Act</i> , R.S.O. 1990, c. M.55, to construct works to supply gas to the	6
City of Greater Sudbury.	7
This certificate replaces the certificates of the former municipalities that are now within the geo- graphic area of the City of Greater Sudbury.	8
DATED at Toronto, October 2, 2003.	9

ONTARIO

Peter H. O'Dell Assistant Secretary

Schedule 8N Enbridge Gas Community Expansion Project Proposal

Temagami

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

Part I – Name of Proponent	
Name of Proponent:	File No:
Enbridge Gas Inc.	EB-2019-0255
Project Name: Temagami Community Expan	ision Project
Address of Head Office:	Telephone Number:
50 Keil Drive North	519-436-4600
Chatham, ON N7M 5M1	
Name of Individual to Contact:	Office Telephone Number:
	519-436-5325
Patrick McMahon	Cell Phone Number:
	519-437-0759
	Email Address:
	patrick.mcmahon@enbridge.com

Part II – Description of Proponent's Technical Expertise and Financial Capability

Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.

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.
Part	II – Description of Proponent's Technical Expertise and Financial Capability
2.1	Describe the proponent's technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	 Describe the proponent's financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: Current credit rating of the proponent, its parent or associated companies. 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. 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.
	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.
	N/A

Part I	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 to expand the gas distribution service within the Municipality of Temagami in the Nipissing District. The proposed facilities will provide access to natural gas to a forecasted 11 residential customers.									
	The proposed project will tie-in to an existing 4" polyethylene pipe near the intersection of and The proposed distribution system will extend to									
	A new distribution station will be required.									
	The approximate length and s		elines required:							
	Ріре Туре	Diameter (NPS)	Length (m)							
	Polyethylene	2	6,600							
3.2	Please refer to Schedule 8N-1 for Project Map. 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.									
	Please refer to Schedule 8	N-2, Table 3.2.								
3.3	Provide the annual and cumulative forecast of volumes (in m ³) over the ten- year rate stability period by residential, commercial/institutional and industrial sectors for each community.									
	•	A proponent that has sumption for resident value, in which case it	t must explain how it has							
	Please refer to Schedule 8	N-2, Table 3.3.								

	served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project.
	Where the project proponent holds a Certificate for the areas to be
3.7	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.
	commitment to financial support. No letter of support has been provided by the local government in time for this project submission.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any
	Please refer to Schedule 8N-4 for Proposed Construction Schedule.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.
	Please refer to Schedule 8N-3, Table 3.4.
	the current proportion of customers on each type of heating system. 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.
	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.

Part	IV – Cost of Project									
4.1	Confirm that the proposed project includes a ten-year rate stability period.									
	The proposed project does include a ten-year rate stability period.									
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 average GDP IPI FDD. For interest during construction, the propo use the OEB-prescribed interest rate for construction work in pro (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 8N-2, Table 4.2.									
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 quar average GDP IPI FDD. For interest during construction, the proponent use the OEB-prescribed interest rate for construction work in progres (CWIP).										
	Please refer to Schedule 8N-2, Table 4.3.									

Part V	/ – Section 36.2 Funding
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$3,150,992
	Please refer to Schedule 8N-2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project.
	\$286,454
	Please refer to Schedule 8N-2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m ³) in year ten of the project.
	\$136.41
	Please refer to Schedule 8N-2, Table 5.3.

Part \	/I – Distribution Charge								
6.1	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.								
	Provide a confirmation that there would be no material cross- subsidization between rate classes.								
	Please refer to Schedule 8N-2, Table 6.1.								
	Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.								

Part VII – Profitability Index / Benefit to Cost Ratio

7.1	 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. 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). Please refer to Schedule 8N-2, Table 7.1.
7.2	 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. Please refer to Schedule 8N-2, Table 7.2.

Part V	/III – OEB Approvals
8.1	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).
	Leave to Construct
	 System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	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 <u>website</u> and where applicable assume a written hearing process. Please refer to Schedule 8N-4.

Schedule 8N-1 Enbridge Gas Community Expansion Project Proposal

EB-2019-0255 Schedule 8N-1 Redacted



Schedule 8N-2 Enbridge Gas Community Expansion Project Proposal

Community Expansion Temagami

InService Date: Nov-01-2023

Table 3.2 - Customer Attachments Over The Rate Stability Period Customer Type Firm / IT Project Year <u>2</u> 1 Residential Firm 2 1 Commercial Firm --Institutional Firm --Agricultural Firm --Industrial Firm **Total Customers** 2 1 Cumulative Customers 2 3

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

Customer Type	Project Year	1	<u>2</u>
Residential		2,200	5,500
Commercial		-	-
Institutional		-	-
Agricultural		-	-
Industrial		-	-
Total Volumes		<u>2,200</u>	<u>5,500</u>

Customer Type	Project Year	1	<u>2</u>
Residential		2,200	7,700
Commercial		-	-
Institutional		-	-
Agricultural		-	-
Industrial		-	-
Total Volumes		<u>2,200</u>	<u>7,700</u>

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

Total Capital Costs		<u>Year 10</u>										
Table 4.3 - Revenue Requirement Over The Rate Stability Period												
Revenue Requirement	Project Year	1	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	Z	<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>										

EB-2019-0255 Schedule 8N-2 Redacted

-

-

<u>130,900</u>

-

-

<u>107,800</u>

<u>3</u> 1 - -	4 1 - -	5 1 - -	<mark>6</mark> 1 - -	<u>7</u> 1 - -	<u>8</u> 1 - -	<mark>9</mark> 1 - -	<u>10</u> 1 - -	<u>Total</u> 11 - -
<u><u>1</u></u>	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>11</u></u>
4	5	6	7	8	9	10	11	
<u>3</u> 7,700	<mark>4</mark> 9,900	Annual Vo <u>5</u> 12,100	lumes - m3 <u>6</u> 14,300	<mark>7</mark> 16,500	<mark>8</mark> 18,700	<mark>9</mark> 20,900	<mark>10</mark> 23,100	<u>Total</u> 130,900
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>7,700</u>	<u>9,900</u>	<u>12,100</u>	<u>14,300</u>	<u>16,500</u>	<u>18,700</u>	<u>20,900</u>	<u>23,100</u>	<u>130,900</u>
		Cumulative \	/olumes - m3					
<mark>3</mark> 15,400 -	<mark>4</mark> 25,300 -	5 37,400 -	<mark>6</mark> 51,700 -	<mark>7</mark> 68,200 -	<mark>8</mark> 86,900 -	<mark>9</mark> 107,800 -	<u>10</u> 130,900 -	
-	-	-	-	-	-	-	-	

-

-

<u>68,200</u>

-

-

<u>86,900</u>

-

-

25,300

-

<u>15,400</u>

-

-

<u>37,400</u>

-

-

<u>51,700</u>

Community Expansion Temagami

InService Date: Nov-01-2023

Table 5.1 - Total Amount of Section 36.2 Funding	
Section 36.2 Funding Needed to Support the Project	\$ 3,150,992
Table 5.2 - Section 36.2 Funding Amount Per Customer Served	
Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> <u>\$ 286,454</u>
Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)	
Section 36.2 Funding Amount Per Year 10 Volume (m3)	<u>Year 10</u> <u>\$ 136.41</u>
Table 6.1 - Distribution Charge	
Distribution Revenue SES Revenue Total Distribution Charge	Project Year 1 2 \$ 463 1,158 506 1,265 \$ 969 2,423
Table 7.1 - Profitability Index (PI) Inclusive of Section 36.2 Funding	Net Dresset Mehre
Cash Inflow Cash Inflow Revenue: Distribution Revenue System Expansion Surcharge (SES) Revenue Total Revenue (A)	Net Present Value
<u>Cash Inflow</u> Revenue: Distribution Revenue System Expansion Surcharge (SES) Revenue	Net Present Value
Cash Inflow Revenue: Distribution Revenue System Expansion Surcharge (SES) Revenue Total Revenue (A) Expenses: O&M Expense Municipal Tax Income Tax	Net Present Value
<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)	Image: Descent Value Image: Descent Value

EB-2019-0255 Schedule 8N-2 Redacted

<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>
1,622	2,085	2,548	3,012	3,475	3,938	4,402	4,865 \$	27,568
1,771	2,277	2,783	3,289	3,795	4,301	4,807	5,313	30,107
<u>3,393</u>	<u>4,362</u>	<u>5,331</u>	<u>6,301</u>	<u>7,270</u>	<u>8,239</u>	<u>9,209</u>	<u>10,178</u> \$	<u>57,675</u>

Community Expansion Temagami InService Date: Nov-01-2023

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

<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)

Net Present Value







EB-2019-0255 Schedule 8N-2 Redacted

Schedule 8N-3 Enbridge Gas Community Expansion Project Proposal

Section 3.4 Temagami	Total Forecasted Customers	11		Penetration Rate	65%						Schedule 8N-3
Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Annual	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community -	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil Electricity F/A Electricity Baseboard Propane	2 1 1 5	21% 9% 12% 44%	\$ 5,000 \$ 12,000	\$ 1,998 \$ 1,998	\$ 1,495 \$ 1,495	\$ 503 \$ 503	\$ 498 \$ 664	6.6 0.5 0.5 5.1	3.6 3.6	5 1 5 1	(6) 4 5 (5)
Wood Other Total	1 1 11	44% 9% 5% 100%	\$ 3,500 \$ 5,000	N/A N/A	N/A N/A	\$ - \$ -	N/A N/A	N/A	-1.0 N/A 3.8	N/A	(5) N/A (2)

2 Based on Market Research gathered information. All of the costs are installed costs, so the cost of new equipment + the cost of having it installed.

		Emission Factors									
	CO2	CH4	N2O	CO2e Units							
Natural Gas	1863 g/m3	0.037 g/m3	0.035 g/m3	0.001874355 tonnes/m3							
Heating Oil	2725 g/L	0.006 g/L	0.031 g/L	0.002734388 tonnes/L							
Propane	1510 g/L	0.024 g/L	0.108 g/L	0.001542784 tonnes/L							
Electricity	30 g/kWh	-	-	0.00003 tonnes/kWh							
Wood	-	-	-								

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario) Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

Estimated Annual GHG Change (tCO2e) = Estimated Annual GHG For Natural Gas - Estimated Annual GHG For Existing Fuel (tCO2e)

	Rate 01 (Community Expansion, Non-FN)										
	Consumption Equivale		Price per Unit								
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.680						
Heating oil	L	2397	Heating oil	\$/L	1.163						
Electricity	kWh	17778	Electricity	\$/kWh	0.112						
Propane	L	3309	Propane	\$/L	0.487						

Notes:

Gas prices correspond to EGI (Union Gas North East) April 2020 rates, including 23 cents per m3 SES charge

Heating Oil Prices correspond to the latest available Toronto retail prices (February 2019)

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER) The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

Propane prices are currently unavailable for the Union North Rate zones.

Carbon price is included for all energy types as reported. All costs exclude HST.

EB-2019-0255 Schedule 8N-3

1 Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specifically, the fuel share distribution from 27 prospective expansion areas surveyed in 2018 and 2020 were averaged, with weights based number of homes in each area. Fuel percentages may not add up to 100% due to rounding error.

Schedule 8N-4 Enbridge Gas Community Expansion Project Proposal

Temagami Community Expansion Project Pipeline Construction Schedule

Tools Norma		2022							2023									2024																			
Task Name	Jan	Feb	Ma	r Ap	or Ma	ay Ju	n Ju	ul Ai	ug Se	ep Oo	ct N	ov De	ec Ja	ו Fe	b Ma	ar A	pr M	ay J	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mai	r Apr	May	y Jur	ı Jul	Aug	Sep	Oct	Nov	Dec
Environmental Assessments																																					
Permits & Approvals																																					
Leave to Construct Application and Approval																			1																		
Pre-Construction, Construction and Testing																																					
In Service																																					

EB-2019-0255 Schedule 8N-4

Schedule 8N-6 Enbridge Gas Community Expansion Project Proposal

EB-2013-0256

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 in the geographic boundaries of the

Municipality of Temagami

This certificate replaces the existing certificate held by Union for the former Unorganized Township of Strathy (E.B.C. 36).

DATED at Toronto, August 29, 2013

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli Board Secretary

Schedule 8O Enbridge Gas Community Expansion Project Proposal

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

Part I – Name of Proponent	
Name of Proponent:	File No:
Enbridge Gas Inc.	EB-2019-0255
Project Name: Thessalon First Nation Comm	unity Expansion Project
Address of Head Office:	Telephone Number:
50 Keil Drive North	519-436-4600
Chatham, ON N7M 5M1	
Name of Individual to Contact:	Office Telephone Number:
	519-436-5325
Patrick McMahon	Cell Phone Number:
	519-437-0759
	Email Address:
	patrick.mcmahon@enbridge.com

Part II – Description of Proponent's Technical Expertise and Financial Capability

Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.

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.

Part	II – Description of Proponent's Technical Expertise and Financial Capability
2.1	Describe the proponent's technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	 Describe the proponent's financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: Current credit rating of the proponent, its parent or associated companies. 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. 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.
	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.
	N/A

Part I	II – Description of and Sup	port for Project									
3.1 Redacted	would serve any on-rese of each community by re sectors; routing; length of Enbridge Gas is proposing to Reserve No. 12 and expand Shores. The proposed facilit	o be connected, includ rve Indigenous commu- sidential, commercial/i of pipeline; and nominal provide gas distribution service pro ies will provide access to n	ing whether the project nities; existing population nstitutional and industrial Il pipe size. ervice to the Thessalon Indian vided in the Municipality of Huron atural gas to a forecasted 63								
	customers (57 residential, 5 commercial / institutional and 1 agricultural farm). The proposed project will tie-in to an existing 12" steel pipe near the intersection of and										
	then		will run and								
	from the intersection with For the Thessalon Indian Res , then	serve No. 12, proposed fac	ilities will run								
	A new small distribution station intersection of	and									
	Ріре Туре	Diameter (NPS)	Length (m)								
	Polyethylene	2	5,020								
l	Polyethylene	4	5,145								
3.2	Please refer to Schedule 8 Provide the annual and c attachments over the ten commercial/institutional Indicate for each custom would be firm or interrup Please refer to Schedule 8	umulative forecast of t year rate stability peri and industrial sectors er type whether the ser tible.	od by residential, for each community.								

3.3	Provide the annual and cumulative forecast of volumes (in m ³) over the ten- year rate stability period by residential, commercial/institutional and industrial sectors for each community.
	For the residential segment, the default value for the average consumption level is 2,200 m ³ 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.
	Please refer to Schedule 8O-2, Table 3.3.
3.4	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.
	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.
	Please refer to Schedule 8O-3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.
	Please refer to Schedule 8O-4 for Proposed Construction Schedule.
3.6	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.
	No letter of support has been provided by the local government in time for this project submission.

3.7	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.
	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.
	Please refer to Schedule 8O-6 for Enbridge's CPCN for the Municipality of Huron Shores (RP-2004-0206 / EB-2004-0417) which covers the Huron Shores area of the proposed project.
	A Band Council Resolution and Section 28 Permit per the <i>Indian Act</i> will be required before construction can take place on the Thessalon Indian Reserve No. 12.
Part I	V – Cost of Project
4.1	Confirm that the proposed project includes a ten-year rate stability period.
	The proposed project does include a ten-year rate stability period.
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 8O-2, Table 4.2.

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										
			I								
	Description	Year 10									
1	Closing Rate Base		l								
	average GDP IPI FDD. For in use the OEB-prescribed into (CWIP).										
	Please refer to Schedule 80-	2, Table 4.3									
Part \	/ – Section 36.2 Funding										
5.1	Provide the total amount of project.	section 36	.2 funding n	eeded to su	upport the						
	\$5,079,693										
	Please refer to Schedule 80-2	2, Table 5.1									
5.2	Provide the section 36.2 fur year ten of the project.	nding amou	nt per custo	omer numb	er served in						
	\$80,630										
	Please refer to Schedule 80-	2, Table 5.2									
5.3	Provide the section 36.2 fur of the project.	nding amou	nt per volui	ne (m ³) in y	ear ten						
	\$ 33.66										
	Please refer to Schedule 80-	2, Table 5.3									

Part \	/I – Distribution Charge
6.1	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.
	Provide a confirmation that there would be no material cross- subsidization between rate classes.
	Please refer to Schedule 8O-2, Table 6.1.
	Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part V	VII – Profitability Index / Benefit to Cost Ratio
7.1	 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. 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).
	Please refer to Schedule 8O-2, Table 7.1.
7.2	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. Please refer to Schedule 80-2, Table 7.2.

Part V	/III – OEB Approvals									
8.1	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).									
	Leave to Construct									
	 System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding) 									
8.2	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 <u>website</u> and where applicable assume a written hearing process. Please refer to Schedule 80-4.									

Schedule 8O-1 Enbridge Gas Community Expansion Project Proposal

EB-2019-0255 Schedule 8O-1 Redacted

Thessalon FN



Schedule 8O-2 Enbridge Gas Community Expansion Project Proposal

Community Expansion Thessalon First Nation InService Date: Nov-01-2023

Table 3.2 - Customer Attachments Over The Rate Stability Period				
Customer Type	Firm / IT	Project Year	1	<u>2</u>
Residential	Firm		18	13
Commercial	Firm		-	3
Institutional	Firm		-	-
Agricultural	Firm		-	1
Industrial	Firm		-	-
Total Customers			<u>18</u>	<u>17</u>
Cumulative Customers			18	35

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

Customer Type	Project Year	1	<u>2</u>	
Residential		19,800	53,900	
Commercial		-	4,700	
Institutional		-	-	
Agricultural		-	5,000	
Industrial		-	-	
Total Volumes	_	<u>19,800</u>	<u>63,600</u>	<u>1</u>

Customer Type	Project Year <u>1</u>	<u>2</u>
Residential	19,800	73,700
Commercial	-	4,700
Institutional	-	-
Agricultural	-	5,000
Industrial	-	-
Total Volumes	<u>19,800</u>	<u>83,400</u>

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

Total Capital Costs	Ye	<u>ar 10</u>										
Table 4.3 - Revenue Requirement Over The Rate Stability Period												
Revenue Requirement	Project Year	1	2	<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)	Ye	<u>ar 10</u>										

EB-2019-0255 Schedule 8O-2 Redacted

3 9 2 - - - 11 46	4 - - - - 4 50	5 4 - - - - <u>4</u> 54	6 2 - - - 2 2 56	7 2 - - 2 - 2 58	8 2 - - - 2 60	9 2 - - 2 - 2 62	<u>10</u> 1 - - <u>-</u> <u>1</u> 63	Total 57 5 - 1 - <u>63</u>
40	50	54	50	50	00	ŰŹ	00	
		Annual \	/olumes - m3					
<u>3</u> 78,100 13,000	4 92,400 16,600	5 101,200 16,600	<u>6</u> 107,800 16,600	<u>7</u> 112,200 16,600	<mark>8</mark> 116,600 16,600	9 121,000 16,600	<u>10</u> 124,300 16,600	<u>Total</u> 927,300 133,900
10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	85,000 -
<u>101,100</u>	<u>119,000</u>	<u>127,800</u>	<u>134,400</u>	<u>138,800</u>	<u>143,200</u>	<u>147,600</u>	<u>150,900</u>	<u>1,146,200</u>
		Cumulativ	e Volumes - m	3				
3 151,800 17,700	4 244,200 34,300	<mark>5</mark> 345,400 50,900	<mark>6</mark> 453,200 67,500 -	<mark>7</mark> 565,400 84,100 -	<u>8</u> 682,000 100,700	<mark>9</mark> 803,000 117,300 -	<mark>10</mark> 927,300 133,900 -	
15,000	25,000	35,000	45,000	55,000 -	65,000 -	75,000 -	85,000 -	
<u>184,500</u>	<u>303,500</u>	<u>431,300</u>	<u>565,700</u>	<u>704,500</u>	<u>847,700</u>	<u>995,300</u>	<u>1,146,200</u>	

Community Expansion Thessalon First Nation InService Date: Nov-01-2023

Table 5.1 - Total Amount of Section 36.2 Funding	
Section 36.2 Funding Needed to Support the Project	\$ 5,079,693
Table 5.2 - Section 36.2 Funding Amount Per Customer Served	
Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> <u>\$ 80,630</u>
Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)	
Section 36.2 Funding Amount Per Year 10 Volume (m3)	<u>Year 10</u> <u>\$ 33.66</u>
Table 6.1 - Distribution Charge	
Distribution Revenue SES Revenue Total Distribution Charge	Project Year12\$ 4,17012,7384,55414,628\$ 8,72427,366
Table 7.1 - Profitability Index (PI) Inclusive of Section 36.2 Funding	Not Present Volus
Cash Inflow	Net Present Value
Revenue: Distribution Revenue System Expansion Surcharge (SES) Revenue Total Revenue (A)	
Revenue: Distribution Revenue System Expansion Surcharge (SES) Revenue	
Revenue: Distribution Revenue System Expansion Surcharge (SES) Revenue Total Revenue (A) Expenses: O&M Expense Municipal Tax Income Tax	
Revenue: Distribution Revenue System Expansion Surcharge (SES) Revenue Total Revenue (A) Expenses: O&M Expense Municipal Tax Income Tax Total Expenses (B)	
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	

EB-2019-0255 Schedule 8O-2 Redacted

<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>
19,809	23,407	25,261	26,651	27,577	28,504	29,430	30,125 \$	227,672
23,253	27,370	29,394	30,912	31,924	32,936	33,948	34,707	263,626
<u>43,062</u>	<u>50,777</u>	<u>54,655</u>	<u>57,563</u>	<u>59,501</u>	<u>61,440</u>	<u>63,378</u>	<u>64,832</u>	491,298

Community Expansion Thessalon First Nation InService Date: Nov-01-2023

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

<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)

Net Present Value







EB-2019-0255 Schedule 8O-2 Redacted

Schedule 80-3 Enbridge Gas Community Expansion Project Proposal

Section 3.4 Thessalon First Nation

	Total Forecasted Customers	63		Penetration Rate	65%						
Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)		Estimated Annual Savings		Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community -	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil Electricity F/A Electricity Baseboard Propane Wood Other	13 6 8 28 6 3	21% 9% 12% 44% 9% 5%	\$ 5,000 \$ 12,000 \$ 600 \$ 3,500	\$ 1,673 \$ 1,673	\$ 1,460 \$ 1,460	\$ 213 \$ 213 \$ 152 \$ -	\$ 1,209 \$ 1,611	0.5 0.5 5.1	3.6 3.6	3 4	(32) 20 27 (27) N/A
Total 1 Fuel shares were estimated based on the average	63 fuel share distribution observed in other potential expansion are	100% as. Specifically, the fuel share			-				3.8 ot add up to 100% due to rounding er	235	(12)

2 Based on Market Research gathered information. All of the costs are installed costs, so the cost of new equipment + the cost of having it installed.

		Emission Factors									
	CO2	CH4	N2O	CO2e	Units						
Natural Gas	1863 g/m3	0.037 g/m3	0.035 g/m3	0.0018743	355 tonnes/m3						
Heating Oil	2725 g/L	0.006 g/L	0.031 g/L	0.0027343	388 tonnes/L						
Propane	1510 g/L	0.024 g/L	0.108 g/L	0.001542	784 tonnes/L						
Electricity	30 g/kWh	-	-	0.00	003 tonnes/kWh						
Wood	-	-	-	-	-						

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario) Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

Estimated Annual GHG Change (tCO2e) = Estimated Annual GHG For Natural Gas - Estimated Annual GHG For Existing Fuel (tCO2e)

	F	Rate 01 (Community Expansion	, FN)			
Consumption Equivalent				Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.663	
Heating oil	L	2397	Heating oil	\$/L	1.163	
Electricity	kWh	17778	Electricity	\$/kWh	0.094	
Propane	L	3309	Propane	\$/L	0.487	

Notes:

Gas prices correspond to EGI (Union Gas Northwest) April 2020 rates, including 23 cents per m³ SES charge.

Heating Oil Prices correspond to the latest available Toronto retail prices (February 2019)

Electricty prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER). The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days.

Qualified First Nations (FN) rates excludes distribution charges per First Nations Delivery Credit.

Propane prices correspond to the latest available montly average EDPRO residential rates for Zone 4 (March 2020).

Carbon price is included for all energy types as reported. All costs exclude HST.

EB-2019-0255 Schedule 80-3

Schedule 80-4 Enbridge Gas Community Expansion Project Proposal
Thessalon First Nation Community Expansion Project Pipeline Construction Schedule

Task Name		2022							2023							2024																					
		Feb	Mar	Apr	r Ma	y Jur	ı Ju	l Au	g Se	p Oct	t No	v Deo	c Jan	Feb	Mar	Ар	r May	Jur	ı Jul	ΙΑι	ıg Se	p O	ct N	lov I	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Environmental Assessments																																					
Permits & Approvals																																					
Leave to Construct Application and Approval																																					
Pre-Construction, Construction and Testing																																					
In Service																																					

EB-2019-0255 Schedule 8O-4

Schedule 80-6 Enbridge Gas Community Expansion Project Proposal

Thessalon First Nation

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, to construct works to supply gas to the

Municipality of Huron Shores

Dated at Toronto, October 22, 2004

ONTARIO ENERGY BOARD

Peter H. O'Dell Assistant Board Secretary

Schedule 8P Enbridge Gas Community Expansion Project Proposal

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

Part I – Name of Proponent	
Name of Proponent:	File No:
Enbridge Gas Inc.	EB-2019-0255
Project Name: Timmins () Community Exp	ansion Project
Address of Head Office:	Telephone Number:
50 Keil Drive North	519-436-4600
Chatham, ON N7M 5M1	
Name of Individual to Contact:	Office Telephone Number:
	519-436-5325
Patrick McMahon	Cell Phone Number:
	519-437-0759
	Email Address:
	patrick.mcmahon@enbridge.com

Part II – Description of Proponent's Technical Expertise and Financial Capability

Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.

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.

Part	II – Description of Proponent's Technical Expertise and Financial Capability
2.1	Describe the proponent's technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	 Describe the proponent's financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: Current credit rating of the proponent, its parent or associated companies. 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. 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.
	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.
	N/A

3.1 Redacted	II – Description of and Support for Project 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.									
	Timmins on Th	sing to expand the gas distribution service within the City of The proposed facilities will provide access to natural ga s (1 residential, 2 commercial / institutional and 1 industrial)								
			peline and until							
	There will be no reinforcemen A new small distribution static		e additional loads for the system.							
	The approximate length and s	size of the distribution pipe	lines required:							
	Pipe Type Polyethylene	Diameter (NPS) 2	Length (m) 1,945							
3.2	Please refer to Schedule 8 Provide the annual and ca attachments over the ten- commercial/institutional a Indicate for each custome would be firm or interrupt	umulative forecast of t -year rate stability peri and industrial sectors er type whether the se	od by residential, for each community.							
3.2	Provide the annual and c attachments over the ten- commercial/institutional a Indicate for each custome	umulative forecast of t -year rate stability peri and industrial sectors er type whether the se tible.	od by residential, for each community.							
3.2	Provide the annual and ca attachments over the ten- commercial/institutional a Indicate for each custome would be firm or interrupt Please refer to Schedule 8 Provide the annual and cu	umulative forecast of t -year rate stability peri and industrial sectors er type whether the se tible. P-2, Table 3.2. umulative forecast of v od by residential, co	od by residential, for each community.							
	Provide the annual and ca attachments over the ten- commercial/institutional a Indicate for each custome would be firm or interrupt Please refer to Schedule 8 Provide the annual and cu year rate stability period industrial sectors for eac For the residential segme	umulative forecast of t -year rate stability peri and industrial sectors er type whether the se tible. P-2, Table 3.2. umulative forecast of v od by residential, co h community. ent, the default value fo A proponent that has sumption for residenti value, in which case in	od by residential, for each community. rvice to be provided olumes (in m ³) over the ten- ommercial/institutional and or the average consumption more accurate information ial customers in a given a must explain how it has							

3.4	 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. 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.
	Please refer to Schedule 8P-3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.
	Please refer to Schedule 8P-4 for Proposed Construction Schedule.
3.6	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.
	No letter of support has been provided by the local government in time for this project submission.
3.7	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.
	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.
	Please refer to Schedule 8P-6 for Enbridge's CPCN for the City of Timmins (RP- 2000-0008 / EB-2003-0085) which covers the entire area of the proposed project.
L	4

	t IV – Cost of Project												
4.1	Confirm that the proposed project includes a ten-year rate stability period.												
	The proposed project does include a ten-year rate stability period.												
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 8P-2, Table 4.2.												
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												
	DescriptionYear 1Year 2Year 10TotalRevenue Requirement												
	Revenue Requirement Image: Constraint of the sector of t												

Part V	/ – Section 36.2 Funding
5.1	Provide the total amount of section 36.2 funding needed to support the project.
	\$936,593
	Please refer to Schedule 8P-2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project.
	\$ 234,148
	Please refer to Schedule 8P-2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m ³) in year ten of the project.
	\$8.79
	Please refer to Schedule 8P-2, Table 5.3.

Part \	/I – Distribution Charge
6.1	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.
	Provide a confirmation that there would be no material cross- subsidization between rate classes.
	Please refer to Schedule 8P-2, Table 6.1.
	Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio

7.1	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.
	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).
	Please refer to Schedule 8P-2, Table 7.1.
7.2	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.
	Please refer to Schedule 8P-2, Table 7.2.

Part V	VIII – OEB Approvals
8.1	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).
	 System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	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 <u>website</u> and where applicable assume a written hearing process. Please refer to Schedule 8P-4.

Schedule 8P-1 Enbridge Gas Community Expansion Project Proposal

Timmins Area 2



EB-2019-0255 Schedule 8P-1 Redacted

Schedule 8P-2 Enbridge Gas Community Expansion Project Proposal

Community Expansion Timmins (_____)

InService Date: Nov-01-2023

Table 3.2 - Customer Attachments Over The Rate Stability Period

Customer Type	<u>Firm / IT</u>	Project Year	<u>1</u>	2	
Residential	Firm		1	-	
Commercial	Firm		-	2	
Institutional	Firm		-	-	
Agricultural	Firm		-	-	
Industrial	Firm		-	1	
Total Customers			<u>1</u>	<u>3</u>	
Cumulative Customers			1	4	

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

Customer Type	Project Year	1	<u>2</u>	
Residential		1,100	2,200	
Commercial		-	2,200	
Institutional		-	-	
Agricultural		-	-	
Industrial		-	50,000	1
Total Volumes		<u>1,100</u>	<u>54,400</u>	1

Customer Type	Project Year	1	<u>2</u>
Residential		1,100	3,300
Commercial		-	2,200
Institutional		-	-
Agricultural		-	-
Industrial		-	50,000
Total Volumes	—	<u>1,100</u>	<u>55,500</u>

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

Total Capital Costs	<u>Year 10</u>										
Table 4.3 - Revenue Requirement Over The Rate Stability Period											
Revenue Requirement	Project Year <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>										

EB-2019-0255 Schedule 8P-2 Redacted

<u>3</u> - - - - -	<u>4</u> - - - -	<u>5</u> - - - -	<u>6</u> - - - -	Z - - - -	<u>8</u> - - - -	<u>9</u> - - - -	<u>10</u> - - - -	<u>Total</u> 1 2 - - 1
-	-	-	-	-	-	<u>-</u>	-	<u>4</u>
4	4	4	4	4	4	4	4	
			olumes - m3					
<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>Z</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
2,200 4,400	2,200 4,400	2,200 4,400	2,200 4,400	2,200 4,400	2,200 4,400	2,200 4,400	2,200 4,400	20,900 37,400
4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	- 37,400
-	-	-	-	-	-	-	-	-
100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	850,000
<u>106,600</u>	<u>106,600</u>	<u>106,600</u>	<u>106,600</u>	<u>106,600</u>	<u>106,600</u>	<u>106,600</u>	<u>106,600</u>	<u>908,300</u>
		Cumulative	Volumes - m3					
<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>Z</u>	<u>8</u>	<u>9</u>	<u>10</u>	
5,500	7,700	9,900	12,100	14,300	16,500	18,700	20,900	
6,600	11,000	15,400	19,800	24,200	28,600	33,000	37,400	
-	-	-	-	-	-	-	-	

-

550,000

588,500

-

650,000

<u>695,100</u>

-

750,000

<u>801,700</u>

-

850,000

908,300

-

350,000

375,300

-

150,000

162,100

-

250,000

<u>268,700</u>

-

450,000

<u>481,900</u>

Community Expansion Timmins (_____) InService Date: Nov-01-2023

Table 5.1 - Total Amou	Int of Section 36.2 Funding		
S	ection 36.2 Funding Needed to Support the Project		\$ 936,593
Table 5.2 - Section 36.	2 Funding Amount Per Customer Served		
Se	ection 36.2 Funding Amount Per Customer Served		<u>Year 10</u> <u>\$ 234,148</u>
Table 5.3 - Section 36.	2 Funding Amount Per Volume (m3)		
S	ection 36.2 Funding Amount Per Year 10 Volume (m3)		<u>Year 10</u> <u>\$8.79</u>
Table 6.1 - Distribution	n Charge		
SI	istribution Revenue ES Revenue Fotal Distribution Charge	Project Year	1 2 \$ 232 4,745 253 12,512 \$ 485 17,257
Table 7.1 - Profitability	/ Index (PI) Inclusive of Section 36.2 Funding		
Ri Di Si	<u>ash Inflow</u> evenue: istribution Revenue ystem Expansion Surcharge (SES) Revenue otal Revenue (A)	<u>Net Prese</u>	ent Value
O M In	xpenses: &M Expense unicipal Tax come Tax otal Expenses (B)		
То	otal Cash Inflow (C = A + B)		
G Pi Cl	<u>ash Outflow</u> ross Capital roposed Section 36.2 Funding hange in Working Capital otal Cash Outflow (D)		
Pi	rofitability Index (PI) Inclusive of Section 36.2 Funding (C / D)		<u>1.00</u>

EB-2019-0255 Schedule 8P-2 Redacted

<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>
9,027	9,027	9,027	9,027	9,027	9,027	9,027	9,027 \$	77,193
24,518	24,518	24,518	24,518	24,518	24,518	24,518	24,518	208,909
<u>33,545</u>	286,102							

Community Expansion Timmins (_____) InService Date: Nov-01-2023

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

<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)

Net Present Value







EB-2019-0255 Schedule 8P-2 Redacted Schedule 8P-3 Enbridge Gas Community Expansion Project Proposal

Section 3.4 Timmins (**Total Forecasted Customers Penetration Rate** 65% 4

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)		Estimated Annual Savings	GHG per customer Existing Fuel	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community -	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	1	21%	\$ 5,000	\$ 2,787	\$ 1,495	\$ 1,292	\$ 1,085	6.6	-2.4	6	(2)
Electricity F/A	0	9%	\$ 5,000	\$ 1,998	\$ 1,495	\$ 503	\$ 181	0.5	3.6	0	1
Electricity Baseboard	0	12%	\$ 12,000	\$ 1,998	\$ 1,495	\$ 503	\$ 241	0.5	3.6	0	2
Propane	2	44%	\$ 600	\$ 1,611	\$ 1,495	\$ 116	\$ 205	5.1	-1.0	9	(2)
Wood	0	9%	\$ 3,500	N/A	N/A	\$-	N/A	N/A	N/A	N/A	N/A
Other	0	5%	\$ 5,000	N/A	N/A	\$-	N/A				
Total	4	100%	\$ 31,100	\$ 8,395	\$ 5,981	\$ 2,414	\$ 1,712	12.7	3.8	15	(1)

1 Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specifically, the fuel share distribution from 27 prospective expansion areas surveyed in 2018 and 2020 were averaged, with weights based number of homes in each area. Fuel percentages may not add up to 100% due to rounding error.

2 Based on Market Research gathered information. All of the costs are installed costs, so the cost of new equipment + the cost of having it installed.

		Emission Factors									
	CO2	CH4	N2O	CO2e Units							
Natural Gas	1863 g/m3	0.037 g/m3	0.035 g/m3	0.001874355 tonnes/m3							
Heating Oil	2725 g/L	0.006 g/L	0.031 g/L	0.002734388 tonnes/L							
Propane	1510 g/L	0.024 g/L	0.108 g/L	0.001542784 tonnes/L							
Electricity	30 g/kWh	-	-	0.00003 tonnes/kWh							
Wood	-	-	-								

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario) Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

Estimated Annual GHG Change (tCO2e) = Estimated Annual GHG For Natural Gas - Estimated Annual GHG For Existing Fuel (tCO2e)

	Rate 01 (Community Expansion, Non-FN)									
	Consumption Equivalent Price per Unit									
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.680					
Heating oil	L	2397	Heating oil	\$/L	1.163					
Electricity	kWh	17778	Electricity	\$/kWh	0.112					
Propane	L	3309	Propane	\$/L	0.487					

Notes:

Gas prices correspond to EGI (Union Gas North East) April 2020 rates, including 23 cents per m3 SES charge

Heating Oil Prices correspond to the latest available Toronto retail prices (February 2019)

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER) The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

Propane prices are currently unavailable for the Union North Rate zones.

Carbon price is included for all energy types as reported. All costs exclude HST.

EB-2019-0255 Schedule 8P-3 Redacted

Schedule 8P-4 Enbridge Gas Community Expansion Project Proposal

Timmins (_____) Community Expansion Project Pipeline Construction Schedule

Task Nama							2022)											2	023												20	24					
Task Name	Jan	Fel	M	ar A	pr M	lay Ju	ın J	ul A	Aug S	ep O	Oct N	l vol	Dec .	Jan	Feb	Mar	Apr	May	Jur	n Ju	ΙΑι	ıg Se	ep C	Oct	Nov	Dec	Jan	Feb	Mai	Apr	Ma	/ Jun	Jul	Aug	Sep	Oct	Nov	Dec
Environmental Assessments																																						
Permits & Approvals																																						
Leave to Construct Application and Approval							Ì																															
Pre-Construction, Construction and Testing																																						
In Service																																						

EB-2019-0255 Schedule 8P-4 Redacted

Schedule 8P-6 Enbridge Gas Community Expansion Project Proposal

Ontario Energy Board Commission de l'Énergie de l'Ontarlo



RP-2000-0008

EB-2003-0085

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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, to construct works to supply gas to the

City of Timmins.

This certificate replaces the certificates of the former municipalities that are now within the City of Timmins and gives approval to Union Gas to construct works to supply gas throughout the City of Timmins.

DATED at Toronto, October 20, 2003.

ONTARIO EVERGY BOARD r H. O'Dell

Assistant Secretary

Schedule 8Q Enbridge Gas Community Expansion Project Proposal

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

Part I – Name of Proponent	
Name of Proponent:	File No:
Enbridge Gas Inc.	EB-2019-0255
Project Name: Wabigoon First Nation Comm	unity Expansion Project
Address of Head Office:	Telephone Number:
50 Keil Drive North	519-436-4600
Chatham, ON N7M 5M1	
Name of Individual to Contact:	Office Telephone Number:
	519-436-5325
Patrick McMahon	Cell Phone Number:
	519-437-0759
	Email Address:
	patrick.mcmahon@enbridge.com

Part II – Description of Proponent's Technical Expertise and Financial Capability

Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.

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.

Part	II – Description of Proponent's Technical Expertise and Financial Capability
2.1	Describe the proponent's technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	 Describe the proponent's financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: Current credit rating of the proponent, its parent or associated companies. 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. 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.
	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.
	N/A

Part I	II – Description of and Sup	port for Project										
3.1 Redacted	Provide a general overview of the project, which is to include the											
	Enbridge Gas is proposing to provide gas distribution service to the Wabigoon Lake Indian Reserve No. 27 and unorganized areas in the District of Kenora north of the reserve. The proposed facilities will provide access to natural gas to a forecasted 73 customers (66 residential, 6 commercial / institutional and 1 industrial).											
	The proposed project will tie-in to TC Energy pipeline along,,											
	to cross to to and then follow to reach Wabigoon Lake Indian Reserve 27.											
	A new TC Energy pipeline dis	tribution station will be rec	juired along									
	The approximate length and s	size of the distribution pipe	lines required:									
	Ріре Туре	Diameter (NPS)	Length (m)									
	Polyethylene	2	5,460									
	Polyethylene	4	5,830									
3.2	Please refer to Schedule 8Q-1 for Project Map. Provide the annual and cumulative forecast of the number of customer											
5.2	attachments over the ten- commercial/institutional a Indicate for each custome would be firm or interrupt	and industrial sectors or type whether the se	for each community.									
	Please refer to Schedule 80	Q-2, Table 3.2.										

3.3	Provide the annual and cumulative forecast of volumes (in m ³) over the ten- year rate stability period by residential, commercial/institutional and industrial sectors for each community.
	For the residential segment, the default value for the average consumption level is 2,200 m ³ 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.
	Please refer to Schedule 8Q-2, Table 3.3.
3.4	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.
	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.
	Please refer to Schedule 8Q-3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.
	Please refer to Schedule 8Q-4 for Proposed Construction Schedule.
3.6	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.
	No letter of support has been provided by the local government in time for this project submission.

3.7	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.
	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.
	Enbridge Gas does not currently have a franchise agreement with nor a Certificate of Public Convenience and Necessity for the unincorporated / unorganized area within the Kenora District in which this project is proposed. Enbridge Gas does have franchise agreements and CPCNs for adjacent municipalities including the City of Dryden and the Township of Ignace.
	Enbridge does have a CPCN (EB-2017-0114) for part of the unincorporated / unsurveyed Kenora District south of Ear Falls.
	A Band Council Resolution and Section 28 Permit per the <i>Indian Act</i> will be required before construction can take place on the Wabigoon Lake Indian Reserve No. 27.
Part I	V – Cost of Project
4.1	Confirm that the proposed project includes a ten-year rate stability period.
	The proposed project does include a ten-year rate stability period.

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 8Q-2, Table 4.2.											
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 Total 1 Total 1 Total 10 Total 10											
	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 8Q-2, Table 4.3.	>										

Part V	/ – Section 36.2 Funding
5.1	Provide the total amount of section 36.2 funding needed to support the project.
	\$6,065,771
	Please refer to Schedule 8Q-2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project.
	\$83,093
	Please refer to Schedule 8Q-2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m ³) in year ten of the project.
	\$22.83
	Please refer to Schedule 8Q-2, Table 5.3.

Part \	/I – Distribution Charge									
6.1	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.									
	Provide a confirmation that there would be no material cross- subsidization between rate classes.									
	Please refer to Schedule 8Q-2, Table 6.1.									
	Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.									

Part VII – Profitability Index / Benefit to Cost Ratio

7.1	 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. 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). Please refer to Schedule 8Q-2, Table 7.1.
7.2	 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. Please refer to Schedule 8Q-2, Table 7.2.

Part	/III – OEB Approvals									
8.1	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).									
	 Leave to Construct Certificate of Public Convenience and Necessity System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding) 									
8.2	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 <u>website</u> and where applicable assume a written hearing process. Please refer to Schedule 8Q-4.									

Schedule 8Q-1 Enbridge Gas Community Expansion Project Proposal

EB-2019-0255 Schedule 8Q-1 Redacted



Schedule 8Q-2 Enbridge Gas Community Expansion Project Proposal

Community Expansion Wabigoon First Nation

InService Date: Nov-01-2023

Table 3.2 - Customer Attachments Over The Rate Stability Period				
Customer Type	<u>Firm / IT</u>	Project Year	<u>1</u>	<u>2</u>
Residential	Firm		18	16
Commercial	Firm		-	4
Institutional	Firm		-	-
Agricultural	Firm		-	-
Industrial	Firm		-	1
Total Customers			<u>18</u>	<u>21</u>
Cumulative Customers			18	39

Table 3.3 - Annual

tomer Attachments Over The Rate Stability Period													
Customer Type	Firm / IT	Project Year	<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		18	16	6	4	3	4	4	4	4	3	66
Commercial	Firm		-	4	1	1	-	-	-	-	-	-	6
Institutional	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural	Firm		-	-	-	-	-	-	-	-	-	-	-
Industrial	Firm		-	1	-	-	-	-	-	-	-	-	1
Total Customers			<u>18</u>	<u>21</u>	<u>7</u>	<u>5</u>	<u>3</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>3</u>	<u>73</u>
Cumulative Customers			18	39	46	51	54	58	62	66	70	73	
ual and Cumulative Volumes Over The Rate Stability Period (m3)													
				_			Annual Vo	olumes - m3	_				
Customer Type		Project Year	1	<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			19,800	57,200	81,400	92,400	100,100	107,800	116,600	125,400	134,200	141,900	976,800
Commercial			-	9,700	20,500	22,700	23,800	23,800	23,800	23,800	23,800	23,800	195,700
Institutional			-	-	-	-	-	-	-	-	-	-	-
Agricultural			-	-	-	-	-	-	-	-	-	-	-
			-	50,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	850,000
Total Volumes			<u>19,800</u>	<u>116,900</u>	<u>201,900</u>	<u>215,100</u>	<u>223,900</u>	<u>231,600</u>	<u>240,400</u>	<u>249,200</u>	<u>258,000</u>	<u>265,700</u>	<u>2,022,500</u>
							Cumulative	Volumes - m3					
Customer Type		Project Year	1	2	<u>3</u>	4	5	6	7	<u>8</u>	9	<u>10</u>	
Residential			19,800	77,000	158,400	250,800	350,900	458,700	575,300	700,700	834,900	976,800	
Commercial			-	9,700	30,200	52,900	76,700	100,500	124,300	148,100	171,900	195,700	
				0,100	00,200	02,000	,	,	12 1,000	1.0,100	,000	,	

		Culturative volumes - 115									
Customer Type	Project Year	<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		19,800	77,000	158,400	250,800	350,900	458,700	575,300	700,700	834,900	976,800
Commercial		-	9,700	30,200	52,900	76,700	100,500	124,300	148,100	171,900	195,700
Institutional		-	-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-	-
Industrial		-	50,000	150,000	250,000	350,000	450,000	550,000	650,000	750,000	850,000
Total Volumes		<u>19,800</u>	<u>136,700</u>	<u>338,600</u>	<u>553,700</u>	<u>777,600</u>	<u>1,009,200</u>	<u>1,249,600</u>	<u>1,498,800</u>	<u>1,756,800</u>	<u>2,022,500</u>

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

Total Capital Costs		<u>Year 10</u>										
Table 4.3 - Revenue Requirement Over The Rate Stability Period												
Revenue Requirement	Project Year	<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>										

EB-2019-0255 Schedule 8Q-2 Redacted
Community Expansion Wabigoon First Nation InService Date: Nov-01-2023

Table 5.1 - Total Amount of Section 36.2 Funding	
Section 36.2 Funding Needed to Support the Project	\$ 6,065,771
Table 5.2 - Section 36.2 Funding Amount Per Customer Served	
Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> <u>\$ 83,093</u>
Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)	
Table 5.5 - Section 56.2 Funding Amount Fer Volume (m5)	
Section 36.2 Funding Amount Per Year 10 Volume (m3)	<u>Year 10</u> <u>\$ 22.83</u>
Table 6.1 - Distribution Charge	
	Project Year <u>1</u> <u>2</u>
Distribution Revenue	Project Year 1 2 \$ 4,170 17,252
SES Revenue	4,554 26,887
Total Distribution Charge	<u>\$ 8,724</u> <u>44,139</u>
Table 7.4 Des (itabilita la des (Di) la destina et Os stien 00.0 Esse dia s	
Table 7.1 - Profitability Index (PI) Inclusive of Section 36.2 Funding	Net Present Value
Cash Inflow	<u>Net Flesent value</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 ($C = A + B$)	
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)	<u>1.00</u>

EB-2019-0255 Schedule 8Q-2 Redacted

<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>
27,785	30,565	32,418	34,040	35,893	37,747	39,600	41,222 \$	300,691
46,437	49,473	51,497	53,268	55,292	57,316	59,340	61,111	465,175
<u>74,222</u>	<u>80.038</u>	<u>83,915</u>	<u>87,308</u>	<u>91,185</u>	<u>95,063</u>	<u>98,940</u>	<u>102,333</u> \$	765,866

Community Expansion Wabigoon First Nation InService Date: Nov-01-2023

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

<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)

Net Present Value







EB-2019-0255 Schedule 8Q-2 Redacted

Schedule 8Q-3 Enbridge Gas Community Expansion Project Proposal

Wabigoon First Nation

Section 3.4 Wabigoon First Nation

	Total Forecasted Customers	73		Penetration Rate	67%						
Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings		Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community -	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	15	21%	\$ 5,000	\$ 2,787	\$ 1,460	\$ 1,328	\$ 20,354	6.6	-2.4	100	(37)
Electricity F/A	7	9%	\$ 5,000	\$ 1,673	\$ 1,460	\$ 213	\$ 1,400	0.5	3.6	4	24
Electricity Baseboard	9	12%	\$ 12,000	\$ 1,673	\$ 1,460	\$ 213	\$ 1,867	0.5	3.6	5	31
Propane	32	44%	\$ 600	\$ 1,611	\$ 1,460	\$ 152	\$ 4,879	5.1	-1.0	164	(32)
Wood	7	9%	\$ 3,500	N/A	N/A	\$-	N/A	N/A	N/A	N/A	N/A
Other	4	5%	\$ 5,000	N/A	N/A	\$-	N/A				
Total	73	100%	\$ 31,100	\$ 7,744	\$ 5,838	\$ 1,906	\$ 28,500	12.7	3.8	273	(14)

2 Based on Market Research gathered information. All of the costs are installed costs, so the cost of new equipment + the cost of having it installed.

_		Emis	sion Factors		
	CO2	CH4	N2O	CO2e	Units
Natural Gas	1863 g/m3	0.037 g/m3	0.035 g/m3	0.001874	355 tonnes/m3
Heating Oil	2725 g/L	0.006 g/L	0.031 g/L	0.002734	388 tonnes/L
Propane	1510 g/L	0.024 g/L	0.108 g/L	0.001542	784 tonnes/L
Electricity	30 g/kWh	-	-	0.00	003 tonnes/kWh
Wood	-	-	-	-	-

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario) Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

Estimated Annual GHG Change (tCO2e) = Estimated Annual GHG For Natural Gas - Estimated Annual GHG For Existing Fuel (tCO2e)

	R	ate 01 (Community Expansion,	FN)		
	Consumption Equivalent			Price per Ur	nit
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.663
Heating oil	L	2397	Heating oil	\$/L	1.163
Electricity	kWh	17778	Electricity	\$/kWh	0.094
Propane	L	3309	Propane	\$/L	0.487
Notes					

Notes:

Gas prices correspond to EGI (Union Gas Northwest) April 2020 rates, including 23 cents per m³ SES charge.

Heating Oil Prices correspond to the latest available Toronto retail prices (February 2019)

Electricty prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER). The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days.

Qualified First Nations (FN) rates excludes distribution charges per First Nations Delivery Credit.

Propane prices correspond to the latest available montly average EDPRO residential rates for Zone 4 (March 2020).

Carbon price is included for all energy types as reported. All costs exclude HST.

EB-2019-0255 Schedule 8Q-3

Schedule 8Q-4 Enbridge Gas Community Expansion Project Proposal

Wabigoon First Nation

Wabigoon First Nation Community Expansion Project Pipeline Construction Schedule

Task Name						2	022												20)23												20	24					
TASK NAME	Jan	Feb	Mar	Apr	r Ma	y Jur	ı Jul	l Au	ıg Se	ep Oo	ct N	lov D	ec Ja	an F	eb	Mar	Apr	May	Jun	Jul	Au	g Se	0 0	ct N	lov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Environmental Assessments																																						1
Permits & Approvals																																						
Leave to Construct Application and Approval																																						
Pre-Construction, Construction and Testing																																						
In Service																																						

EB-2019-0255 Schedule 8Q-4

Schedule 8R Enbridge Gas Community Expansion Project Proposal

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

Part I – Name of Proponent	
Name of Proponent:	File No:
Enbridge Gas Inc.	EB-2019-0255
Project Name: Wauzhushk Onigum Nation C	ommunity Expansion Project
Address of Head Office:	Telephone Number:
50 Keil Drive North	519-436-4600
Chatham, ON N7M 5M1	
Name of Individual to Contact:	Office Telephone Number:
	519-436-5325
Patrick McMahon	Cell Phone Number:
	519-437-0759
	Email Address:
	patrick.mcmahon@enbridge.com

Part II – Description of Proponent's Technical Expertise and Financial Capability

Natural gas distributors that are currently rate-regulated by the OEB are not required to complete this Part.

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.

Part	II – Description of Proponent's Technical Expertise and Financial Capability
2.1	Describe the proponent's technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	 Describe the proponent's financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: Current credit rating of the proponent, its parent or associated companies. 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. 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.
	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.
	N/A

Part I	II – Description of and Sup	port for Project	
3.1 Redacted	of each community by res sectors; routing; length c	b be connected, inclue ve Indigenous commu sidential, commercial/ of pipeline; and nomina	ding whether the project unities; existing population institutional and industrial
	Nation on the Kenora Indian F	Reserve 38B and areas no es will provide access to r	orth of the reserve in the City of natural gas to a forecasted 63
	The proposed project will tie-i	n to an existing 4" polyeth 	ylene pipe along,
	The proposed facilities will run		to, and
	The approximate length and s	size of the distribution pipe	elines required:
	Pipe Type Polyethylene Polyethylene	Diameter (NPS) 2 4	Length (m) 4,700 2,300
	Please refer to Schedule 8	R-1 for Project Map.	
3.2	Provide the annual and c attachments over the ten- commercial/institutional a Indicate for each custome would be firm or interrup	-year rate stability per and industrial sectors er type whether the se	iod by residential, for each community.
	Please refer to Schedule 8	R-2, Table 3.2.	
3.3		od by residential, co	volumes (in m ³) over the ten- ommercial/institutional and
	•	A proponent that has sumption for resident value, in which case it	t must explain how it has
	Please refer to Schedule 8	R-2, Table 3.3.	

 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. 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. Please refer to Schedule 8R-3, Table 3.4. Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule 8R-4 for Proposed Construction Schedule. 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. No letter of support has been provided by the local government in time for this project submission. 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, secoid project. Where the project proponent hold		
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4		2004-0199 / EB-2004-0401) which covers a portion of the area of the proposed
		4

	A Band Council Resolution and Section 28 Permit per the <i>Indian Act</i> will be required before construction can take place on the Kenora Indian Reserve 38B.
Port I	V – Cost of Project
4.1	Confirm that the proposed project includes a ten-year rate stability period.
	The proposed project does include a ten-year rate stability period.
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 8R-2, Table 4.2.

-

4.3	Provide the total annual for the ten-year rate stability per rate base amount at the end	eriod (using	, fully alloca		
	Complete the tables below:				
	Revenue Requirement				
	Description	Year 1	Year 2	Year 10	Total
	Revenue Requirement				
	Description	Year 10			
	Closing Rate Base	rour ro			
	Where applicable, the inflat average GDP IPI FDD. For in use the OEB-prescribed into (CWIP).	nterest duri	ng construc	ction, the pr	roponent is to
	Please refer to Schedule 8R-2	2, Table 4.3			
	/ – Section 36.2 Funding				
5.1	Provide the total amount of project.	section 36	.2 funding n	eeded to su	upport the
	\$2,981,129				
	Please refer to Schedule 8R-2	2, Table 5.1			
5.2	Provide the section 36.2 fur year ten of the project.	nding amou	nt per custo	omer numb	er served in
	\$47,320				
	Please refer to Schedule 8R-2	,			
5.3	Provide the section 36.2 fur of the project.	nding amou	nt per volur	ne (m³) in y	ear ten
	\$20.43				
	Please refer to Schedule 8R-2	2, Table 5.3			

VI – Distribution Charge
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.
Provide a confirmation that there would be no material cross- subsidization between rate classes.
Please refer to Schedule 8R-2, Table 6.1.
Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part V	VII – Profitability Index / Benefit to Cost Ratio									
7.1	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.									
	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).									
	Please refer to Schedule 8R-2, Table 7.1.									
7.2	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.									
	Please refer to Schedule 8R-2, Table 7.2.									

Part V	/III – OEB Approvals
8.1	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).
	Leave to Construct
	 System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	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 <u>website</u> and where applicable assume a written hearing process. Please refer to Schedule 8R-4.

Schedule 8R-1 Enbridge Gas Community Expansion Project Proposal

Wauzhushk Onigum Nation



EB-2019-0255 Schedule 8R-1 Redacted

Life Takes Energy

Schedule 8R-2 Enbridge Gas Community Expansion Project Proposal

Community Expansion Wauzhushk Onigum Nation InService Date: Nov-01-2023

Table 3.2 - Customer Attachments Over The Rate Stability Period					
Customer Type	Firm / IT	Project Year	<u>1</u>	<u>2</u>	
Residential	Firm		18	13	
Commercial	Firm		-	4	
Institutional	Firm		-	-	
Agricultural	Firm		-	-	
Industrial	Firm		-	-	
Total Customers			<u>18</u>	<u>17</u>	
Cumulative Customers			18	35	

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

Customer Type	Project Year	1	<u>2</u>
Residential		19,800	53,900
Commercial		-	7,200
Institutional		-	-
Agricultural		-	-
Industrial		-	-
Total Volumes		<u>19,800</u>	<u>61,100</u>

Customer Type	Project Year <u>1</u>	2
Residential	19,800	73,700
Commercial	-	7,200
Institutional	-	-
Agricultural	-	-
Industrial	-	-
Total Volumes	<u>19,800</u>	80,900

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

Total Capital Costs		<u>Year 10</u>										
Table 4.3 - Revenue Requirement Over The Rate Stability Period												
Revenue Requirement	Project Year	<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>										

EB-2019-0255 Schedule 8R-2 Redacted

3 9 2 - -	4 4 - - -	5 4 - - -	<u>6</u> 2 - - -	7 2 - - -	<mark>8</mark> 2 - - -	<mark>9</mark> 2 - - -	<u>10</u> 1 - - -	<u>Total</u> 57 6 - -
<u>11</u>	<u>4</u>	<u>4</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>63</u>
46	50	54	56	58	60	62	63	
		Annual Vo	olumes - m3					
<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	Z	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
78,100	92,400	101,200	107,800	112,200	116,600	121,000	124,300	927,300
18,000	21,600	21,600	21,600	21,600	21,600	21,600	21,600	176,400
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>96,100</u>	<u>114,000</u>	<u>122,800</u>	<u>129,400</u>	<u>133,800</u>	<u>138,200</u>	<u>142,600</u>	<u>145,900</u>	<u>1,103,700</u>
		Cumulative	Volumes - m3					
<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>Z</u>	<u>8</u>	<u>9</u>	<u>10</u>	
151,800	244,200	345,400	453,200	565,400	682,000	803,000	927,300	
25,200	46,800	68,400	90,000	111,600	133,200	154,800	176,400	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
<u>177,000</u>	<u>291,000</u>	<u>413,800</u>	<u>543,200</u>	<u>677,000</u>	<u>815,200</u>	<u>957,800</u>	<u>1,103,700</u>	

Community Expansion Wauzhushk Onigum Nation InService Date: Nov-01-2023

Table 5.1 - Total Amou	nt of Section 36.2 Funding		
Se	ction 36.2 Funding Needed to Support the Project		\$ 2,981,129
Table 5.2 - Section 36.2	Funding Amount Per Customer Served		
			<u>Year 10</u>
Se	ction 36.2 Funding Amount Per Customer Served		\$ 47,320
able 5.3 - Section 36.2	Funding Amount Per Volume (m3)		
			Year 10
Se	ction 36.2 Funding Amount Per Year 10 Volume (m3)		\$ 20.43
			<u> </u>
Table 6.1 - Distribution	Charge		
		Project Voor	4
	tribution Revenue	Project Year	<u>1</u> <u>2</u> \$ 4,170 12,526
	S Revenue		\$ 4,170 12,526 4,554 14,053
	otal Distribution Charge		<u>\$ 8,724</u> <u>26,579</u>
I	Jai Distribution Charge		$\frac{\phi}{\phi} = 0,724$ 20,373
Table 7.1 - Profitability	Index (PI) Inclusive of Section 36.2 Funding		
0		<u>Net Pres</u>	sent Value
	sh Inflow		
	venue:		l
	tribution Revenue		
	stem Expansion Surcharge (SES) Revenue		
10	al Revenue (A)		
Fx	Denses:		
	M Expense		
	nicipal Tax		
	ome Tax		
	al Expenses (B)		
То	al Cash Inflow (C = A + B)		
Co			
	sh Outflow		
	oss Capital		
	pposed Section 36.2 Funding		
	ange in Working Capital al Cash Outflow (D)		
10			
Pro	fitability Index (PI) Inclusive of Section 36.2 Funding (C / D)		<u>1.00</u>
	, (, , , , , , , , , , , , , , , , , ,		

EB-2019-0255 Schedule 8R-2 Redacted

<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>
19,384	22,983	24,836	26,226	27,152	28,079	29,006	29,701 \$ 2	224,062
22,103	26,220	28,244	29,762	30,774	31,786	32,798	33,557 2	253,851
<u>41,487</u>	<u>49,203</u>	<u>53,080</u>	<u>55,988</u>	<u>57,926</u>	<u>59,865</u>	<u>61,804</u>	<u>63,258</u> <u></u> 4	<u>177,913</u>

Community Expansion Wauzhushk Onigum Nation InService Date: Nov-01-2023

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

<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)

Net Present Value







EB-2019-0255 Schedule 8R-2 Redacted

Schedule 8R-3 Enbridge Gas Community Expansion Project Proposal

Section 3.4 Wauzhushk Onigum Nation

	Total Forecasted Customers	63		Penetration Rate	65%						
Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	GHG per customer	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community -	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil Electricity F/A	13 6	21% 9%						6.6 0.5	-2.4 3.6	87	(32) 20
Electricity Baseboard Propane Wood	8 28 6	12% 44% 9%	\$ 600 \$ 3,500	\$ 1,611 N/A	\$ 1,460 N/A	\$ 152 \$ -	\$ 4,210 N/A		3.6 -1.0 N/A	4 142 N/A	27 (27) N/A
Other Total	3 63 I share distribution observed in other potential expansion area	5% 100%	\$ 31,100			\$ 1,906			3.8	235	(12)

2 Based on Market Research gathered information. All of the costs are installed costs, so the cost of new equipment + the cost of having it installed.

_		Emission Factors										
	CO2	CH4	N2O	CO2e	Units							
Natural Gas	1863 g/m3	0.037 g/m3	0.035 g/m3	0.0018743	355 tonnes/m3							
Heating Oil	2725 g/L	0.006 g/L	0.031 g/L	0.0027343	388 tonnes/L							
Propane	1510 g/L	0.024 g/L	0.108 g/L	0.001542	784 tonnes/L							
Electricity	30 g/kWh	-	-	0.000	003 tonnes/kWh							
Wood	-	-	-	-	-							

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario) Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

Estimated Annual GHG Change (tCO2e) = Estimated Annual GHG For Natural Gas - Estimated Annual GHG For Existing Fuel (tCO2e)

Rate 01 (Community Expansion, FN)									
	Consumption Equivalent		Price per Unit						
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.663				
Heating oil	L	2397	Heating oil	\$/L	1.163				
Electricity	kWh	17778	Electricity	\$/kWh	0.094				
Propane	L	3309	Propane	\$/L	0.487				
Notes:									

Notes:

Gas prices correspond to EGI (Union Gas Northwest) April 2020 rates, including 23 cents per m³ SES charge.

Heating Oil Prices correspond to the latest available Toronto retail prices (February 2019)

Electricty prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER). The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days.

Qualified First Nations (FN) rates excludes distribution charges per First Nations Delivery Credit.

Propane prices correspond to the latest available montly average EDPRO residential rates for Zone 4 (March 2020).

Carbon price is included for all energy types as reported. All costs exclude HST.

EB-2019-0255 Schedule 8R-3

Schedule 8R-4 Enbridge Gas Community Expansion Project Proposal

Wauzhushk Onigum Nation Community Expansion Project Pipeline Construction Schedule

Tool: Nomo		2022								2023												2024													
Task Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec J	lan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov De
Environmental Assessments																																			
Permits & Approvals																																			
Leave to Construct Application and Approval						l																													
Pre-Construction, Construction and Testing																																			
In Service																																			

EB-2019-0255 Schedule 8R-4

Schedule 8R-6 Enbridge Gas Community Expansion Project Proposal

Commission de l'Énergie de l'Ontario



	RP-2004-0199	1
	EB-2004-0401	
Certificate of Public Convenience and Necessity		2
The Ontario Energy Board hereby grants		3
Union Gas Limited		4
approval under section 8 of the <i>Municipal Franchises Act</i> , R.S.O. 1990, c. M.55, to a to supply gas to the	construct works	5
City of Kenora.		6
This certificates replaces the certificates of the former municipalities that are now of Kenora.	within the City	7
DATED at Toronto, September 2, 2004.		8

ONTARIO ENERGY BOARD

John Zych Board Secretary