

Schedule 8W
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (CR)

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

Part I – Name of Proponent	
Name of Proponent: Enbridge Gas Inc.	File No: EB-2019-0255
Project Name: Bradford West Gwillimbury (_____(CR)) 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: Patrick McMahon	Office Telephone Number: 519-436-5325
	Cell Phone Number: 519-437-0759
	Email Address: patrick.mcmahon@enbridge.com

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	<p>Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system.</p> <p>N/A</p>
2.2	<p>Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following:</p> <ul style="list-style-type: none"> • 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. <p>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.</p> <p>N/A</p>

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to expand the gas distribution service within the Town of Bradford West Gwillimbury along _____. The proposed facilities will provide access to natural gas to a forecasted 62 customers (33 residential, 28 commercial / institutional and 1 industrial).

The proposed project will tie-in to an existing 4" polyethylene pipeline near the intersection of _____ and _____. Proposed facilities will run from the tie-in point, _____ to near the intersection of _____ and _____.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	4	3,265
Polyethylene	6	4,431

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

3.3

Provide the annual and cumulative forecast of volumes (in m³) 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 m³ 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 8W-2, Table 3.3.

3.4	<p>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.</p> <p>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.</p> <p>Please refer to Schedule 8W-3, Table 3.4.</p>
3.5	<p>Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.</p> <p>Please refer to Schedule 8W-4 for Proposed Construction Schedule.</p>
3.6	<p>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.</p> <p>Please refer to Schedule 8W-5.</p>
3.7	<p>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.</p> <p>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.</p> <p>Please refer to Schedule 8W-6 for Enbridge's CPCN for the Town of Bradford West Gwillimbury (EB-2016-0045) which covers the entire area of the proposed project.</p>

Part IV – Cost of Project															
4.1	<p>Confirm that the proposed project includes a ten-year rate stability period.</p> <p>The proposed project does include a ten-year rate stability period.</p>														
4.2	<p>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).</p> <p>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</p> <p>For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs.</p> <p>Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences.</p> <p>Please refer to Schedule 8W-2, Table 4.2.</p>														
4.3	<p>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.</p> <p>Complete the tables below:</p> <p>Revenue Requirement</p> <table border="1"> <thead> <tr> <th>Description</th> <th>Year 1</th> <th>Year 2...</th> <th>Year 10</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Revenue Requirement</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Description</th> <th>Year 10</th> </tr> </thead> <tbody> <tr> <td>Closing Rate Base</td> <td></td> </tr> </tbody> </table> <p>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</p> <p>Please refer to Schedule 8W-2, Table 4.3.</p>	Description	Year 1	Year 2...	Year 10	Total	Revenue Requirement					Description	Year 10	Closing Rate Base	
Description	Year 1	Year 2...	Year 10	Total											
Revenue Requirement															
Description	Year 10														
Closing Rate Base															

Part V – Section 36.2 Funding	
5.1	<p>Provide the total amount of section 36.2 funding needed to support the project.</p> <p>\$3,941,187</p> <p>Please refer to Schedule 8W-2, Table 5.1.</p>
5.2	<p>Provide the section 36.2 funding amount per customer number served in year ten of the project.</p> <p>\$63,568</p> <p>Please refer to Schedule 8W-2, Table 5.2.</p>
5.3	<p>Provide the section 36.2 funding amount per volume (m³) in year ten of the project.</p> <p>\$12.99</p> <p>Please refer to Schedule 8W-2, Table 5.3.</p>

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

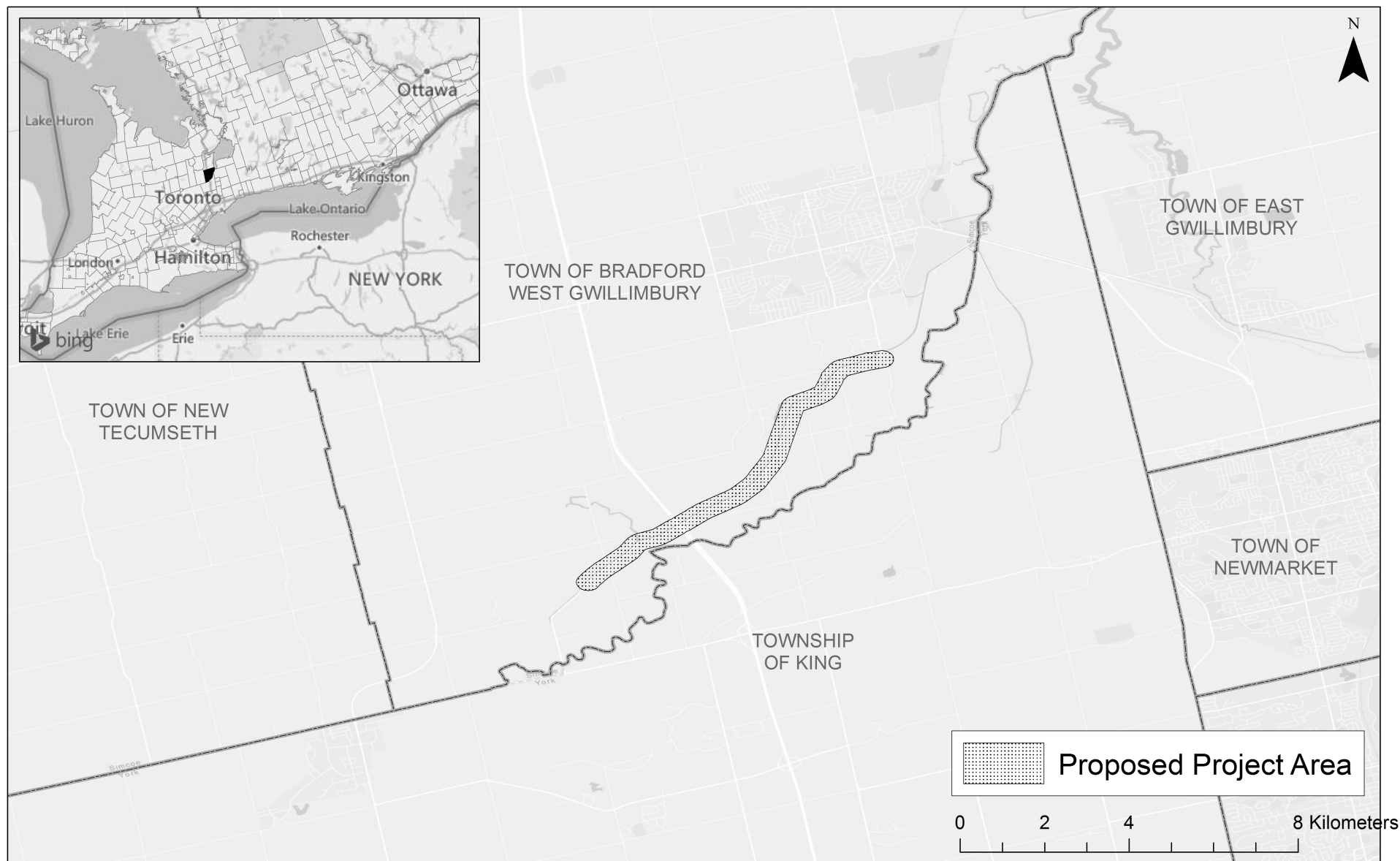
Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	<p>Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support.</p> <p>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).</p> <p>Please refer to Schedule 8W-2, Table 7.1.</p>
7.2	<p>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.</p> <p>Please refer to Schedule 8W-2, Table 7.2.</p>

Part VIII – OEB Approvals	
8.1	<p>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).</p> <ul style="list-style-type: none"> • Leave to Construct
8.2	<p>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 website and where applicable assume a written hearing process.</p> <p>Please refer to Schedule 8W-4.</p>

Schedule 8W-1
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (CR)

Bradford West Gwillimbury - 1



Schedule 8W-2
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (CR)

Table 3.2 - Customer 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		10	7	5	3	3	1	1	1	1	1	33
Commercial	Firm		-	4	2	1	-	-	-	-	-	-	7
Institutional	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural	Firm		-	11	7	3	-	-	-	-	-	-	21
Industrial	Firm		-	1	-	-	-	-	-	-	-	-	1
Total Customers			<u>10</u>	<u>23</u>	<u>14</u>	<u>7</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>62</u>
Cumulative Customers			10	33	47	54	57	58	59	60	61	62	

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

Customer Type	Project Year	Annual Volumes - m3										<u>Total</u>
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential		12,000	32,400	46,800	56,400	63,600	68,400	70,800	73,200	75,600	78,000	577,200
Commercial		-	6,100	14,600	18,200	19,400	19,400	19,400	19,400	19,400	19,400	155,300
Institutional		-	-	-	-	-	-	-	-	-	-	-
Agricultural		-	33,400	82,800	102,400	106,000	106,000	106,000	106,000	106,000	106,000	854,600
Industrial		-	50,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	850,000
Total Volumes		<u>12,000</u>	<u>121,900</u>	<u>244,200</u>	<u>277,000</u>	<u>289,000</u>	<u>293,800</u>	<u>296,200</u>	<u>298,600</u>	<u>301,000</u>	<u>303,400</u>	<u>2,437,100</u>

Customer Type	Project Year	Cumulative Volumes - m3									
		<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		12,000	44,400	91,200	147,600	211,200	279,600	350,400	423,600	499,200	577,200
Commercial		-	6,100	20,700	38,900	58,300	77,700	97,100	116,500	135,900	155,300
Institutional		-	-	-	-	-	-	-	-	-	-
Agricultural		-	33,400	116,200	218,600	324,600	430,600	536,600	642,600	748,600	854,600
Industrial		-	50,000	150,000	250,000	350,000	450,000	550,000	650,000	750,000	850,000
Total Volumes		<u>12,000</u>	<u>133,900</u>	<u>378,100</u>	<u>655,100</u>	<u>944,100</u>	<u>1,237,900</u>	<u>1,534,100</u>	<u>1,832,700</u>	<u>2,133,700</u>	<u>2,437,100</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	<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>

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project

\$3,941,187

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served

Year 10

\$63,568

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

Section 36.2 Funding Amount Per Volume (m3)

Year 10

\$12.99

Table 6.1 - Distribution Charge

	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Distribution Revenue	\$	2,103	17,399	36,857	45,856	49,221	50,062	50,483	50,903	51,324	51,744	\$405,953
SES Revenue		2,760	28,037	56,166	63,710	66,470	67,574	68,126	68,678	69,230	69,782	560,533
Total Distribution Charge	\$	<u>4,863</u>	<u>45,436</u>	<u>93,023</u>	<u>109,566</u>	<u>115,691</u>	<u>117,636</u>	<u>118,609</u>	<u>119,581</u>	<u>120,554</u>	<u>121,526</u>	\$ <u>966,486</u>

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

	<u>Net Present Value</u>
<u>Cash Inflow</u>	
Revenue:	
Distribution Revenue	
System Expansion Surcharge (SES) Revenue	
Total Revenue (A)	
Expenses:	
O&M Expense	
Municipal Tax	
Income Tax	
Total Expenses (B)	
Total Cash Inflow (C = A + B)	
<u>Cash Outflow</u>	
Gross Capital	
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>

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

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

Schedule 8W-3
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (CR)

Section 3.4 Bradford West Gwillimbury () (CR)

Total Forecasted Customers 62 Penetration Rate 65%

	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 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 - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Existing Fuel / Heating Type											
Oil	13	21%	\$ 5,000	\$ 3,050	\$ 1,481	\$ 1,570	\$ 20,438	7.2	-2.7	93	(35)
Electricity F/A	6	9%	\$ 5,000	\$ 2,187	\$ 1,481	\$ 706	\$ 3,942	0.6	3.9	3	22
Electricity Baseboard	7	12%	\$ 12,000	\$ 2,187	\$ 1,481	\$ 706	\$ 5,256	0.6	3.9	4	29
Propane	27	44%	\$ 600	\$ 1,764	\$ 1,481	\$ 283	\$ 7,729	5.6	-1.1	152	(30)
Wood	6	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	3	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	62	100%	\$ 31,100	\$ 9,188	\$ 5,923	\$ 3,266	\$ 37,365	13.9	4.1	253	(14)

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 1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2400	Gas (incl. fixed)	\$/m3	0.617
Heating oil	L	2623	Heating oil	\$/L	1.163
Electricity	kWh	19460	Electricity	\$/kWh	0.112
Propane	L	3622	Propane	\$/L	0.487

Notes:

Gas prices correspond to EGI (EGD) 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 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.

Schedule 8W-4
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (CR)

Bradford West Gwillimbury (_____ (CR)) Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule 8W-5
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (CR)

March 13, 2020

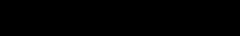
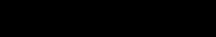

Mr. Biké Balkanci, Director, GTA West/Niagara
Enbridge Inc.
3401 Schmon Parkway
Thorold, ON L2V 4Y6

Re: Locations for Natural Gas Pipeline Expansion in Bradford West Gwillimbury

Dear Mr. Balkanci,

Further to your correspondence on February 19, I am pleased to provide this letter to assist the Government of Ontario in its efforts to improve and expand natural gas pipeline infrastructure. The Natural Gas Expansion Program is welcome news to Bradford West Gwillimbury, as the rapid growth of our population and economic base have made natural gas expansion a critical need for our community.

Bradford West Gwillimbury has three primary areas identified for expansion. A map of the following corridors is provided for your reference:

- Priority Area 1: 
- Priority Area 2: 
- Priority Area 3: 

These priority areas encapsulate multiple land uses, including residential, commercial, industrial and agricultural and have been identified by our Planning, Engineering and Economic Development Divisions as providing the optimal infrastructure to support existing and future needs.

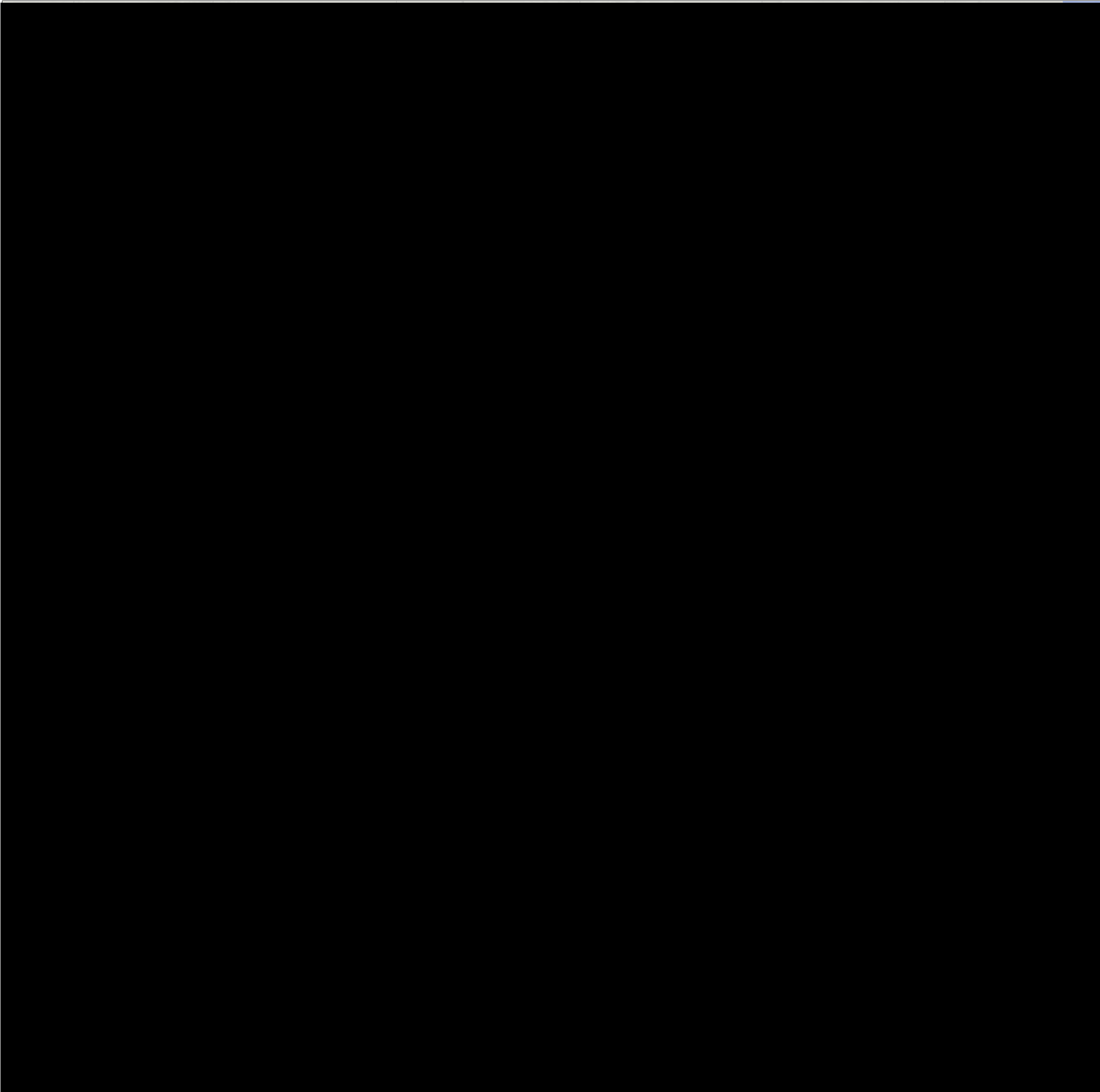
Per the outline you provided, I would be pleased to provide more detailed information concerning the properties along these proposed pipeline routes, as well as the economic benefits this infrastructure would provide.

I look forward to hearing from you on areas the Government of Ontario is considering for this critical gas network expansion and I thank you for the attention you are giving this essential undertaking.

Yours truly,



Rob Keffer
Mayor, Town of Bradford West Gwillimbury



Schedule 8W-6
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (CR)

EB-2016-0045

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Enbridge Gas Distribution Inc.

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

Town of Bradford West Gwillimbury

DATED at Toronto, April 14, 2016

ONTARIO ENERGY BOARD

Original Signed By

Pascale Duguay
Manager, Natural Gas Applications

Schedule 8Y
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (H4)

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

Part I – Name of Proponent	
Name of Proponent: Enbridge Gas Inc.	File No: EB-2019-0255
Project Name: Bradford West Gwillimbury (_____)(H4)) 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: Patrick McMahon	Office Telephone Number: 519-436-5325
	Cell Phone Number: 519-437-0759
	Email Address: patrick.mcmahon@enbridge.com

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	<p>Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system.</p> <p>N/A</p>
2.2	<p>Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following:</p> <ul style="list-style-type: none"> • 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. <p>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.</p> <p>N/A</p>

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to expand the gas distribution service within the Town of Bradford West Gwillimbury in the _____ area. The proposed facilities will provide access to natural gas to a forecasted 39 customers (31 residential and 8 commercial / institutional).

The proposed facilities will tie-in to an existing 6" steel pipeline at the intersection of _____ and _____ for the area _____. For area _____, the proposed facilities will tie-in to an existing 6" steel pipeline at the intersection of _____ and _____.

The proposed facilities will run from the intersection of _____ and _____, _____ and _____. The pipeline will continue _____ and _____ and branch on to _____, _____ and _____.

There are new stations proposed to be built at each of the tie-in locations.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	24,091

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

3.3	<p>Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community.</p> <p>For the residential segment, the default value for the average consumption level is 2,200 m³ 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.</p> <p>Please refer to Schedule 8Y-2, Table 3.3.</p>
3.4	<p>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.</p> <p>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.</p> <p>Please refer to Schedule 8Y-3, Table 3.4.</p>
3.5	<p>Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.</p> <p>Please refer to Schedule 8Y-4 for Proposed Construction Schedule.</p>
3.6	<p>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.</p> <p>Please refer to Schedule 8Y-5.</p>

3.7	<p>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.</p> <p>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.</p> <p>Please refer to Schedule 8Y-6 for Enbridge's CPCN for the Town of Bradford West Gwillimbury (EB-2016-0045) which covers the entire area of the proposed project.</p>
Part IV – Cost of Project	
4.1	<p>Confirm that the proposed project includes a ten-year rate stability period.</p> <p>The proposed project does include a ten-year rate stability period.</p>
4.2	<p>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).</p> <p>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</p> <p>For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs.</p> <p>Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences.</p> <p>Please refer to Schedule 8Y-2, Table 4.2.</p>

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

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

Part V – Section 36.2 Funding	
5.1	<p>Provide the total amount of section 36.2 funding needed to support the project.</p> <p>\$9,759,624</p> <p>Please refer to Schedule 8Y-2, Table 5.1.</p>
5.2	<p>Provide the section 36.2 funding amount per customer number served in year ten of the project.</p> <p>\$250,247</p> <p>Please refer to Schedule 8Y-2, Table 5.2.</p>
5.3	<p>Provide the section 36.2 funding amount per volume (m³) in year ten of the project.</p> <p>\$92.77</p> <p>Please refer to Schedule 8Y-2, Table 5.3.</p>

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

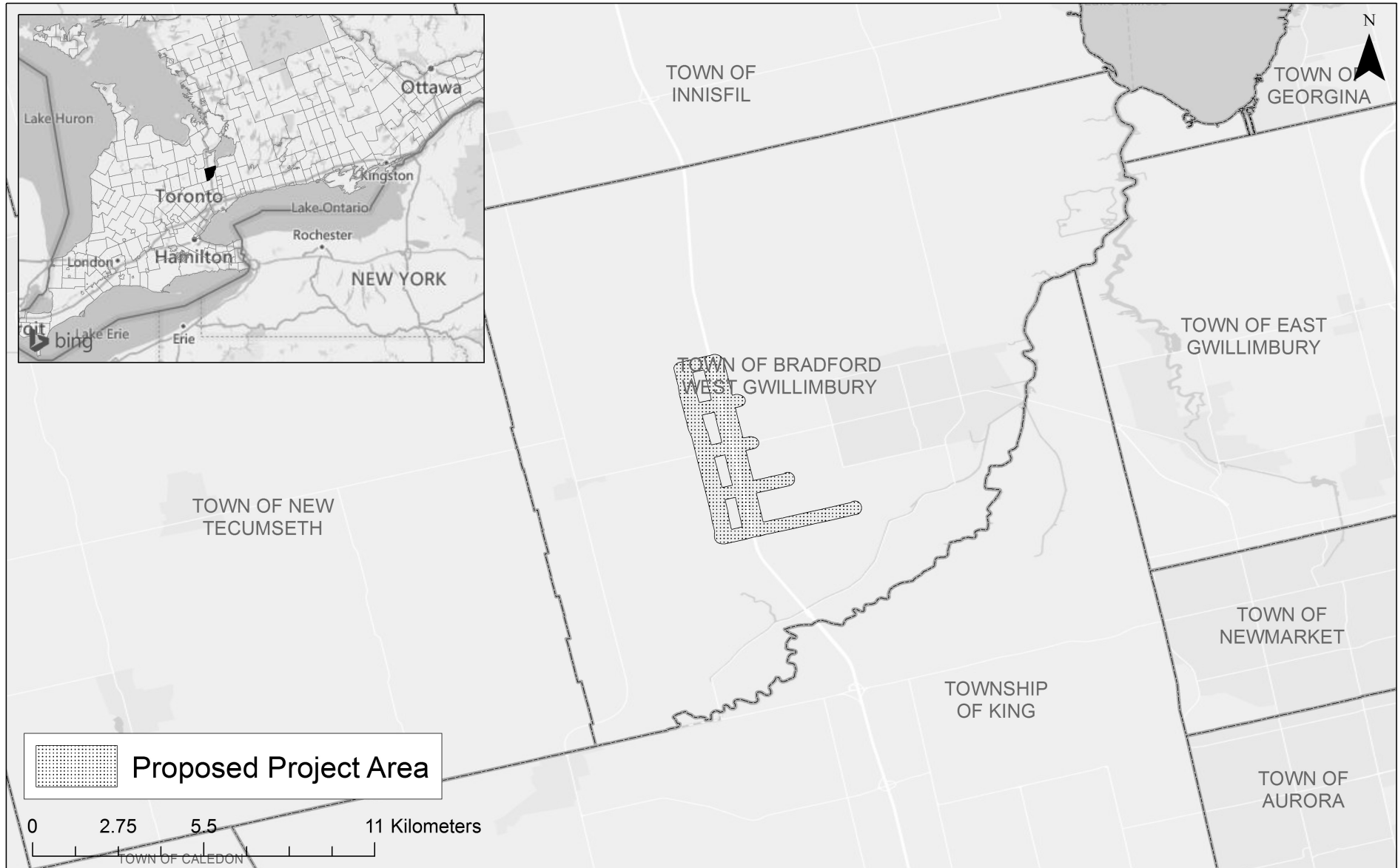
Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	<p>Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support.</p> <p>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).</p> <p>Please refer to Schedule 8Y-2, Table 7.1.</p>
7.2	<p>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.</p> <p>Please refer to Schedule 8Y-2, Table 7.2.</p>

Part VIII – OEB Approvals	
8.1	<p>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).</p> <ul style="list-style-type: none"> • Leave to Construct
8.2	<p>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 website and where applicable assume a written hearing process.</p> <p>Please refer to Schedule 8Y-4.</p>

Schedule 8Y-1
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (H4)

Bradford West Gwillimbury 2



Schedule 8Y-2
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (H4)

Table 3.2 - Customer 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		10	7	5	2	2	1	1	1	1	1	31
Commercial	Firm		-	4	2	-	-	-	-	-	-	-	6
Institutional	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural	Firm		-	2	-	-	-	-	-	-	-	-	2
Industrial	Firm		-	-	-	-	-	-	-	-	-	-	-
Total Customers			<u>10</u>	<u>13</u>	<u>7</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>39</u>
Cumulative Customers			10	23	30	32	34	35	36	37	38	39	

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

Customer Type	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	Annual Volumes - m3						<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Residential		12,000	32,400	46,800	55,200	60,000	63,600	66,000	68,400	70,800	73,200	548,400			548,400
Commercial		-	9,900	23,500	27,200	27,200	27,200	27,200	27,200	27,200	27,200	223,800			223,800
Institutional		-	-	-	-	-	-	-	-	-	-	-			-
Agricultural		-	2,400	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	40,800			40,800
Industrial		-	-	-	-	-	-	-	-	-	-	-			-
Total Volumes		<u>12,000</u>	<u>44,700</u>	<u>75,100</u>	<u>87,200</u>	<u>92,000</u>	<u>95,600</u>	<u>98,000</u>	<u>100,400</u>	<u>102,800</u>	<u>105,200</u>	<u>813,000</u>			<u>813,000</u>

Customer Type	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	Cumulative Volumes - m3						<u>8</u>	<u>9</u>	<u>10</u>	
Residential		12,000	44,400	91,200	146,400	206,400	270,000	336,000	404,400	475,200	548,400			548,400	
Commercial		-	9,900	33,400	60,600	87,800	115,000	142,200	169,400	196,600	223,800			223,800	
Institutional		-	-	-	-	-	-	-	-	-	-			-	
Agricultural		-	2,400	7,200	12,000	16,800	21,600	26,400	31,200	36,000	40,800			40,800	
Industrial		-	-	-	-	-	-	-	-	-	-			-	
Total Volumes		<u>12,000</u>	<u>56,700</u>	<u>131,800</u>	<u>219,000</u>	<u>311,000</u>	<u>406,600</u>	<u>504,600</u>	<u>605,000</u>	<u>707,800</u>	<u>813,000</u>			<u>813,000</u>	

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

	<u>Year 10</u>
Total Capital Costs	

Table 4.3 - Revenue Requirement Over The Rate Stability Period

	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>
Revenue Requirement												

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project

\$9,759,624

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served

Year 10

\$250,247

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

Section 36.2 Funding Amount Per Volume (m3)

Year 10

\$92.77

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	2,103	9,163	16,315	18,929	19,770	20,401	20,821	21,242	21,662	22,083	\$172,487
SES Revenue		2,760	10,281	17,273	20,056	21,160	21,988	22,540	23,092	23,644	24,196	186,990
Total Distribution Charge	\$	4,863	19,444	33,588	38,985	40,930	42,389	43,361	44,334	45,306	46,279	\$359,477

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

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

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

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

Schedule 8Y-3
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (H4)

Section 3.4 Bradford West Gwillimbury (_____ (H4))

Total Forecasted Customers 39 Penetration Rate 66%

	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 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 Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Existing Fuel / Heating Type											
Oil	8	21%	\$ 5,000	\$ 3,050	\$ 1,481	\$ 1,570	\$ 12,856	7.2	-2.7	59	(22)
Electricity F/A	4	9%	\$ 5,000	\$ 2,187	\$ 1,481	\$ 706	\$ 2,480	0.6	3.9	2	14
Electricity Baseboard	5	12%	\$ 12,000	\$ 2,187	\$ 1,481	\$ 706	\$ 3,306	0.6	3.9	3	18
Propane	17	44%	\$ 600	\$ 1,764	\$ 1,481	\$ 283	\$ 4,862	5.6	-1.1	96	(19)
Wood	4	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	39	100%	\$ 31,100	\$ 9,188	\$ 5,923	\$ 3,266	\$ 23,504	13.9	4.1	159	(9)

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 1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2400	Gas (incl. fixed)	\$/m3	0.617
Heating oil	L	2623	Heating oil	\$/L	1.163
Electricity	kWh	19460	Electricity	\$/kWh	0.112
Propane	L	3622	Propane	\$/L	0.487

Notes:

Gas prices correspond to EGI (EGD) 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 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.

Schedule 8Y-4
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (H4)

Bradford West Gwillimbury (_____ (H4)) Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule 8Y-5
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (H4)

March 13, 2020

Mr. Biki Balkanci, Director, GTA West/Niagara
Enbridge Inc.
3401 Schmon Parkway
Thorold, ON L2V 4Y6

Re: Locations for Natural Gas Pipeline Expansion in Bradford West Gwillimbury

Dear Mr. Balkanci,

Further to your correspondence on February 19, I am pleased to provide this letter to assist the Government of Ontario in its efforts to improve and expand natural gas pipeline infrastructure. The Natural Gas Expansion Program is welcome news to Bradford West Gwillimbury, as the rapid growth of our population and economic base have made natural gas expansion a critical need for our community.

Bradford West Gwillimbury has three primary areas identified for expansion. A map of the following corridors is provided for your reference:

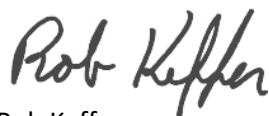
- Priority Area 1: [REDACTED]
- Priority Area 2: [REDACTED]
- Priority Area 3: [REDACTED]

These priority areas encapsulate multiple land uses, including residential, commercial, industrial and agricultural and have been identified by our Planning, Engineering and Economic Development Divisions as providing the optimal infrastructure to support existing and future needs.

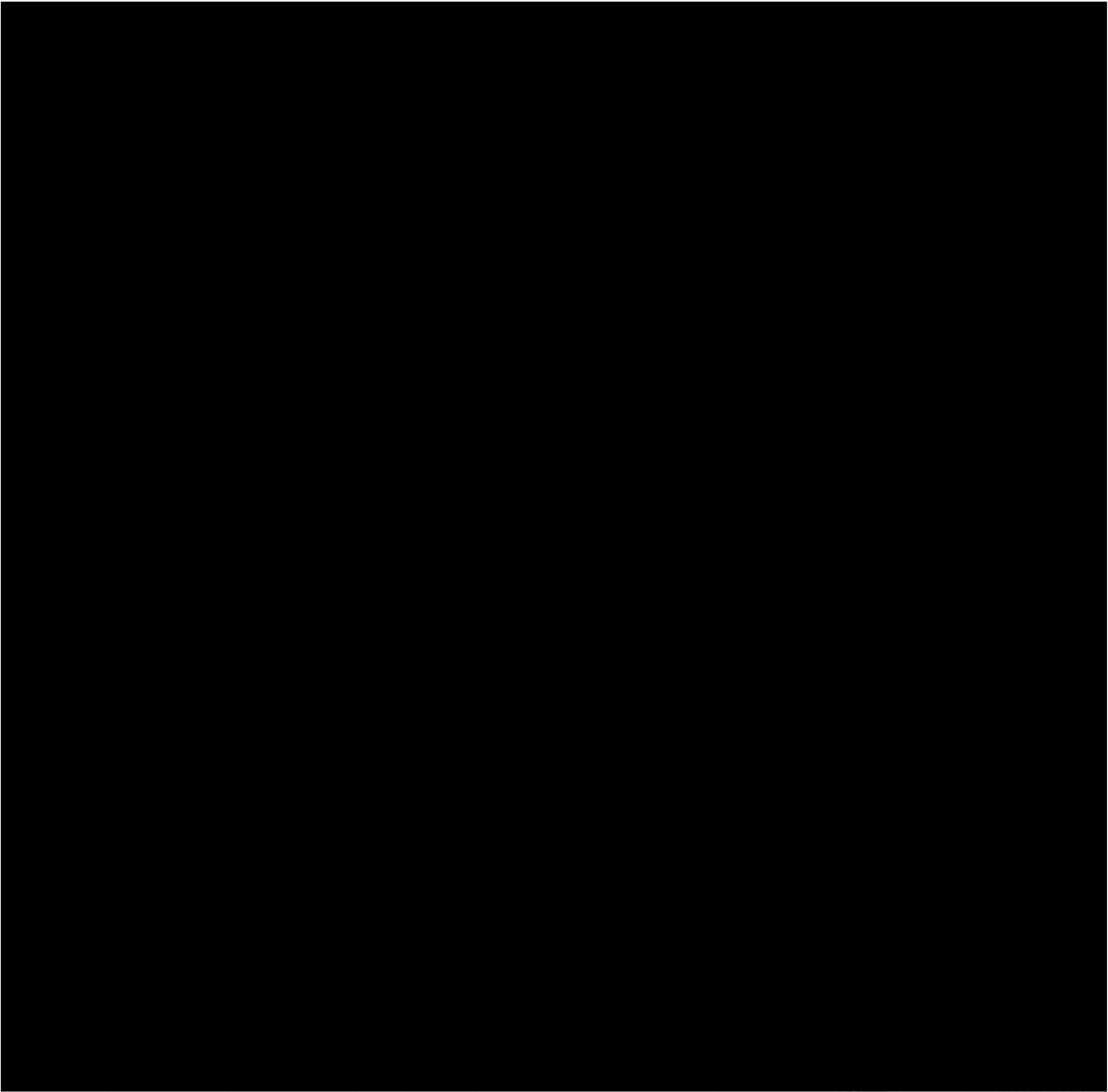
Per the outline you provided, I would be pleased to provide more detailed information concerning the properties along these proposed pipeline routes, as well as the economic benefits this infrastructure would provide.

I look forward to hearing from you on areas the Government of Ontario is considering for this critical gas network expansion and I thank you for the attention you are giving this essential undertaking.

Yours truly,



Rob Keffer
Mayor, Town of Bradford West Gwillimbury



Schedule 8Y-6
Enbridge Gas Community Expansion Project Proposal

Bradford West Gwillimbury - _____ (H4)

EB-2016-0045

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Enbridge Gas Distribution Inc.

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

Town of Bradford West Gwillimbury

DATED at Toronto, April 14, 2016

ONTARIO ENERGY BOARD

Original Signed By

Pascale Duguay
Manager, Natural Gas Applications

Schedule 8X
Enbridge Gas Community Expansion Project Proposal
Bradford West Gwillimbury - _____ (NC)

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

Part I – Name of Proponent	
Name of Proponent: Enbridge Gas Inc.	File No: EB-2019-0255
Project Name: Bradford West Gwillimbury (_____ (NC)) 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: Patrick McMahon	Office Telephone Number: 519-436-5325
	Cell Phone Number: 519-437-0759
	Email Address: patrick.mcmahon@enbridge.com

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	<p>Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system.</p> <p>N/A</p>
2.2	<p>Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following:</p> <ul style="list-style-type: none"> • 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. <p>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.</p> <p>N/A</p>

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to expand the gas distribution service within the Town of Bradford West Gwillimbury in the _____ area. The proposed facilities will provide access to natural gas to a forecasted 46 customers (39 residential and 7 commercial / institutional).

The project has 2 separate parts. The first part will tie-in to an existing 6" steel pipeline south of the intersection of _____ and _____. The second part will tie-in to an existing 6" steel pipeline at the intersection of _____ and _____.

The proposed facilities in the first part will run _____ from the intersection of _____ and _____ to _____ of the intersection of _____ and _____. The proposed facilities in the second part will run along _____ and _____ of _____.

There are new stations proposed to be built at each of the tie-in locations.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	11,183

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

3.3	<p>Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community.</p> <p>For the residential segment, the default value for the average consumption level is 2,200 m³ 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.</p> <p>Please refer to Schedule 8X-2, Table 3.3.</p>
3.4	<p>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.</p> <p>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.</p> <p>Please refer to Schedule 8X-3, Table 3.4.</p>
3.5	<p>Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date.</p> <p>Please refer to Schedule 8X-4 for Proposed Construction Schedule.</p>
3.6	<p>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.</p> <p>Please refer to Schedule 8X-5.</p>

3.7	<p>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.</p> <p>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.</p> <p>Please refer to Schedule 8X-6 for Enbridge's CPCN for the Town of Bradford West Gwillimbury (EB-2016-0045) which covers the entire area of the proposed project.</p>
Part IV – Cost of Project	
4.1	<p>Confirm that the proposed project includes a ten-year rate stability period.</p> <p>The proposed project does include a ten-year rate stability period.</p>
4.2	<p>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).</p> <p>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</p> <p>For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs.</p> <p>Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences.</p> <p>Please refer to Schedule 8X-2, Table 4.2.</p>

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

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

Part V – Section 36.2 Funding	
5.1	<p>Provide the total amount of section 36.2 funding needed to support the project.</p> <p>\$4,814,733</p> <p>Please refer to Schedule 8X-2, Table 5.1.</p>
5.2	<p>Provide the section 36.2 funding amount per customer number served in year ten of the project.</p> <p>\$104,668</p> <p>Please refer to Schedule 8X-2, Table 5.2.</p>
5.3	<p>Provide the section 36.2 funding amount per volume (m³) in year ten of the project.</p> <p>\$37.91</p> <p>Please refer to Schedule 8X-2, Table 5.3.</p>

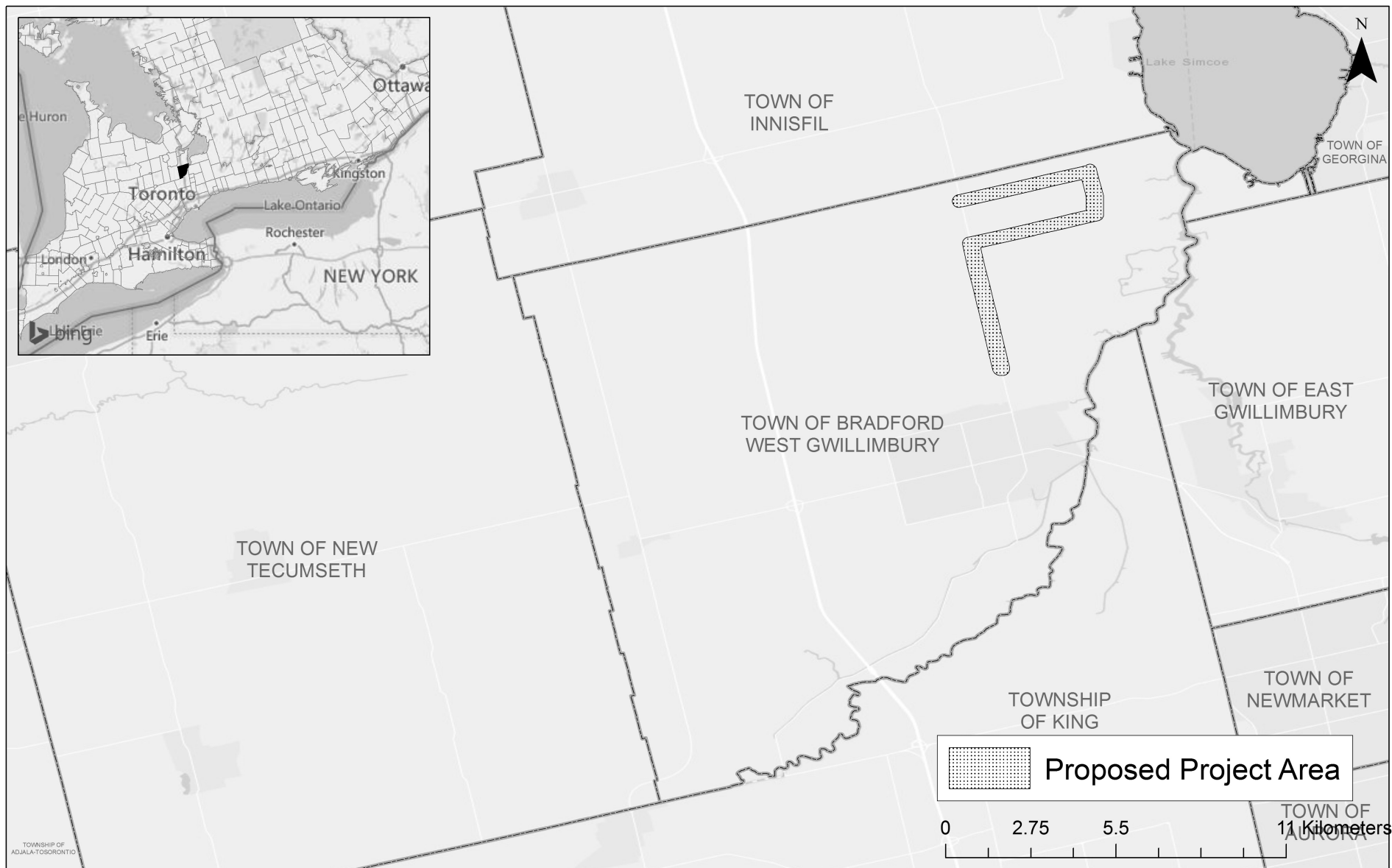
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the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

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	<p>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.</p> <p>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).</p> <p>Please refer to Schedule 8X-2, Table 7.1.</p>
7.2	<p>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.</p> <p>Please refer to Schedule 8X-2, Table 7.2.</p>

Part VIII – OEB Approvals	
8.1	<p>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).</p> <ul style="list-style-type: none"> • Leave to Construct
8.2	<p>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 website and where applicable assume a written hearing process.</p> <p>Please refer to Schedule 8X-4.</p>

Schedule 8X-1
Enbridge Gas Community Expansion Project Proposal
Bradford West Gwillimbury - _____ (NC)

Bradford West Gwillimbury 3



Schedule 8X-2
Enbridge Gas Community Expansion Project Proposal
Bradford West Gwillimbury - _____ (NC)

Table 3.2 - Customer 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		12	9	7	3	3	1	1	1	1	1	39
Commercial	Firm		-	2	-	-	-	-	-	-	-	-	2
Institutional	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural	Firm		-	4	1	-	-	-	-	-	-	-	5
Industrial	Firm		-	-	-	-	-	-	-	-	-	-	-
Total Customers			<u>12</u>	<u>15</u>	<u>8</u>	<u>3</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>46</u>
Cumulative Customers			12	27	35	38	41	42	43	44	45	46	

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

Customer Type	Project Year	Annual Volumes - m3										<u>Total</u>
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential		14,400	39,600	58,800	70,800	78,000	82,800	85,200	87,600	90,000	92,400	699,600
Commercial		-	3,700	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	62,900
Institutional		-	-	-	-	-	-	-	-	-	-	-
Agricultural		-	12,400	26,000	27,200	27,200	27,200	27,200	27,200	27,200	27,200	228,800
Industrial		-	-	-	-	-	-	-	-	-	-	-
Total Volumes		<u>14,400</u>	<u>55,700</u>	<u>92,200</u>	<u>105,400</u>	<u>112,600</u>	<u>117,400</u>	<u>119,800</u>	<u>122,200</u>	<u>124,600</u>	<u>127,000</u>	<u>991,300</u>

Customer Type	Project Year	Cumulative Volumes - m3									
		<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		14,400	54,000	112,800	183,600	261,600	344,400	429,600	517,200	607,200	699,600
Commercial		-	3,700	11,100	18,500	25,900	33,300	40,700	48,100	55,500	62,900
Institutional		-	-	-	-	-	-	-	-	-	-
Agricultural		-	12,400	38,400	65,600	92,800	120,000	147,200	174,400	201,600	228,800
Industrial		-	-	-	-	-	-	-	-	-	-
Total Volumes		<u>14,400</u>	<u>70,100</u>	<u>162,300</u>	<u>267,700</u>	<u>380,300</u>	<u>497,700</u>	<u>617,500</u>	<u>739,700</u>	<u>864,300</u>	<u>991,300</u>

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

	<u>Year 10</u>
Total Capital Costs	

Table 4.3 - Revenue Requirement Over The Rate Stability Period

	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>
Revenue Requirement												

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project

\$4,814,733

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served

Year 10

\$104,668

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

Section 36.2 Funding Amount Per Volume (m3)

Year 10

\$37.91

Table 6.1 - Distribution Charge

	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Distribution Revenue	\$	2,523	10,666	18,283	20,912	22,173	23,014	23,435	23,855	24,276	24,697	\$193,834
SES Revenue		3,312	12,811	21,206	24,242	25,898	27,002	27,554	28,106	28,658	29,210	227,999
Total Distribution Charge	\$	<u>5,835</u>	<u>23,477</u>	<u>39,489</u>	<u>45,154</u>	<u>48,071</u>	<u>50,016</u>	<u>50,989</u>	<u>51,961</u>	<u>52,934</u>	<u>53,907</u>	<u>\$421,833</u>

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

	<u>Net Present Value</u>
<u>Cash Inflow</u>	
Revenue:	
Distribution Revenue	
System Expansion Surcharge (SES) Revenue	
Total Revenue (A)	
Expenses:	
O&M Expense	
Municipal Tax	
Income Tax	
Total Expenses (B)	
Total Cash Inflow (C = A + B)	
<u>Cash Outflow</u>	
Gross Capital	
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>

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

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

Schedule 8X-3
Enbridge Gas Community Expansion Project Proposal
Bradford West Gwillimbury - _____ (NC)

Section 3.4 Bradford West Gwillimbury (_____)(NC))

EB-2019-0255
Schedule 8X-3
Redacted

Total Forecasted Customers 46 Penetration Rate 65%

	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 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 - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Existing Fuel / Heating Type											
Oil	10	21%	\$ 5,000	\$ 3,050	\$ 1,481	\$ 1,570	\$ 15,164	7.2	-2.7	69	(26)
Electricity F/A	4	9%	\$ 5,000	\$ 2,187	\$ 1,481	\$ 706	\$ 2,925	0.6	3.9	2	16
Electricity Baseboard	6	12%	\$ 12,000	\$ 2,187	\$ 1,481	\$ 706	\$ 3,900	0.6	3.9	3	22
Propane	20	44%	\$ 600	\$ 1,764	\$ 1,481	\$ 283	\$ 5,735	5.6	-1.1	113	(22)
Wood	4	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	46	100%	\$ 31,100	\$ 9,188	\$ 5,923	\$ 3,266	\$ 27,723	13.9	4.1	188	(10)

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 1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2400	Gas (incl. fixed)	\$/m3	0.617
Heating oil	L	2623	Heating oil	\$/L	1.163
Electricity	kWh	19460	Electricity	\$/kWh	0.112
Propane	L	3622	Propane	\$/L	0.487

Notes:

Gas prices correspond to EGI (EGD) 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 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.

Schedule 8X-4
Enbridge Gas Community Expansion Project Proposal
Bradford West Gwillimbury - _____ (NC)

[illegible]

Schedule 8X-5
Enbridge Gas Community Expansion Project Proposal
Bradford West Gwillimbury - _____ (NC)

March 13, 2020

Mr. Biké Balkanci, Director, GTA West/Niagara
Enbridge Inc.
3401 Schmon Parkway
Thorold, ON L2V 4Y6

Re: Locations for Natural Gas Pipeline Expansion in Bradford West Gwillimbury

Dear Mr. Balkanci,

Further to your correspondence on February 19, I am pleased to provide this letter to assist the Government of Ontario in its efforts to improve and expand natural gas pipeline infrastructure. The Natural Gas Expansion Program is welcome news to Bradford West Gwillimbury, as the rapid growth of our population and economic base have made natural gas expansion a critical need for our community.

Bradford West Gwillimbury has three primary areas identified for expansion. A map of the following corridors is provided for your reference:

- Priority Area 1: [REDACTED]
- Priority Area 2: [REDACTED]
- Priority Area 3: [REDACTED]

These priority areas encapsulate multiple land uses, including residential, commercial, industrial and agricultural and have been identified by our Planning, Engineering and Economic Development Divisions as providing the optimal infrastructure to support existing and future needs.

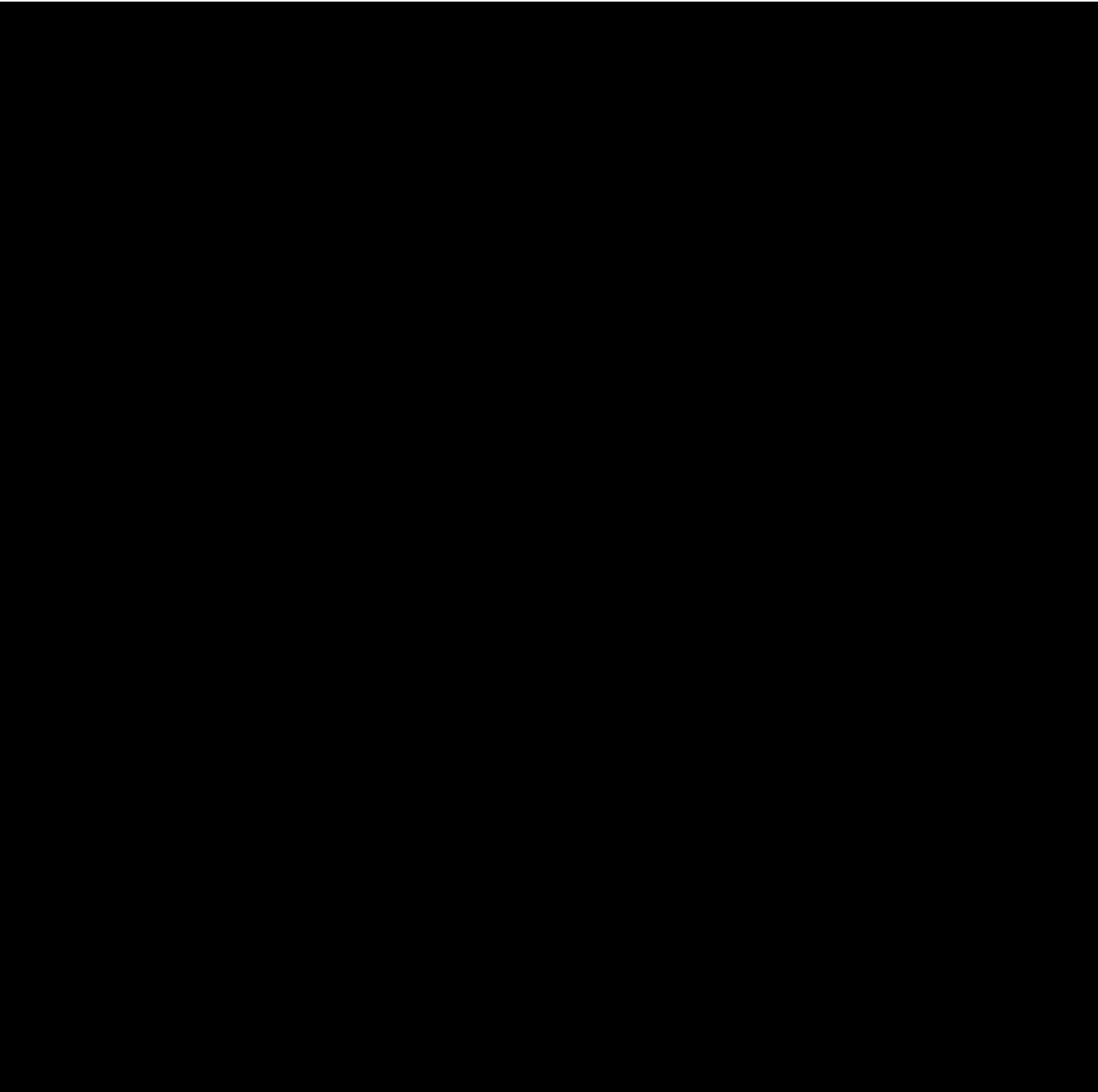
Per the outline you provided, I would be pleased to provide more detailed information concerning the properties along these proposed pipeline routes, as well as the economic benefits this infrastructure would provide.

I look forward to hearing from you on areas the Government of Ontario is considering for this critical gas network expansion and I thank you for the attention you are giving this essential undertaking.

Yours truly,



Rob Keffer
Mayor, Town of Bradford West Gwillimbury



Schedule 8X-6
Enbridge Gas Community Expansion Project Proposal
Bradford West Gwillimbury - _____ (NC)

EB-2016-0045

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Enbridge Gas Distribution Inc.

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

Town of Bradford West Gwillimbury

DATED at Toronto, April 14, 2016

ONTARIO ENERGY BOARD

Original Signed By

Pascale Duguay
Manager, Natural Gas Applications