

Schedule XXX
Enbridge Gas Community Expansion Project Proposal
Town of Mono (Hockley Village)

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: Town of Mono (Hockley Village) 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

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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 provide gas distribution service to the community of Hockley which is located in both the Town of Mono and the Township of Adjala-Tosorontio. The proposed facilities will provide access to natural gas to a forecasted 196 customers (187 residential and 9 commercial / institutional).

The proposed project will tie-in to an existing NPS 8 steel XHP pipeline at the intersection of _____ and _____. A station is proposed at the tie-in location to cut the pressure down for distribution. Proposed facilities run _____ from the tie-in along _____ to _____, and _____ along _____ to _____, _____ along _____ to mid-way between _____, as well as _____ of Hockley Village to _____.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	11,018
Polyethylene	4	6,190

Please refer to Schedule XXX1 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 XXX2, 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 XXX2, 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 XXX3, 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 XXX4 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 XXX5.</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 XXX6 for Enbridge's CPCNs with the Town of Mono (EBC 31) and the Township of Adjala-Tosorontio (EBC 246) which cover 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 XXX2, 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 XXX2, 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>\$6,815,189</p> <p>Please refer to Schedule XXX2, 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>\$34,771</p> <p>Please refer to Schedule XXX2, 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>\$13.33</p> <p>Please refer to Schedule XXX2, 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 XXX2, 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 XXX2, 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 XXX2, 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 XXX4.</p>

Schedule XXX1
Enbridge Gas Community Expansion Project Proposal
Town of Mono (Hockley Village)

Mono - Hockley Village

EB-2019-0255
Schedule XXX1
Redacted



Schedule XXX2
Enbridge Gas Community Expansion Project Proposal
Town of Mono (Hockley Village)

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>	Total
Residential	Firm		50	45	17	12	9	12	10	12	10	10	187
Commercial	Firm		-	4	3	1	-	-	-	-	-	-	8
Institutional	Firm		-	1	-	-	-	-	-	-	-	-	1
Agricultural	Firm		-	-	-	-	-	-	-	-	-	-	-
Industrial	Firm		-	-	-	-	-	-	-	-	-	-	-
Total Customers			<u>50</u>	<u>50</u>	<u>20</u>	<u>13</u>	<u>9</u>	<u>12</u>	<u>10</u>	<u>12</u>	<u>10</u>	<u>10</u>	<u>196</u>
Cumulative Customers			50	100	120	133	142	154	164	176	186	196	

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

Customer Type	Project Year	Annual Volumes - m3										Total
		<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		60,000	174,000	248,400	283,200	308,400	333,600	360,000	386,400	412,800	436,800	3,003,600
Commercial		-	6,100	17,100	23,200	24,400	24,400	24,400	24,400	24,400	24,400	192,800
Institutional		-	25,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	425,000
Agricultural		-	-	-	-	-	-	-	-	-	-	-
Industrial		-	-	-	-	-	-	-	-	-	-	-
Total Volumes		<u>60,000</u>	<u>205,100</u>	<u>315,500</u>	<u>356,400</u>	<u>382,800</u>	<u>408,000</u>	<u>434,400</u>	<u>460,800</u>	<u>487,200</u>	<u>511,200</u>	<u>3,621,400</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		60,000	234,000	482,400	765,600	1,074,000	1,407,600	1,767,600	2,154,000	2,566,800	3,003,600
Commercial		-	6,100	23,200	46,400	70,800	95,200	119,600	144,000	168,400	192,800
Institutional		-	25,000	75,000	125,000	175,000	225,000	275,000	325,000	375,000	425,000
Agricultural		-	-	-	-	-	-	-	-	-	-
Industrial		-	-	-	-	-	-	-	-	-	-
Total Volumes		<u>60,000</u>	<u>265,100</u>	<u>580,600</u>	<u>937,000</u>	<u>1,319,800</u>	<u>1,727,800</u>	<u>2,162,200</u>	<u>2,623,000</u>	<u>3,110,200</u>	<u>3,621,400</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>	Total
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	\$	6,815,189
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	\$	<u>Year 10</u> <u>34,771</u>
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Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)

Section 36.2 Funding Amount Per Volume (m3)	\$	<u>Year 10</u> <u>13.33</u>
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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	\$	10,514	34,336	52,887	61,178	66,120	70,536	75,162	79,788	84,414	88,619	\$ 623,551
SES Revenue		13,800	47,173	72,565	81,972	88,044	93,840	99,912	105,984	112,056	117,576	832,922
Total Distribution Charge	\$	<u>24,314</u>	<u>81,509</u>	<u>125,452</u>	<u>143,150</u>	<u>154,164</u>	<u>164,376</u>	<u>175,074</u>	<u>185,772</u>	<u>196,470</u>	<u>206,195</u>	\$ <u>1,456,473</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 XXX3
Enbridge Gas Community Expansion Project Proposal
Town of Mono (Hockley Village)

Section 3.4 Town of Mono - Hockley Village

Total Forecasted Customers 196 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	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)
Oil	41	21%	\$ 5,000	\$ 3,050	\$ 1,481	\$ 1,570	\$ 64,611	7.2	-2.7	295	(110)
Electricity F/A	18	9%	\$ 5,000	\$ 2,187	\$ 1,481	\$ 706	\$ 12,462	0.6	3.9	10	69
Electricity Baseboard	24	12%	\$ 12,000	\$ 2,187	\$ 1,481	\$ 706	\$ 16,616	0.6	3.9	14	92
Propane	86	44%	\$ 600	\$ 1,764	\$ 1,481	\$ 283	\$ 24,434	5.6	-1.1	482	(94)
Wood	18	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	10	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	196	100%	\$ 31,100	\$ 9,188	\$ 5,923	\$ 3,266	\$ 118,122	13.9	4.1	801	(43)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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 XXX4
Enbridge Gas Community Expansion Project Proposal
Town of Mono (Hockley Village)

Town of Mono (Hockley Village) Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule XXX5
Enbridge Gas Community Expansion Project Proposal
Town of Mono (Hockley Village)



EB-2019-0255
Schedule XXX5(a)
Redacted

Re: Expression of Support for Natural Gas Expansion to Town of Mono
██████████ ███████████ ███████████ ███████████ ███████████ ███████████ Hockley Village

On behalf of the Town of Mono, I would like to formally express our interest to have the construction and installation of gas mains between the area of [REDACTED] Hockley Village included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program. This project could also include connection/looping with the existing main s [REDACTED] [REDACTED] [REDACTED]

Natural gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines. We look forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

Handwritten signature

Copy Mark Wilson, Sr. Advisor, Municipal & Stakeholder Relations



THE CORPORATION OF THE
TOWNSHIP OF ADJALA – TOSORONTIO

7855 Sideroad 30 * Alliston, Ontario * L9R 1V1
Telephone: (705) 434-5055 Fax: (705) 434-5051

Office of the Clerk

May 21, 2020

Dear Ms. Balkanci,

Re: Expression of Support for Natural Gas Expansion in Adjala-Tosorontio

On behalf of the Township of Adjala-Tosorontio, I would like to formally express our interest to have Enbridge Gas include projects that would bring natural Gas to Hockley Village as well as Tioga and Lisle on its list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program.

The Council of the Township of Adjala-Tosorontio passed the following resolution at their Council meeting held on May 19, 2020.

*Moved By: Councillor Hall-Chancey
Seconded By: Councillor Bays*

Resolved, That Council direct Staff to provide a letter to Enbridge Gas Inc. in support of a Natural Gas Expansion Program project in Hockley Village and a project in Tioga and Lisle.

Carried

We look forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Reid", is written over the name and title of the signatory.

Robin Reid,
Acting Clerk

cc: Mark Wilson, Sr. Advisor, Municipal & Stakeholder Relations

Schedule XXX6
Enbridge Gas Community Expansion Project Proposal
Town of Mono (Hockley Village)

**ONTARIO ENERGY BOARD**

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

IN THE MATTER OF an Application
by The Consumers' Gas Company
to the Ontario Energy Board for
a certificate of public convenience
and necessity to construct works to
supply and to supply natural gas in
the Township of Mono.

REASONS FOR DECISION

This is an application by The Consumers' Gas Company (hereinafter referred to as the "Applicant") for an order pursuant to section 8 of The Municipal Franchises Act granting approval of the Board to construct works to supply gas to the inhabitants of the Township of Mono.

The application was heard at a public hearing pursuant to due notice as directed by the Board at the Board offices on December 13, 1963. Mr. W. H. Zimmerman, Q.C., solicitor and Messrs. J. C. McCarthy, E. J. McNamara and R. McKay appeared on behalf of the Applicant.

No one appeared to oppose the application.

The Applicant proposes to extend natural gas service into the Township of Mono during the present year.

The Applicant stated to the Board that it has available to it adequate supplies of natural gas to meet the present and foreseeable requirements of the present and future consumers of the Township of Mono and the Applicant further stated that it has ample financial resources to carry out the undertaking.

The Board having heard the evidence adduced and perused the material filed is of the opinion that the certificate requested is in the public interest and that the application should be granted.

Accordingly, a Certificate of Public Convenience and Necessity will issue upon receipt of confirmation in writing that the by-law franchise agreement has in fact received third reading.

DATED at Toronto this 13th day of December, 1963.

ONTARIO ENERGY BOARD


Chairman


Commissioner

ONTARIO ENERGY BOARD

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

IN THE MATTER of an Application by The Consumers' Gas Company to the Ontario Energy Board for a certificate of public convenience and necessity to construct works to supply and to supply natural gas in the Township of Mono.

B E F O R E:

A.R. Crosier, Chairman) Friday, the 13th day
E.A. Allcut, Commissioner) of December, 1963.

UPON the Application of The Consumers' Gas Company (hereinafter called the Applicant) for a certificate pursuant to the provisions of The Municipal Franchises Act, R.S.O. 1960 Chapter 255 and amendments thereto and upon the hearing of such Application by the Board at the City of Toronto, on the 13th day of December, 1963, after due notice has been given as directed by the Board in the presence of Counsel for the Applicant, no one else appearing, upon consideration of the evidence and exhibits produced at the hearing and upon hearing what was alleged by Counsel for the Applicant.

1. THIS BOARD DOTH ORDER that a Certificate of Public Convenience and Necessity be and the same is hereby granted to The Consumers' Gas Company, for the supply of natural gas to the inhabitants of the Township of Mono, in the County of Dufferin and for the construction of the works necessary therefor.
2. THE BOARD fixes the costs of this Application at \$25.00 payable forthwith by the Applicant.

DATED AT TORONTO this 8th day of January, A.D. 1964

ONTARIO ENERGY BOARD

..... J. C. Faler
Secretary.



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

AND IN THE MATTER OF an Application by
The Consumers' Gas Company Ltd. for a certificate
of public convenience and necessity to construct
works to supply gas and to supply gas to the
inhabitants of the Corporation of the Township of
Adjala-Tosorontio.

BEFORE: P.W. Hardie
Presiding Member

G.A. Dominy
Vice-Chair/Member

C. Elwell
Member

ORDER GRANTING A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

The Consumers' Gas Company Ltd. ("Consumers Gas") filed with the Ontario Energy Board ("the Board") an Application dated March 28, 1996 ("the Application") under section 8 of the Municipal Franchises Act, for a certificate of public convenience and necessity to construct works to supply gas and to supply gas in the Township of Adjala-Tosorontio.

The Notice of Application, dated April 12, 1996, was served in accordance with the Board's Letter of Direction. The Board issued Procedural Order No.1 on May 9, 1996 which established a schedule for interrogatories and notified parties of the date and time of the hearing.

The Application was heard in Toronto on June 5, 6 and 17, 1996 in the presence of counsel for Consumers Gas and counsel for Board Staff. The Board issued an oral decision on

- 2 -

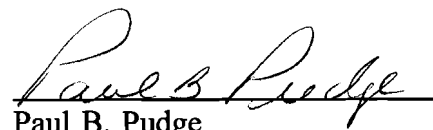
July 4, 1996, finding the Application to be in the public interest. The Board directed that as a condition of granting the order Consumers Gas shall report in its rates cases, on an exception basis, deviations in the contracted volumes for the Honda plant in excess of 20 percent below the volumes forecast in the Company's feasibility analysis, which occur over the 20-year economic feasibility planning horizon.

THE BOARD THEREFORE ORDERS THAT:

1. A Certificate of Public Convenience and Necessity ("the Certificate") is granted to Consumers Gas to construct works to supply gas and to supply gas in the Township of Adjala-Tosorontio.
2. If Consumers Gas should fail to substantially complete construction of the gas mains proposed in the Application within twenty-four months following the issuance of the Board's Certificate, the Certificate shall expire.
3. The Board's costs shall be paid by Consumers Gas forthwith upon the issuance of the Board's invoice.

ISSUED at Toronto, July 9, 1996.

ONTARIO ENERGY BOARD


Paul B. Pudge
Board Secretary

Schedule YYY
Enbridge Gas Community Expansion Project Proposal
Moose Creek

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: Moose Creek 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

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 provide gas distribution service to the community of Moose Creek within the Township of North Stormont along with communities south of the Trans Canada Highway (417).

The proposed facilities will provide access to natural gas to a forecasted 396 customers (333 residential, 52 commercial / institutional and 11 industrial).

The proposed tie-in of the supply lateral is in the community of St. Albert (The Nation Municipality) at the intersection of _____ and _____, runs along _____ of St. Albert, then _____ along _____ and _____ along _____ to Moose Creek in the Township of North Stormont.

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Steel	6	14,741

The approximate length and size of the reinforcement required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	6	1,407
Steel	4	260
Steel	6	1,050
Steel	8	100

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	34,067
Polyethylene	4	11,245

The municipality of North Stormont indicated that the _____ is proposed as an economic development opportunity within the community of Moose Creek. The proposed _____ will provide an opportunity to Enbridge Gas to feed into the proposed _____ in the community.

Please refer to Schedule YYY1 for Project Map.

3.2	<p>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.</p> <p>Please refer to Schedule YYY2, Table 3.2.</p>
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 YYY2, 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 YYY3, 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 YYY4 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 YYY5.</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>The Township of North Stormont was established on January 1, 1998 with the amalgamation of the former Townships of Finch and Roxborough, along with the Village of Finch.</p> <p>The community of Moose Creek is located in the former Roxborough Township section of the Township of North Stormont. Please refer to Schedule YYY6(a) for Enbridge's CPCN for the Township of North Stormont (EB-2007-0956) which covers the majority of the area of the proposed project.</p> <p>St. Albert is a community within The Nation Municipality in the United Counties of Prescott and Russell. Please refer to Schedule YYY6(b) for Enbridge's CPCN for The Nation Municipality (EB-2007-0059) which covers the remainder of the area of the proposed project.</p> <p>Enbridge Gas also holds a CPCN (EB-2016-0343) for the sections of the Township of North Stormont previously known as the Township of Finch and the Village of Finch.</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 YYY2, 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"> <tr> <td>Description</td><td>Year 1</td><td>Year 2...</td><td>Year 10</td><td>Total</td></tr> <tr> <td>Revenue Requirement</td><td></td><td></td><td></td><td></td></tr> </table> <table border="1"> <tr> <td>Description</td><td>Year 10</td></tr> <tr> <td>Closing Rate Base</td><td></td></tr> </table> <p>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</p> <p>Please refer to Schedule YYY2, 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>\$28,925,721</p> <p>Please refer to Schedule YYY2, 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>\$73,045</p> <p>Please refer to Schedule YYY2, 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>\$13.11</p> <p>Please refer to Schedule YYY2, Table 5.3.</p>

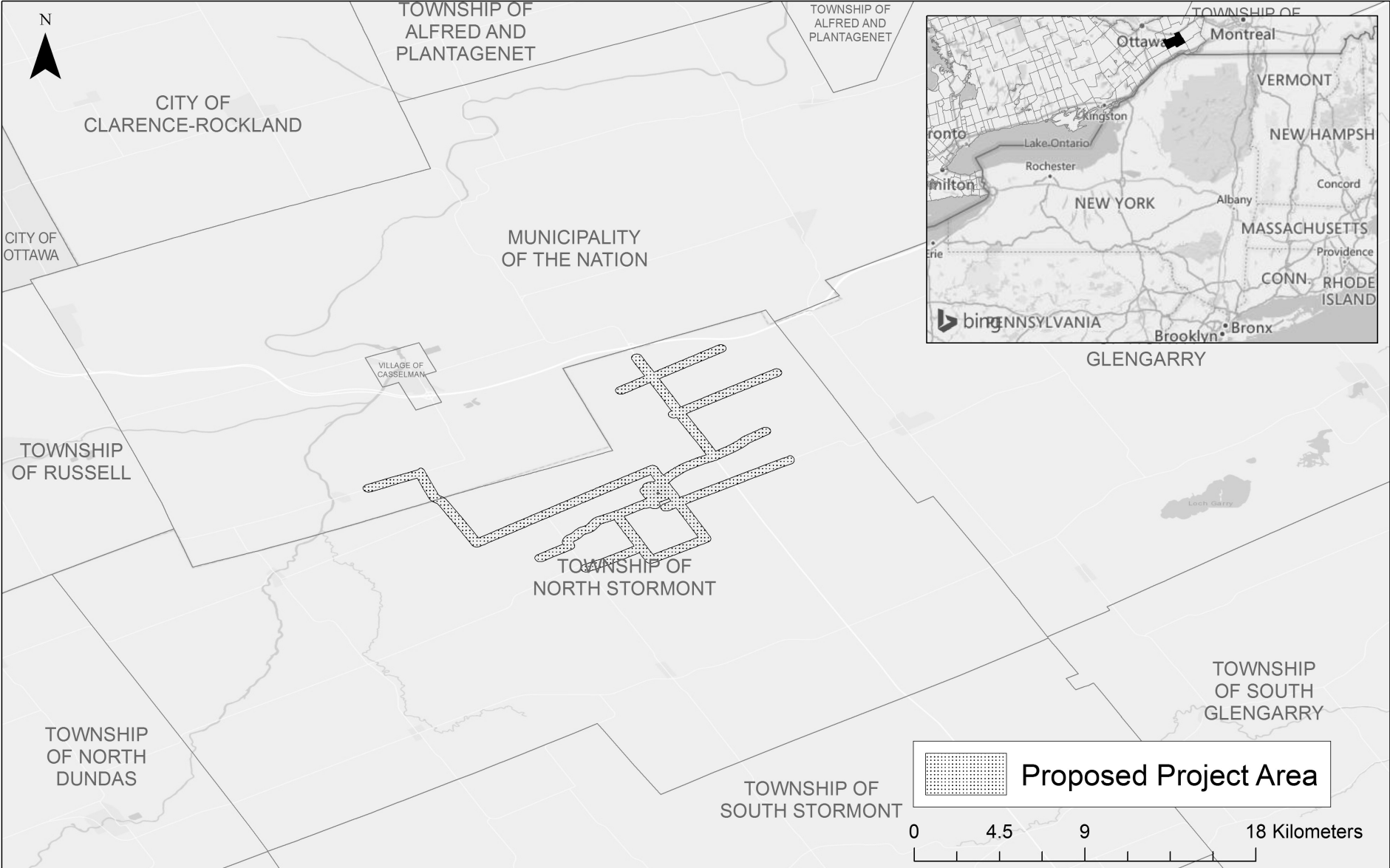
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the 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 YYY2, 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 YYY2, 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 YYY2, 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 • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
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 YYY4.</p>

Schedule YYY1
Enbridge Gas Community Expansion Project Proposal
Moose Creek

Moose Creek



Schedule YYY2
Enbridge Gas Community Expansion Project Proposal
Moose Creek

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>	Total
Residential	Firm		91	80	30	22	17	20	18	20	18	17	333
Commercial	Firm		-	23	8	5	4	1	1	1	1	1	45
Institutional	Firm		-	1	-	-	-	-	-	-	-	-	1
Agricultural	Firm		-	3	1	1	1	-	-	-	-	-	6
Industrial	Firm		-	4	2	1	1	1	1	1	-	-	11
Total Customers			<u>91</u>	<u>111</u>	<u>41</u>	<u>29</u>	<u>23</u>	<u>22</u>	<u>20</u>	<u>22</u>	<u>19</u>	<u>18</u>	<u>396</u>
Cumulative Customers			91	202	243	272	295	317	337	359	378	396	

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

Customer Type	Project Year	Annual Volumes - m3										Total
		<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		106,257	306,411	435,467	496,185	541,724	585,283	630,042	674,801	719,560	760,719	5,256,445
Commercial		-	35,300	85,300	111,100	128,300	135,600	138,000	140,400	142,800	145,200	1,062,000
Institutional		-	25,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	425,000
Agricultural		-	60,000	125,000	135,000	145,000	150,000	150,000	150,000	150,000	150,000	1,215,000
Industrial		-	200,000	500,000	650,000	750,000	850,000	950,000	1,050,000	1,100,000	1,100,000	7,150,000
Total Volumes		<u>106,257</u>	<u>626,711</u>	<u>1,195,767</u>	<u>1,442,285</u>	<u>1,615,024</u>	<u>1,770,883</u>	<u>1,918,042</u>	<u>2,065,201</u>	<u>2,162,360</u>	<u>2,205,919</u>	<u>15,108,445</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		106,257	412,667	848,134	1,344,319	1,886,043	2,471,325	3,101,367	3,776,167	4,495,727	5,256,445
Commercial		-	35,300	120,600	231,700	360,000	495,600	633,600	774,000	916,800	1,062,000
Institutional		-	25,000	75,000	125,000	175,000	225,000	275,000	325,000	375,000	425,000
Agricultural		-	60,000	185,000	320,000	465,000	615,000	765,000	915,000	1,065,000	1,215,000
Industrial		-	200,000	700,000	1,350,000	2,100,000	2,950,000	3,900,000	4,950,000	6,050,000	7,150,000
Total Volumes		<u>106,257</u>	<u>732,967</u>	<u>1,928,734</u>	<u>3,371,019</u>	<u>4,986,043</u>	<u>6,756,925</u>	<u>8,674,967</u>	<u>10,740,167</u>	<u>12,902,527</u>	<u>15,108,445</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

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>	Total

	<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	\$ 28,925,721
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> \$ 73,045
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Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)

Section 36.2 Funding Amount Per Volume (m3)	<u>Year 10</u> \$ 13.11
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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	\$	18,931	82,946	144,646	172,085	191,945	208,213	222,257	236,301	247,815	256,167	\$ 1,781,305
SES Revenue		24,439	144,143	275,026	331,726	371,455	407,303	441,150	474,996	497,343	507,361	3,474,942
Total Distribution Charge	\$	<u>43,370</u>	<u>227,090</u>	<u>419,672</u>	<u>503,810</u>	<u>563,401</u>	<u>615,516</u>	<u>663,407</u>	<u>711,297</u>	<u>745,157</u>	<u>763,529</u>	<u>\$ 5,256,248</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 YYY3
Enbridge Gas Community Expansion Project Proposal
Moose Creek

Section 3.4 Moose Creek

Total Forecasted Customers 396 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	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)
Oil	83	21%	\$ 5,000	\$ 2,787	\$ 1,495	\$ 1,292	\$ 107,450	6.6	-2.4	545	(202)
Electricity F/A	36	9%	\$ 5,000	\$ 1,998	\$ 1,495	\$ 503	\$ 17,922	0.5	3.6	19	128
Electricity Baseboard	48	12%	\$ 12,000	\$ 1,998	\$ 1,495	\$ 503	\$ 23,896	0.5	3.6	25	171
Propane	174	44%	\$ 600	\$ 1,611	\$ 1,495	\$ 116	\$ 20,258	5.1	-1.0	890	(171)
Wood	36	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	20	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	396	100%	\$ 31,100	\$ 8,395	\$ 5,981	\$ 2,414	\$ 169,526	12.7	3.8	1,479	(75)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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.

Schedule YYY4
Enbridge Gas Community Expansion Project Proposal
Moose Creek

Moose Creek Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule YYY5
Enbridge Gas Community Expansion Project Proposal
Moose Creek



February 28th, 2020

Enbridge Gas Inc.
400 Coventry Road
Ottawa ON
K1K 2C7
Attn: Mr. Ian Ross

EB-2019-0255
Schedule YYY5

Re: Expression of Support for Natural Gas Expansion to the Township of North Stormont

Dear Mr. Ian Ross, Regional Director

In December 2019, the Government of Ontario announced plans to further increase access to natural gas by making financial support available for new service expansion projects. This Natural Gas Expansion Program will unlock financial support needed to expand natural gas service to new areas across Ontario that are not economically feasible without support. Our municipality is one such area, and we are eager to bring this affordable, reliable fuel source to our residents and businesses.

On behalf of Township of North Stormont, I would like to formally express Councils interest to have the Natural Gas Expansion Project, within the boundaries of the Township of North Stormont, be included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program. Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support in its project submissions. Please accept this correspondence as Municipal Councils endorsement and support of this expansion initiative.

Natural gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines. Municipal Council looks forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

Jim Wert
Mayor
Township of North Stormont

Schedule YYY6
Enbridge Gas Community Expansion Project Proposal
Moose Creek

EB-2007-0956

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Enbridge Gas Distribution Inc.

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

Township of North Stormont,
limited to the area formerly known as the Township of Roxborough

DATED at Toronto, April 2, 2008

ONTARIO ENERGY BOARD

Original signed by

Neil McKay
Manager, Facilities Applications

EB-2007-0059

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Enbridge Gas Distribution Inc.

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

The Nation Municipality

This certificate replaces the certificate associated with the former Township of Cambridge that is now within The Nation Municipality.

DATED at Toronto, May 1, 2007

ONTARIO ENERGY BOARD

Original signed by

Neil McKay
Manager, Facilities Applications

Schedule *ZZZ*
Enbridge Gas Community Expansion Project Proposal
Morris-Turnberry (Walton)

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: Morris-Turnberry (Walton) 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 provide gas distribution service to the community of Walton in the Municipality of Morris-Turnberry. The proposed facilities will provide access to natural gas to a forecasted 48 customers (36 residential, 10 commercial / institutional and 2 industrial).

The proposed tie-in point will be near the intersection of _____ and _____ connecting to an existing 2" polyethylene pipe. The proposed distribution pipeline will consist of 1,700 m of 2" polyethylene pipe and 12,400 m of 4" polyethylene pipe. The proposed distribution system will extend _____ along _____ and partially extend along _____. An existing station requires upsizing.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	1,700

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	4	12,400

Please refer to Schedule ZZZ1 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 ZZZ2, 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 ZZZ2, 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 ZZZ3, 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 ZZZ4 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 ZZZ5.</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 ZZZ6 for Enbridge's CPCN for the Municipality of Morris-Turnberry (EB-2015-0142) 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 ZZZ2, 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 ZZZ2, 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>\$6,985,293</p> <p>Please refer to Schedule ZZZ2, 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>\$145,527</p> <p>Please refer to Schedule ZZZ2, 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>\$17.10</p> <p>Please refer to Schedule ZZZ2, Table 5.3.</p>

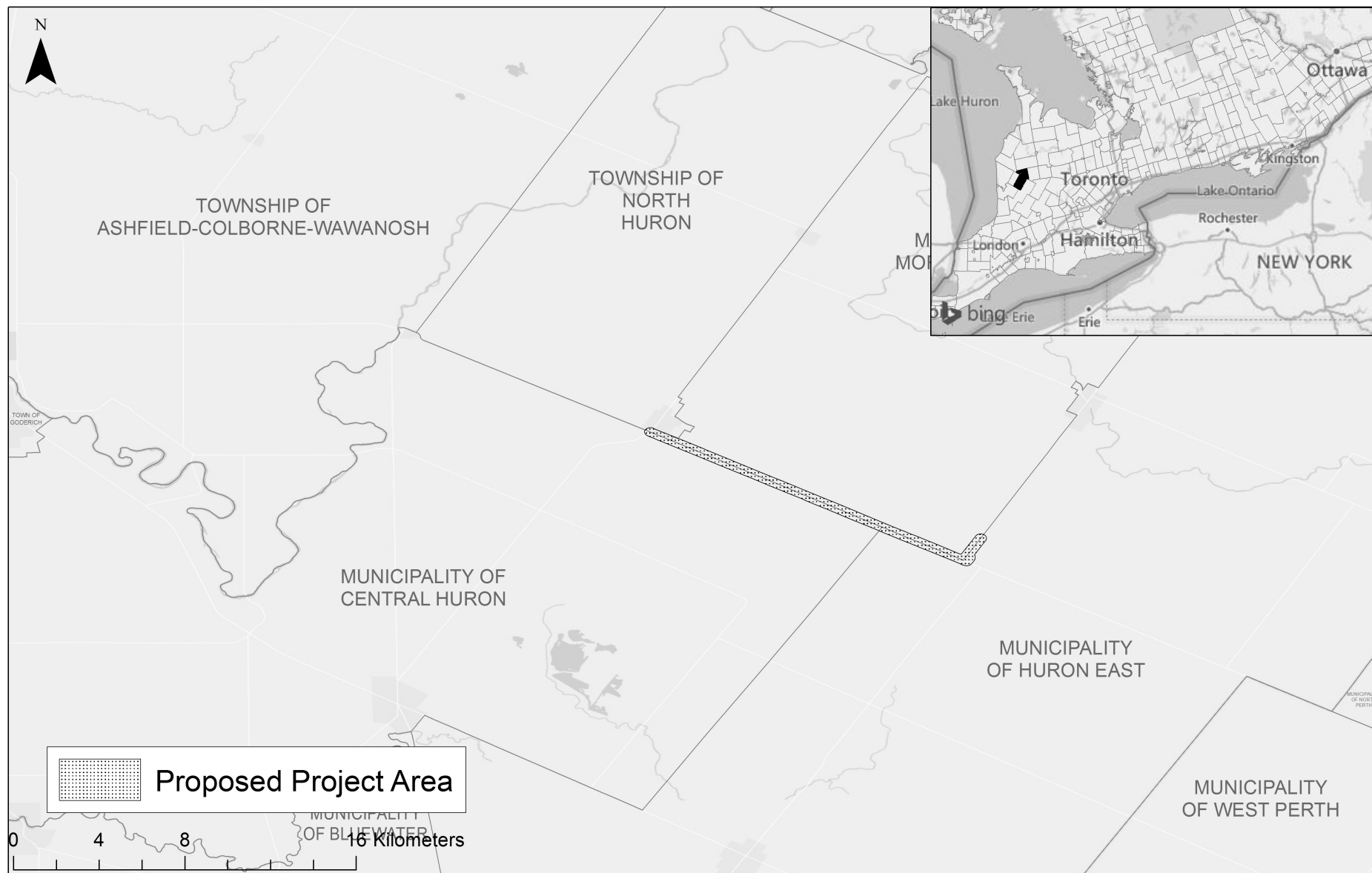
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the 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 ZZZ2, 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 ZZZ2, 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 ZZZ2, 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 • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
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 ZZZ4.</p>

Schedule ZZZ1
Enbridge Gas Community Expansion Project Proposal
Morris-Turnberry (Walton)

Walton - Morris Turnberry



Schedule *ZZZ2*
Enbridge Gas Community Expansion Project Proposal
Morris-Turnberry (Walton)

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ 6,985,293
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u><u>\$ Year 10 145,527</u></u>
---	--

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

Section 36.2 Funding Amount Per Year 10 Volume (m3)	<u><u>\$ Year 10 17.10</u></u>
---	--

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	1,797	11,368	20,287	22,083	23,390	24,206	24,533	24,859	25,186	25,513	\$ 203,221
SES Revenue		2,783	44,827	85,859	88,642	90,666	91,931	92,437	92,943	93,449	93,955	777,492
Total Distribution Charge	\$	<u>4,580</u>	<u>56,195</u>	<u>106,146</u>	<u>110,725</u>	<u>114,056</u>	<u>116,137</u>	<u>116,970</u>	<u>117,802</u>	<u>118,635</u>	<u>119,468</u>	<u>\$ 980,713</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 *ZZZ3*
Enbridge Gas Community Expansion Project Proposal
Morris-Turnberry (Walton)

Section 3.4 Morris-Turnberry (Walton)

Total Forecasted Customers 48 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	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)
Oil	10	21%	\$ 5,000	\$ 2,829	\$ 1,258	\$ 1,571	\$ 15,836	6.7	-2.5	67	(25)
Electricity F/A	4	9%	\$ 5,000	\$ 2,028	\$ 1,258	\$ 770	\$ 3,328	0.5	3.6	2	15
Electricity Baseboard	6	12%	\$ 12,000	\$ 1,626	\$ 1,258	\$ 368	\$ 2,119	0.5	3.6	3	21
Propane	21	44%	\$ 600	\$ 1,626	\$ 1,258	\$ 368	\$ 7,770	5.2	-1.1	109	(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	48	100%	\$ 31,100	\$ 8,109	\$ 5,031	\$ 3,077	\$ 29,053	12.9	3.6	182	(12)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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 M1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.572
Heating oil	L	2433	Heating oil	\$/L	1.163
Electricity	kWh	18046	Electricity	\$/kWh	0.112
Propane	L	3359	Propane	\$/L	0.484

Notes:

Gas prices correspond to EGI (Union Gas South) 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

South Propane prices correspond to the latest available montly average EDPRO residential rates for Zone 1 (March 2020).

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

Schedule ZZZ4
Enbridge Gas Community Expansion Project Proposal
Morris-Turnberry (Walton)

Morris-Turnberry (Walton) Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule *ZZZ5*
Enbridge Gas Community Expansion Project Proposal
Morris-Turnberry (Walton)



MUNICIPALITY OF MORRIS-TURNBERRY

P.O. Box 310, 41342 Morris Road, Brussels, Ontario N0G 1H0
Tel: 519-887-6137 Fax: 519-887-6424 Email: mail@morristurnberry.ca

May 20, 2020

Enbridge Gas Inc.
Brian Lennie
Senior Advisor, Municipal Affairs
50 Keil Drive North,
Chatham, ON N7M 5M1
Via email: brian.lennie@enbridge.com

Dear Brian,

Re: Expression of Support for Natural Gas Expansion to the Municipality of Morris-Turnberry

In December 2019, the Government of Ontario announced plans to further increase access to natural gas by making financial support available for new service expansion projects. This Natural Gas Expansion Program will unlock financial support needed to expand natural gas service to new areas across Ontario that are not economically feasible without support. Our municipality is one such area, and we are eager to bring this affordable, reliable fuel source to our residents and businesses.

On behalf of the Municipality of Morris-Turnberry, I would like to formally express our interest to have the community of Walton included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program.

Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support in its project submissions.

At the May 19th Council meeting, Morris-Turnberry Council passed the following resolution:

Moved by Jim Nelemans
Seconded by Sharen Zinn

MOTION
128-2020

WHEREAS access to natural gas infrastructure is limited in parts of the Municipality of Morris-Turnberry and increased access will provide more affordable and reliable energy;

AND WHEREAS expanding access to natural gas within Morris-Turnberry (Walton) is a key strategic priority supported by Council;

AND WHEREAS access to natural gas for residents, farms and businesses will provide an economic advantage;

AND WHEREAS natural gas access can provide residents on higher emitting fuels with a lower carbon energy source that will help reduce greenhouse gas emissions;

THEREFORE BE IT RESOLVED THAT the Council of the Municipality of Morris-Turnberry formally supports an application submitted by a natural gas distributor (Enbridge Gas Inc.) to the Government of Ontario, for a grant from the Provincial Natural Gas Expansion Support Program, to expand the natural gas system to service Morris-Turnberry (Walton);

AND THAT Council supports making a financial contribution towards the proposed project in an amount equivalent to the property tax that would be recovered on the new natural gas infrastructure for a period of 10 years as a financial support to the proposed project per the Ontario Energy Board (OEB) guidelines for the Natural Gas Expansion Support Program;

AND THAT the Mayor be authorized to sign the required supporting letter for Enbridge;

AND THAT a copy of this resolution be forwarded along with the application to Enbridge for its inclusion in the application to the Ontario's Natural Gas Expansion Support Program.

Carried.

Natural gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines. We look forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

Sincerely,



Trevor Hallam
CAO/Clerk
Municipality of Morris-Turnberry
thallam@morristurnberry.ca
519-887-6137 x 221

Schedule *ZZZ6*
Enbridge Gas Community Expansion Project Proposal
Morris-Turnberry (Walton)

EB-2015-0142

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Union Gas Limited

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

Municipality of Morris-Turnberry

DATED at Toronto, June 11, 2015

ONTARIO ENERGY BOARD

Original Signed By

Pascale Duguay
Manager, Natural Gas Applications

Schedule AAAA
Enbridge Gas Community Expansion Project Proposal
Papineau-Cameron

**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: Papineau-Cameron 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 provide gas distribution service to previously unserved areas within the Township of Papineau-Cameron. The proposed facilities will provide access to natural gas to a forecasted 103 customers (85 residential, 12 commercial / institutional and 6 industrial).

The proposed tie-in point at _____ will connect to an existing station at the intersection of _____ and _____.

The proposed distribution pipeline will consist of 14,796 m of 2" polyethylene pipe and 6,110 m of 4" polyethylene pipe. The proposed distribution system extends along _____ to branch on to _____, _____, _____, _____ and _____ up to _____.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	14,796

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	4	6,110

Please refer to Schedule AAAA1 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 AAAA2, 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 AAAA2, 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 AAAA3, 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 AAAA4 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 AAAA5.</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 AAAA6 for Enbridge's CPCN for the Township of Papineau-Cameron (RP-2004-0168 / EB-2004-0255) 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 AAAA2, 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 AAAA2, 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>\$8,244,328</p> <p>Please refer to Schedule AAAA2, 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>\$80,042</p> <p>Please refer to Schedule AAAA2, 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>\$9.98</p> <p>Please refer to Schedule AAAA2, Table 5.3.</p>

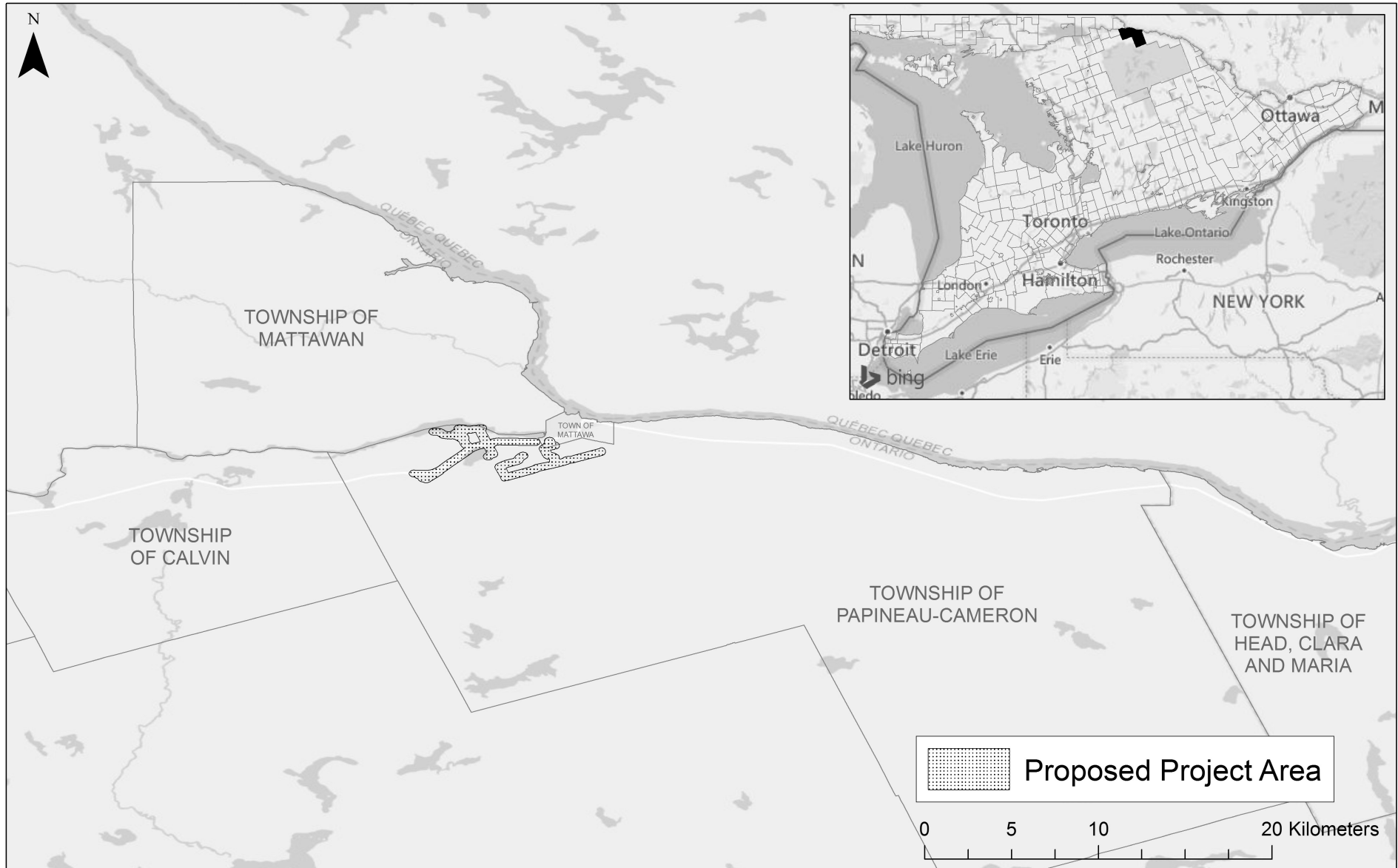
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the 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 AAAA2, 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 AAAA2, 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 AAAA2, 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 • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
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 AAAA4.</p>

Schedule AAAA1
Enbridge Gas Community Expansion Project Proposal
Papineau-Cameron

Township of Papineau-Cameron



Schedule AAAA2
Enbridge Gas Community Expansion Project Proposal
Papineau-Cameron

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

<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>
	26	20	10	7	7	3	3	3	3	3	85
	-	7	3	1	1	-	-	-	-	-	12
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	4	2	-	-	-	-	-	-	-	6
	<u>26</u>	<u>31</u>	<u>15</u>	<u>8</u>	<u>8</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>103</u>
	26	57	72	80	88	91	94	97	100	103	

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

<u>Customer Type</u>
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Annual Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
	28,600	79,200	112,200	130,900	146,300	157,300	163,900	170,500	177,100	183,700	1,349,700
	-	14,400	33,500	39,300	41,500	42,600	42,600	42,600	42,600	42,600	341,700
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	200,000	500,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	4,900,000
	<u>28,600</u>	<u>293,600</u>	<u>645,700</u>	<u>770,200</u>	<u>787,800</u>	<u>799,900</u>	<u>806,500</u>	<u>813,100</u>	<u>819,700</u>	<u>826,300</u>	<u>6,591,400</u>

<u>Customer Type</u>
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Cumulative Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
	28,600	107,800	220,000	350,900	497,200	654,500	818,400	988,900	1,166,000	1,349,700	
	-	14,400	47,900	87,200	128,700	171,300	213,900	256,500	299,100	341,700	
	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	
	-	200,000	700,000	1,300,000	1,900,000	2,500,000	3,100,000	3,700,000	4,300,000	4,900,000	
	<u>28,600</u>	<u>322,200</u>	<u>967,900</u>	<u>1,738,100</u>	<u>2,525,900</u>	<u>3,325,800</u>	<u>4,132,300</u>	<u>4,945,400</u>	<u>5,765,100</u>	<u>6,591,400</u>	

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

Total Capital Costs

Year 10

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

<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>

Year 10

Closing Rate Base (net of proposed Section 36.2 funding)
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Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ 8,244,328
--	-----------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> \$ 80,042
---	--------------------------------

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> \$ 9.98
---	--------------------------------

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	\$	6,023	34,159	67,045	79,670	83,377	85,925	87,315	88,705	90,095	91,485	\$ 713,801
SES Revenue		6,578	67,528	148,511	177,146	181,194	183,977	185,495	187,013	188,531	190,049	1,516,022
Total Distribution Charge	\$	<u>12,601</u>	<u>101,687</u>	<u>215,556</u>	<u>256,816</u>	<u>264,571</u>	<u>269,902</u>	<u>272,810</u>	<u>275,718</u>	<u>278,626</u>	<u>281,534</u>	<u>\$ 2,229,823</u>

Table 7.1 - Profitability Index (PI) Inclusive of 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	
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>

Net Present Value

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 AAAA3
Enbridge Gas Community Expansion Project Proposal
Papineau-Cameron

Section 3.4 Township of Papineau-Cameron

Total Forecasted Customers 103 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	22	21%	\$ 5,000	\$ 2,787	\$ 1,460	\$ 1,328	\$ 28,719	6.6	-2.4	142	(53)
Electricity F/A	9	9%	\$ 5,000	\$ 1,998	\$ 1,460	\$ 538	\$ 4,992	0.5	3.6	5	33
Electricity Baseboard	12	12%	\$ 12,000	\$ 1,998	\$ 1,460	\$ 538	\$ 6,656	0.5	3.6	7	44
Propane	45	44%	\$ 600	\$ 1,611	\$ 1,460	\$ 152	\$ 6,884	5.1	-1.0	231	(44)
Wood	9	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	5	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	103	100%	\$ 31,100	\$ 8,395	\$ 5,838	\$ 2,557	\$ 47,250	12.7	3.8	385	(19)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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	0.663
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 West) 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.

Schedule AAAA4
Enbridge Gas Community Expansion Project Proposal
Papineau-Cameron

Papineau-Cameron Community Expansion Project Pipeline Construction Schedule

Task Name	2022												2023												2024											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	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																																				

Schedule AAAA5
Enbridge Gas Community Expansion Project Proposal
Papineau-Cameron



THE CORPORATION OF THE TOWNSHIP OF PAPINEAU-CAMERON

4861 Highway 17, P.O. Box 630, Mattawa ON P0H 1V0
Office: (705) 744-5610 • Fax: (705) 744-0434 • Garage: (705) 744-5072
E-mail: clerk@papineaucameron.ca Website: www.papineaucameron.ca

March 11, 2020

EB-2019-0255
Schedule AAAA5
Redacted

Luke Skaarup
Director, Northern Region Operations
Enbridge Gas Inc.
36 Charles Street
North Bay, ON P1B 8K7

Re: Expression of Support for Natural Gas Expansion to:

The Council of Papineau-Cameron met at their Regular Council Meeting on March 10, 2020 and passed the following resolution:

Date:	March 10, 2020	Resolution Number:	2020-59
Moved By:	Councillor Shelley Belanger	Seconded By:	Councillor Alvina Neault

THAT Council is in agreement to issue a letter to Enbridge Gas Inc. expressing support for Natural Gas Infrastructure Expansion within the Township of Papineau-Cameron.

CARRIED

Also please find the attached list of Commercial and Residential properties that were previously contacted by the Mattawa-Bonfield Economic Development Corporation, showing an expression of interest with an approximate 100,000,000 BTU consumption heating source requirement for natural gas, along with the attached letter from the Township expressing the need for natural gas infrastructure expansion.

Please note that one of our largest employers, GinCor Industries has been identified as one of Canada's fastest growing companies and is a leader in vocational truck manufacturing where access to natural gas is an essential component for the company's plans to further expand its manufacturing facility.

We look forward to working with you in the near future, and feel free to contact us if you have any questions.

Sincerely,


Jason McMartin, BA, ADA
CAO/Clerk-Treasurer

Encl. Papineau-Cameron Township Resolution 2020-59
Expression of Support for Natural Gas Expansion Letter from Mayor Robert Corriveau
Commercial and Residential Properties showing expression of interest for Natural Gas

c.c. The Council of Papineau-Cameron Township
Scott Bangs – Road Superintendent, Papineau-Cameron Township
Neil O'Grady – Fire Chief

The Corporation of the Township of Papineau-Cameron

P.O. BOX 630, #4861 HIGHWAY 17, MATTAWA, ON POH 1V0

DATE: March 10, 2020

RESOLUTION NUMBER: 2020- 59

MOVED BY:

Shelley Belanger

SECONDED BY:

Alvina Neault

THAT Council is in agreement to issue a letter to Enbridge Gas Inc. expressing support for Natural Gas Infrastructure Expansion within the Township of Papineau-Cameron.

COPY

CARRIED:

Robert Corriveau
(Mayor)

NOT CARRIED:

(Mayor)

Recorded Vote (Upon Request of Councillor _____) Section 246 (1) Municipal Act

RECORDED DIVISION VOTE	YES Signature	NO Signature	ABSTAIN Signature
Mayor Robert Corriveau			
Deputy Mayor Shelley Belanger			
Councillor Vacant Seat			
Councillor Wendy Adams			
Councillor Alvina Neault			



THE CORPORATION OF THE TOWNSHIP OF PAPINEAU-CAMERON

4861 Highway 17, P.O. Box 630, Mattawa ON P0H 1V0

Office: (705) 744-5610 • Fax: (705) 744-0434 • Garage: (705) 744-5072

E-mail: clerk@papineaucameron.ca Website: www.papineaucameron.ca

March 10, 2020

Luke Skaarup
Director, Northern Region Operations
Enbridge Gas Inc.
36 Charles Street
North Bay, ON P1B 8K7

Re: Expression of Support for Natural Gas Expansion to:

[REDACTED]

In December 2019, the Government of Ontario announced plans to further increase access to natural gas by making financial support available for new service expansion projects. This Natural Gas Expansion Program will unlock financial support needed to expand natural gas service to new areas across Ontario that are not economically feasible without support. Our municipality is one such area, and we are eager to bring this affordable, reliable fuel source to our residents and businesses.

On behalf of the Corporation of the Township of Papineau-Cameron, I would like to formally express our interest to have [REDACTED]

[REDACTED] included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program.

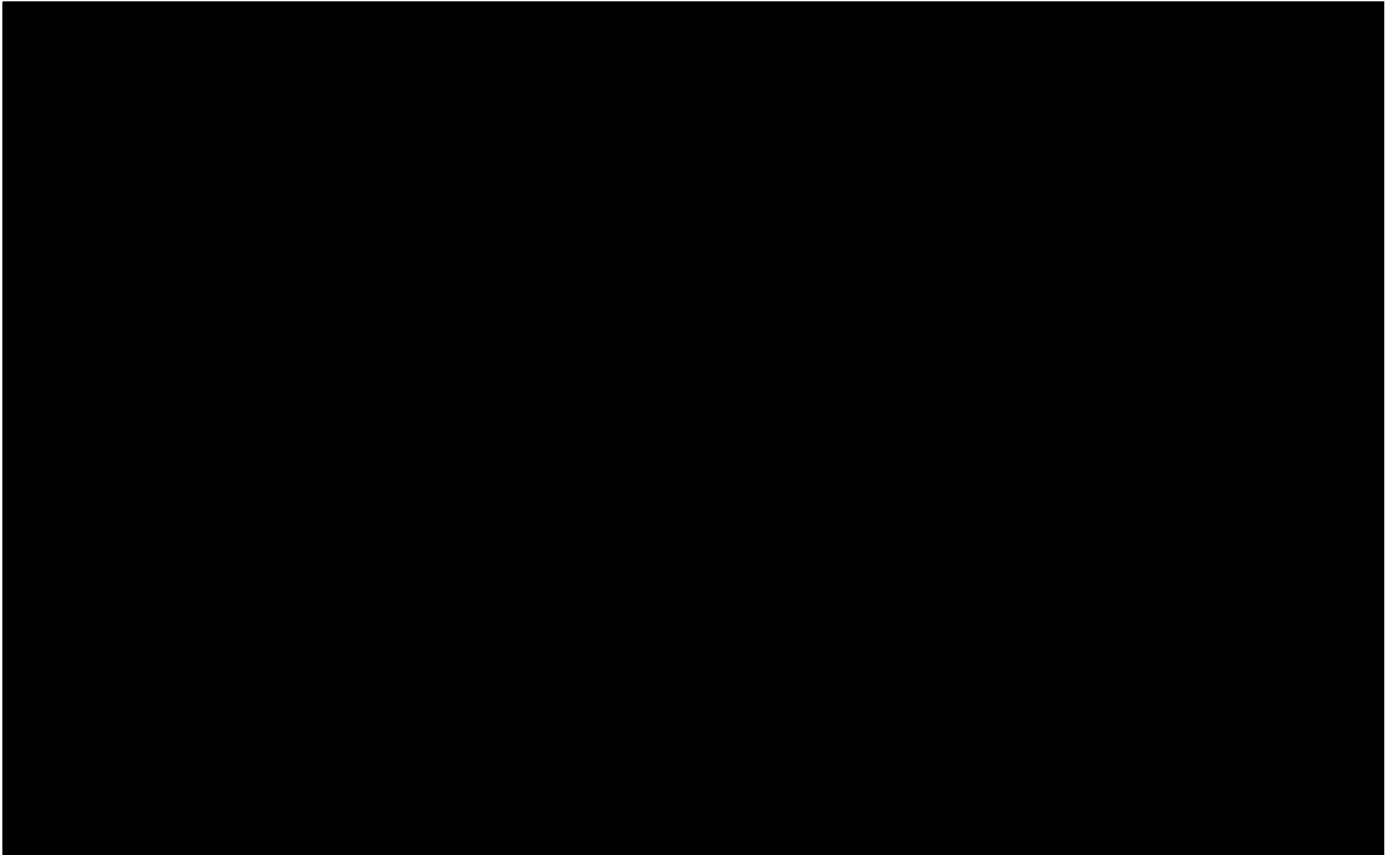
Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through written expression of support and/or a commitment to financial support in its project submissions.

Natural Gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines. We look forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

Sincerely,

Mayor Robert Corriveau

c.c. Jason McMartin – CAO/Clerk Treasurer, Papineau-Cameron Township
Scott Bangs – Road Superintendent, Papineau-Cameron Township



Schedule AAAA6
Enbridge Gas Community Expansion Project Proposal
Papineau-Cameron

Ontario Energy
Board

Commission de l'Énergie
de l'Ontario



RP-2004-0168

EB-2004-0255

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Union Gas Limited

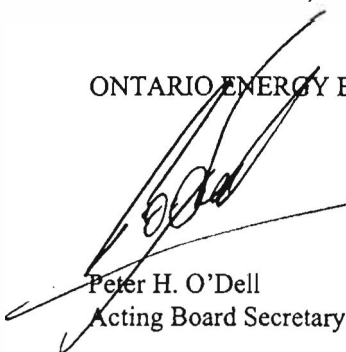
approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, to construct works to supply gas to the

Township of Papineau-Cameron

This certificate replaces the certificate of the former municipality that is now within the Township of Papineau-Cameron and gives approval to Union Gas Limited to construct works to supply gas throughout the Township of Papineau-Cameron.

DATED at Toronto, July 12, 2004.

ONTARIO ENERGY BOARD


Peter H. O'Dell
Acting Board Secretary

Schedule BBBB
Enbridge Gas Community Expansion Project Proposal
Puslinch

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: Puslinch 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 provide gas distribution service to previously unserved areas within the Township of Puslinch. The proposed facilities will provide access to natural gas to a forecasted 20 residential customers.

The proposed tie-in point will be along _____ connecting to an existing 2" polyethylene pipe. The proposed distribution pipeline will consist of 5,510 m of 2" polyethylene pipe. The proposed distribution system will extend ____ via _____ to _____, _____, _____, _____, _____ and _____.

There will be no reinforcements or any station work required to accommodate additional loads for the system.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	5,510 m

Please refer to Schedule BBBB1 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 BBBB2, 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 BBBB2, 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 BBBB3, 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 BBBB4 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 BBBB5.</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 BBBB6 for Enbridge's CPCN for the Township of Puslinch (FBC 332) 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 BBBB2, 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 BBBB2, 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>\$2,422,693</p> <p>Please refer to Schedule BBBB2, 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>\$121,135</p> <p>Please refer to Schedule BBBB2, 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>\$56.47</p> <p>Please refer to Schedule BBBB2, Table 5.3.</p>

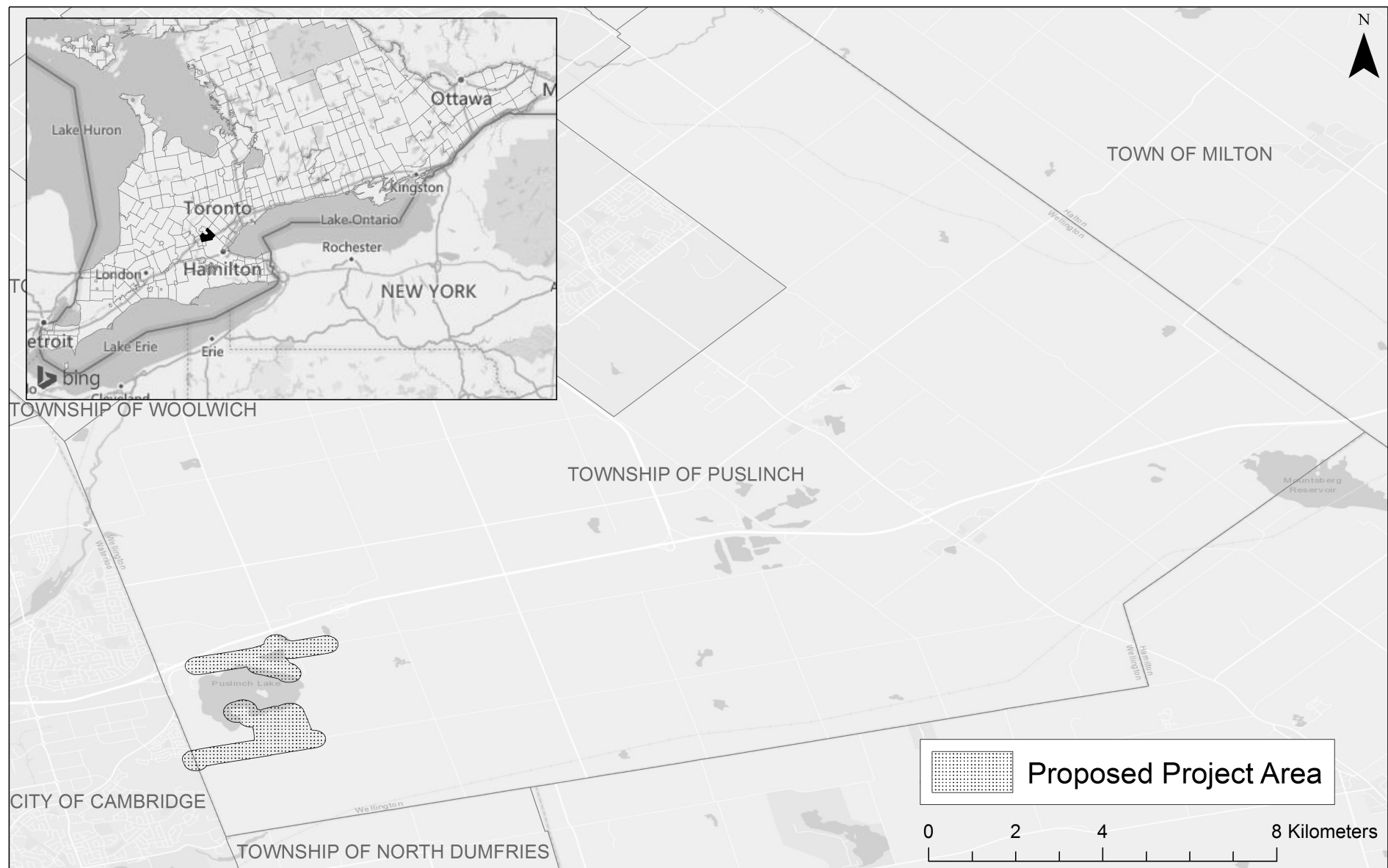
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the 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 BBBB2, 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 BBBB2, 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 BBBB2, 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 • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
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 BBBB4.</p>

Schedule BBBB1
Enbridge Gas Community Expansion Project Proposal
Puslinch

Puslinch



Schedule BBBB2
Enbridge Gas Community Expansion Project Proposal
Puslinch

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

<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>
	5	4	3	2	1	1	1	1	1	1	20
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	<u>5</u>	<u>4</u>	<u>3</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>20</u>
	5	9	12	14	15	16	17	18	19	20	

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

<u>Customer Type</u>
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Annual Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
	5,500	15,400	23,100	28,600	31,900	34,100	36,300	38,500	40,700	42,900	297,000
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	<u>5,500</u>	<u>15,400</u>	<u>23,100</u>	<u>28,600</u>	<u>31,900</u>	<u>34,100</u>	<u>36,300</u>	<u>38,500</u>	<u>40,700</u>	<u>42,900</u>	<u>297,000</u>

<u>Customer Type</u>
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Cumulative Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
	5,500	20,900	44,000	72,600	104,500	138,600	174,900	213,400	254,100	297,000	
	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	
	<u>5,500</u>	<u>20,900</u>	<u>44,000</u>	<u>72,600</u>	<u>104,500</u>	<u>138,600</u>	<u>174,900</u>	<u>213,400</u>	<u>254,100</u>	<u>297,000</u>	

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

Total Capital Costs

Year 10

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

<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>
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Closing Rate Base (net of proposed Section 36.2 funding)
--

Year 10

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ 2,422,693
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	\$ <u>Year 10</u> 121,135
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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> 56.47
---	----------------------------

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	\$	817	2,286	3,430	4,246	4,736	5,063	5,390	5,716	6,043	6,369	\$ 44,096
SES Revenue		1,265	3,542	5,313	6,578	7,337	7,843	8,349	8,855	9,361	9,867	68,310
Total Distribution Charge	\$	<u>2,082</u>	<u>5,828</u>	<u>8,743</u>	<u>10,824</u>	<u>12,073</u>	<u>12,906</u>	<u>13,739</u>	<u>14,571</u>	<u>15,404</u>	<u>16,236</u>	<u>\$ 112,406</u>

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

<u>Cash Inflow</u>		<u>Net Present 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)			
<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 BBBB3
Enbridge Gas Community Expansion Project Proposal
Puslinch

Section 3.4 Puslinch

Total Forecasted Customers 20 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	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)
Oil	4	21%	\$ 5,000	\$ 2,829	\$ 1,258	\$ 1,571	\$ 6,598	6.7	-2.5	28	(11)
Electricity F/A	2	9%	\$ 5,000	\$ 2,028	\$ 1,258	\$ 770	\$ 1,387	0.5	3.6	1	6
Electricity Baseboard	2	12%	\$ 12,000	\$ 1,626	\$ 1,258	\$ 368	\$ 883	0.5	3.6	1	9
Propane	9	44%	\$ 600	\$ 1,626	\$ 1,258	\$ 368	\$ 3,238	5.2	-1.1	46	(9)
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/A				
Total	20	100%	\$ 31,100	\$ 8,109	\$ 5,031	\$ 3,077	\$ 12,106	12.9	3.6	76	(5)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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 M1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.572
Heating oil	L	2433	Heating oil	\$/L	1.163
Electricity	kWh	18046	Electricity	\$/kWh	0.112
Propane	L	3359	Propane	\$/L	0.484

Notes:

Gas prices correspond to EGI (Union Gas South) 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

South Propane prices correspond to the latest available montly average EDPRO residential rates for Zone 1 (March 2020).

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

Schedule BBBB4
Enbridge Gas Community Expansion Project Proposal
Puslinch

Puslinch Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule BBBB5
Enbridge Gas Community Expansion Project Proposal
Puslinch



May 22, 2020

Dear REGIONAL DIRECTOR,

Re: Expression of Support for Natural Gas Expansion to *Township of Puslinch/Puslinch Lake South*

In December 2019, the Government of Ontario announced plans to further increase access to natural gas by making financial support available for new service expansion projects. This Natural Gas Expansion Program will unlock financial support needed to expand natural gas service to new areas across Ontario that are not economically feasible without support.

[REDACTED]

On behalf of the *Township of Puslinch*, I would like to formally express our interest to have *Puslinch Lake South* included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program.

Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support in its project submissions.

Natural gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines. We look forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

Sincerely,

DocuSigned by:

9F3A0A&BD61844F...

James Seeley
Mayor
Township of Puslinch

Schedule BBBB6
Enbridge Gas Community Expansion Project Proposal
Puslinch

ONTARIO FUEL BOARDEB-2019-0255
Schedule BBBB6

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

AND IN THE MATTER OF an Application by
Union Gas Company of Canada, Limited to
the Ontario Fuel Board for approval of the
Board to construct works to supply and to
supply gas in the Township of Puslinch.

B E F O R E:

J.J. Wingfelder, Vice-Chairman) Friday, the 16th
and)
J.S. Yoerger, Commissioner) day of October, 1959.

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY


UPON the Application of Union Gas Company of Canada, Limited
for approval of the Ontario Fuel Board to construct works to supply and to sup-
ply gas in the Township of Puslinch pursuant to Section 8 of The Municipal
Franchises Act, R.S.O. 1950, Chapter 249, as amended; upon the hearing of such
Application by the Board on the 16th day of October, 1959, after due Notice of
such Hearing had been given as directed by the Board; in the presence of Counsel
for the Applicant and in the presence of the Reeve, Deputy Reeve and Clerk of the
said Township of Puslinch and no one else appearing; upon hearing the evidence
adduced, the exhibits filed and Counsel aforesaid;

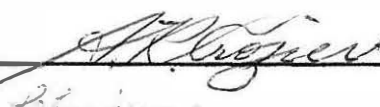
THIS BOARD DOTH CERTIFY, pursuant to Section 8 of The Municipal
Franchises Act, R.S.O. 1950, Chapter 249, as amended, that Public Convenience
and Necessity appear to require that approval of the Ontario Fuel Board shall be
and the same is hereby given to Union Gas Company of Canada, Limited to construct
works to supply and to supply gas in the Township of Puslinch.

AND THIS BOARD DOTH further Order and Direct that the costs
of this Application fixed at the sum of \$25.00 shall be paid forthwith by the
Applicant to the Board.

DATED at Toronto, Ontario, this 18th day of November, 1959.

ONTARIO FUEL BOARD


Vice-Chairman


Chairman

ONTARIO FUEL BOARD

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

AND IN THE MATTER OF an Application by
Union Gas Company of Canada, Limited to
the Ontario Fuel Board for approval of the
Board to construct works to supply and to
supply gas in the Township of Puslinch.

BEFORE:

J.J. Wingfelder, Vice-Chairman
and

J.S. Yoerger, Commissioner

Friday, the 16th day of October, 1959.

-: CERTIFICATE OF PUBLIC CONVENIENCE :-
AND NECESSITY

Union Gas Company of Canada, Limited,
Gas Building,
Fifth Street,
Chatham, Ontario.

Schedule CCCC
Enbridge Gas Community Expansion Project Proposal
Red Rock First Nation (Lake Helen Reserve)

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: Red Rock First Nation (Lake Helen) 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 provide gas distribution service to the community of Red Rock First Nation (Lake Helen Reserve 53A). The proposed facilities will provide access to natural gas to a forecasted 77 customers (68 residential and 9 commercial / institutional).

The proposed tie-in point will be along _____ in the Township of Nipigon connecting to an existing 2" steel pipe. The proposed distribution pipeline will consist of 6,540 m of 2" polyethylene pipe and extend ____ along _____ to the Lake Helen 53A Reserve and expand through the reserve on _____, _____, _____, _____ and _____. An existing station requires upsizing.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	6,540

Please refer to Schedule CCCC1 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 CCCC2, 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 CCCC2, 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 CCCC3, 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 CCCC4 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 CCCC5.</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 CCCC6 for Enbridge's CPCN for the Township of Nipigon (FBC 74) which covers the project area outside the Lake Helen Reserve. A permit under Section 28(2) of the <i>Indian Act</i> will be required for any facilities on the Lake Helen Reserve.</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 CCCC2, 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 CCCC2, 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>\$3,295,103</p> <p>Please refer to Schedule CCCC2, 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>\$42,794</p> <p>Please refer to Schedule CCCC2, 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>\$18.76</p> <p>Please refer to Schedule CCCC2, 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 CCCC2, 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 CCCC2, 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 CCCC2, 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 • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding) • Permit under Section 28(2) of the <i>Indian Act</i>
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 CCCC4.</p>

Schedule CCCC1
Enbridge Gas Community Expansion Project Proposal
Red Rock First Nation (Lake Helen Reserve)

Red Rock First Nation - Lake Helen



Schedule CCCC2
Enbridge Gas Community Expansion Project Proposal
Red Rock First Nation (Lake Helen Reserve)

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

<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>
	21	16	11	5	5	2	2	2	2	2	68
	-	4	2	2	1	-	-	-	-	-	9
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	<u>21</u>	<u>20</u>	<u>13</u>	<u>7</u>	<u>6</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>77</u>
	21	41	54	61	67	69	71	73	75	77	

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

<u>Customer Type</u>
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

Project Year	Annual Volumes - m3										
	1	2	3	4	5	6	7	8	9	10	Total
	23,100	63,800	93,500	111,100	122,100	129,800	134,200	138,600	143,000	147,400	1,106,600
	-	5,800	15,200	22,400	27,100	28,200	28,200	28,200	28,200	28,200	211,500
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	<u>23,100</u>	<u>69,600</u>	<u>108,700</u>	<u>133,500</u>	<u>149,200</u>	<u>158,000</u>	<u>162,400</u>	<u>166,800</u>	<u>171,200</u>	<u>175,600</u>	<u>1,318,100</u>

<u>Customer Type</u>
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

<u>Project Year</u>	<u>Cumulative Volumes - m3</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>
	23,100	86,900	180,400	291,500	413,600	543,400	677,600	816,200	959,200	1,106,600
	-	5,800	21,000	43,400	70,500	98,700	126,900	155,100	183,300	211,500
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
	<u>23,100</u>	<u>92,700</u>	<u>201,400</u>	<u>334,900</u>	<u>484,100</u>	<u>642,100</u>	<u>804,500</u>	<u>971,300</u>	<u>1,142,500</u>	<u>1,318,100</u>

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

Total Capital Costs

Year 10

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

<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>
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Closing Rate Base (net of proposed Section 36.2 funding)
--

Year 10

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project

\$ 3,295,103

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served

Year 10

\$ 42,794

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

Section 36.2 Funding Amount Per Year 10 Volume (m3)

Year 10

\$ 18.76

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	4,865	14,487	22,379	27,260	30,396	32,249	33,176	34,102	35,029	35,956	\$ 269,899
SES Revenue		5,313	16,008	25,001	30,705	34,316	36,340	37,352	38,364	39,376	40,388	303,163
Total Distribution Charge	\$	10,178	30,495	47,380	57,965	64,712	68,589	70,528	72,466	74,405	76,344	\$ 573,062

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

	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 CCCC3
Enbridge Gas Community Expansion Project Proposal
Red Rock First Nation (Lake Helen Reserve)

Section 3.4 Red Rock First Nation (Lake Helen Reserve)

EB-2019-0255
Schedule CCCC3

Total Forecasted Customers 77 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	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)
Oil	16	21%	\$ 5,000	\$ 2,787	\$ 1,460	\$ 1,328	\$ 21,469	6.6	-2.4	106	(39)
Electricity F/A	7	9%	\$ 5,000	\$ 1,673	\$ 1,460	\$ 213	\$ 1,477	0.5	3.6	4	25
Electricity Baseboard	9	12%	\$ 12,000	\$ 1,673	\$ 1,460	\$ 213	\$ 1,970	0.5	3.6	5	33
Propane	34	44%	\$ 600	\$ 1,611	\$ 1,460	\$ 152	\$ 5,146	5.1	-1.0	173	(33)
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	77	100%	\$ 31,100	\$ 7,744	\$ 5,838	\$ 1,906	\$ 30,062	12.7	3.8	288	(15)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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, 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 North West) 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.

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

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

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

Schedule CCCC4
Enbridge Gas Community Expansion Project Proposal
Red Rock First Nation (Lake Helen Reserve)

Red Rock First Nation (Lake Helen) Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule CCCC5
Enbridge Gas Community Expansion Project Proposal
Red Rock First Nation (Lake Helen Reserve)



**RED ROCK
INDIAN BAND**
Strength. Tradition. Empowerment.

Chronological Number:
BCR-193-2020-01-29-06

**RED ROCK INDIAN BAND
BAND COUNCIL RESOLUTION**

				Cash Free Balance
The Council of the RED ROCK INDIAN BAND				Capital Account \$ N/A
Date of duly convened meeting	D 29	M 01	Y 2020	Revenue Account \$ _____ N/A _____

DO HEREBY RESOLVE THAT: The Chief and Council of the Red Rock Indian Band met on the 24th day of January 2020.

WHEREAS: The Chief and Council of the Red Rock Indian Band are an elected body to represent the membership of Red Rock Indian Band pursuant to "The Red Rock Indian Band Customs" passed October 18, 1978;

WHEREAS: We the Red Rock Indian Band understand that the project can only go ahead with financial support from the Provincial Government;

WHEREAS: We agree that a financial commitment is required from our community for a period of 10 years equal to the incremental Payment in lieu of taxes paid by Enbridge Gas Inc.;

WHEREAS: We agree that a system expansion surcharge of 23 cents per cubic meter for a 40 year period from every customer will be required to assist with the cost of extending natural gas within our community but there is still significant energy savings to our community for our heating needs;

WHEREAS: The project would provide value and the opportunity for future expansions within our community as well as for potential economic development;

WHEREAS: Natural gas is a reliable source of energy for our community, the rates are stable, and offers the lowest GHG emissions compared to propane and heating oil.

WHEREAS: The expansion of Natural Gas to serve our community would offer an opportunity for the First Nation to move from our reliance on propane and Diesel Oil, toward a heating source that contribute to lowering our carbon footprint.

NOW THEREFORE BE IT RESOLVED THAT: The Red Rock Band requests that Enbridge Gas Inc. add Red Rock Indian Band to the list of communities to be submitted to the OEB and the Ontario Government for consideration for Natural Gas expansion to our community, under the Natural Gas Expansion Funding with the Ontario Government

Quorum of three (3):

Chief Marcus Hardy

1st Councillor Sean Ruth

2nd Councillor Jolene Cote

3rd Councillor Shannon Michelle-Ruth

4th Councillor Harold Sault

Schedule CCCC6
Enbridge Gas Community Expansion Project Proposal
Red Rock First Nation (Lake Helen Reserve)

ONTARIO FUEL BOARD

IN THE MATTER OF The Municipal Franchises
Act, R.S.O. 1950, Chapter 249, Section 8
as amended and

IN THE MATTER OF an application by Twin
City Gas Company Limited for a certificate
of Public Convenience and Necessity to
construct works in and to supply gas to
the inhabitants of the Corporation of the
Township of Nipigon

B E F O R E:

A. R. CROZIER, Chairman	}	Friday, the 22nd day of June, 1956.
L. R. MacTAVISH, Q.C., Commissioner		
W. R. HOWARD, Commissioner		

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON THE APPLICATION OF Twin City Gas Company
Limited (hereinafter referred to as the "Applicant")
for a certificate pursuant to the provisions of The Municipal
Franchises Act, R.S.O. 1950, Chapter 249, Section 8 and
amendments thereof, and at a public hearing of such appli-
cation by the Board at the City of Toronto on the 22nd day of
June, 1956, after due notice of such hearing had been given
as directed by the Board, in the presence of counsel for the
Applicant, no one appearing for the Township of Nipigon, and
upon consideration of the evidence and exhibits produced at
the hearing and upon hearing what was alleged by counsel afore-
said:

1. THIS BOARD DOTH ORDER that a Certificate of Public
Convenience and Necessity be and the same is hereby granted
to Twin City Gas Company Limited for the supply of natural
gas to the inhabitants of the Township of Nipigon 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 \$50.00 and shall be paid forthwith by the Applicant to the Board.

DATED at Toronto this 29th day of June, 1956.

ONTARIO FUEL BOARD

"A.R. Crozier "
Chairman

"L.R. MacTavish"
Commissioner

"W.R. Howard "
Commissioner

Schedule DDDD
Enbridge Gas Community Expansion Project Proposal
Selwyn

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: Selwyn 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 provide gas distribution service to previously unserved areas within the Township of Selwyn along _____. The proposed facilities will provide access to natural gas to a forecasted 77 customers (54 residential, 9 commercial / institutional and 14 industrial).

The proposed project will tie-in to an existing system at the intersection of _____ and _____. The proposed facilities will head _____ from the tie-in along _____ to _____. A station rebuild at the intersection of _____ and _____ in the community of Bridgenorth will be required to accommodate the additional load of the community.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	1,809
Polyethylene	6	6,619

Please refer to Schedule DDDD1 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 DDDD2, 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 DDDD2, 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 DDDD3, 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 DDDD4 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 DDDD5.</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 DDDD6 for Enbridge's CPCN for the Township of Selwyn (EB-2007-0674) which covers the entire area of the proposed project. Formerly known as Smith-Ennismore-Lakefield, the township passed a by-law changing its name to Selwyn in 2012.</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 DDDD2, 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><tr><td>Description</td><td>Year 1</td><td>Year 2...</td><td>Year 10</td><td>Total</td></tr><tr><td>Revenue Requirement</td><td></td><td></td><td></td><td></td></tr></table> <table><tr><td>Description</td><td>Year 10</td></tr><tr><td>Closing Rate Base</td><td></td></tr></table> <p>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</p> <p>Please refer to Schedule DDDD2, 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>\$1,674,964</p> <p>Please refer to Schedule DDDD2, 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>\$21,753</p> <p>Please refer to Schedule DDDD2, 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>\$1.06</p> <p>Please refer to Schedule DDDD2, Table 5.3.</p>

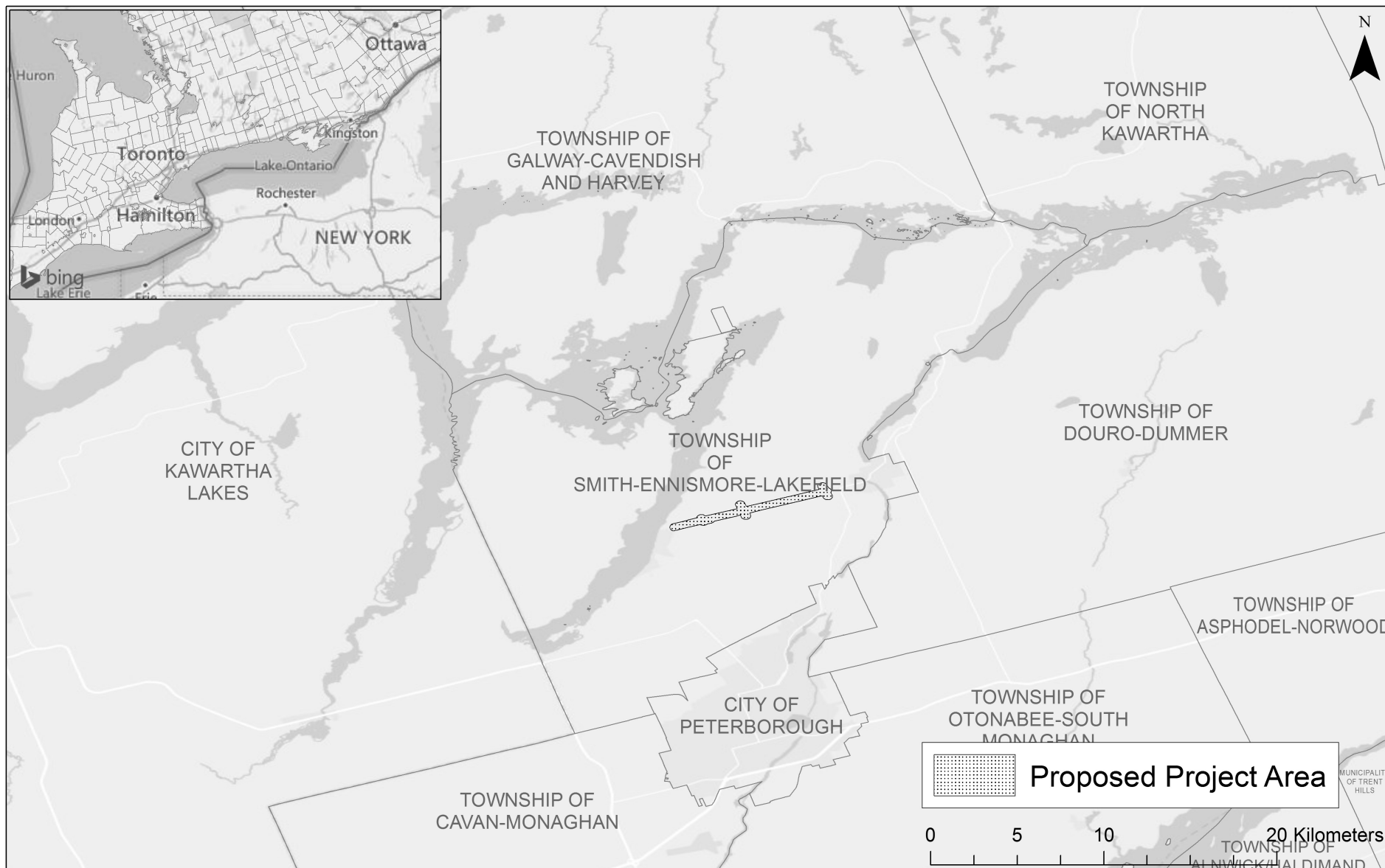
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the 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 DDDD2, 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 DDDD2, 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 DDDD2, 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 DDDD4.</p>

Schedule DDDD1
Enbridge Gas Community Expansion Project Proposal
Selwyn

Township of Selwyn



Schedule DDDD2
Enbridge Gas Community Expansion Project Proposal
Selwyn

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>	Total
Residential	Firm		15	13	5	3	3	3	3	3	3	3	54
Commercial	Firm		-	4	2	2	-	-	-	-	-	-	8
Institutional	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural	Firm		-	1	-	-	-	-	-	-	-	-	1
Industrial	Firm		-	5	2	2	1	1	1	1	1	-	14
Total Customers			<u>15</u>	<u>23</u>	<u>9</u>	<u>7</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>3</u>	<u>77</u>
Cumulative Customers			15	38	47	54	58	62	66	70	74	77	

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>9</u>	<u>10</u>	Total
Residential		18,000	51,600	73,200	82,800	90,000	97,200	104,400	111,600	118,800	126,000			873,600
Commercial		-	9,900	23,500	30,900	34,600	34,600	34,600	34,600	34,600	34,600			271,900
Institutional		-	-	-	-	-	-	-	-	-	-			-
Agricultural		-	10,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000			170,000
Industrial		-	250,000	600,000	800,000	950,000	1,050,000	1,150,000	1,250,000	1,350,000	1,400,000			8,800,000
Total Volumes		<u>18,000</u>	<u>321,500</u>	<u>716,700</u>	<u>933,700</u>	<u>1,094,600</u>	<u>1,201,800</u>	<u>1,309,000</u>	<u>1,416,200</u>	<u>1,523,400</u>	<u>1,580,600</u>			<u>10,115,500</u>

Customer Type	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	Cumulative Volumes - m3						<u>9</u>	<u>10</u>	
Residential		18,000	69,600	142,800	225,600	315,600	412,800	517,200	628,800	747,600	873,600			
Commercial		-	9,900	33,400	64,300	98,900	133,500	168,100	202,700	237,300	271,900			
Institutional		-	-	-	-	-	-	-	-	-	-			
Agricultural		-	10,000	30,000	50,000	70,000	90,000	110,000	130,000	150,000	170,000			
Industrial		-	250,000	850,000	1,650,000	2,600,000	3,650,000	4,800,000	6,050,000	7,400,000	8,800,000			
Total Volumes		<u>18,000</u>	<u>339,500</u>	<u>1,056,200</u>	<u>1,989,900</u>	<u>3,084,500</u>	<u>4,286,300</u>	<u>5,595,300</u>	<u>7,011,500</u>	<u>8,534,900</u>	<u>10,115,500</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>	Total
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

\$1,674,964

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served

Year 10

\$21,753

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

Section 36.2 Funding Amount Per Volume (m3)

Year 10

\$1.06

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	3,154	25,144	51,233	65,320	75,313	81,635	87,957	94,279	100,601	104,393	\$ 689,028
SES Revenue		4,140	73,945	164,841	214,751	251,758	276,414	301,070	325,726	350,382	363,538	2,326,565
Total Distribution Charge	\$	7,294	99,089	216,074	280,071	327,071	358,049	389,027	420,005	450,983	467,931	\$ 3,015,593

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

	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 DDDD3
Enbridge Gas Community Expansion Project Proposal
Selwyn

Section 3.4 Township of Selwyn

Total Forecasted Customers 77 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	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)
Oil	16	21%	\$ 5,000	\$ 3,050	\$ 1,481	\$ 1,570	\$ 25,383	7.2	-2.7	116	(43)
Electricity F/A	7	9%	\$ 5,000	\$ 2,187	\$ 1,481	\$ 706	\$ 4,896	0.6	3.9	4	27
Electricity Baseboard	9	12%	\$ 12,000	\$ 2,187	\$ 1,481	\$ 706	\$ 6,528	0.6	3.9	5	36
Propane	34	44%	\$ 600	\$ 1,764	\$ 1,481	\$ 283	\$ 9,599	5.6	-1.1	189	(37)
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	77	100%	\$ 31,100	\$ 9,188	\$ 5,923	\$ 3,266	\$ 46,405	13.9	4.1	315	(17)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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 DDDD4
Enbridge Gas Community Expansion Project Proposal

Selwyn

Selwyn Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule DDDD5
Enbridge Gas Community Expansion Project Proposal
Selwyn

Via Email Steve.mcgivery@enbridge.com

March 12, 2020

Enbridge Gas Inc
101 Honda Blvd.
Markham ON L6C 0M6
Attn: Steve McGivery Director, GTA East Region Operations

Dear Mr. McGivery,

Re: Ontario Energy Board (OEB) Future Natural Gas Expansion Project.

Please be advised that at its meeting held the 10th day of March, 2020 the Council of the Township of Selwyn passed the following resolution:

Resolution No. 2020 – 038 – Municipal Officer's and Staff Reports – Information/Housekeeping/Non-Controversial

Councillor Donna Ballantyne – Councillor Anita Locke –

That the correspondence from Enbridge regarding the Natural Gas Expansion Program Update be received for information; and that the Township of Selwyn request that [REDACTED]

[REDACTED] be submitted as a proposal to the Ontario Energy Board (OEB) to be a part of the future natural gas expansion project in an effort to support local businesses, accommodate future growth and economic development in Selwyn Township and that copy of this Resolution be circulated to MPP Dave Smith and the Township's Economic Development and Business Committee.

Carried.

I trust you find this in order.

Sincerely,

Julie Parnell

Julie Parnell
Office Assistant

cc- MPP Dave Smith
Andy Mitchell – Chair, EDBC

Mailing Address
PO Box 270
Bridgenorth
Ontario K0L 1H0

Tel: 705 292 9507
Fax: 705 292 8964

Schedule DDDD6
Enbridge Gas Community Expansion Project Proposal
Selwyn

EB-2007-0674

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Enbridge Gas Distribution Inc.

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

The Township of Smith-Ennismore-Lakefield

This certificate replaces the certificates or portions of certificates associated with the former entities that are now within The Township of Smith-Ennismore-Lakefield.

DATED at Toronto, October 25, 2007

ONTARIO ENERGY BOARD

Original signed by

Neil McKay
Manager, Facilities Applications

Schedule EEEE
Enbridge Gas Community Expansion Project Proposal
South Bruce (Deemerton)

**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: South Bruce 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 provide gas distribution service to previously unserved areas within the community of Deemerton in the Municipality of South Bruce. The proposed facilities will provide access to natural gas to a forecasted 22 customers (18 residential and 4 commercial / institutional).

Proposed facilities run along _____ to _____ and partially branch on to _____. The proposed project will tie-in to an existing 2" polyethylene pipe along _____.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	4,400

Please refer to Schedule EEEE1 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 EEEE2, 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 EEEE2, 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 EEEE3, 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 EEEE4 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 EEEE5.</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 EEEE6 for Enbridge's CPCN for the Municipality of South Bruce (EBC 288) which covers the entire area of the proposed project. The proposed project is located in the former Township of Mildmay-Carrick section of South Bruce.</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 EEEE2, 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 EEEE2, 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>\$2,004,700</p> <p>Please refer to Schedule EEEE2, 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>\$91,123</p> <p>Please refer to Schedule EEEE2, 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>\$39.15</p> <p>Please refer to Schedule EEEE2, Table 5.3.</p>

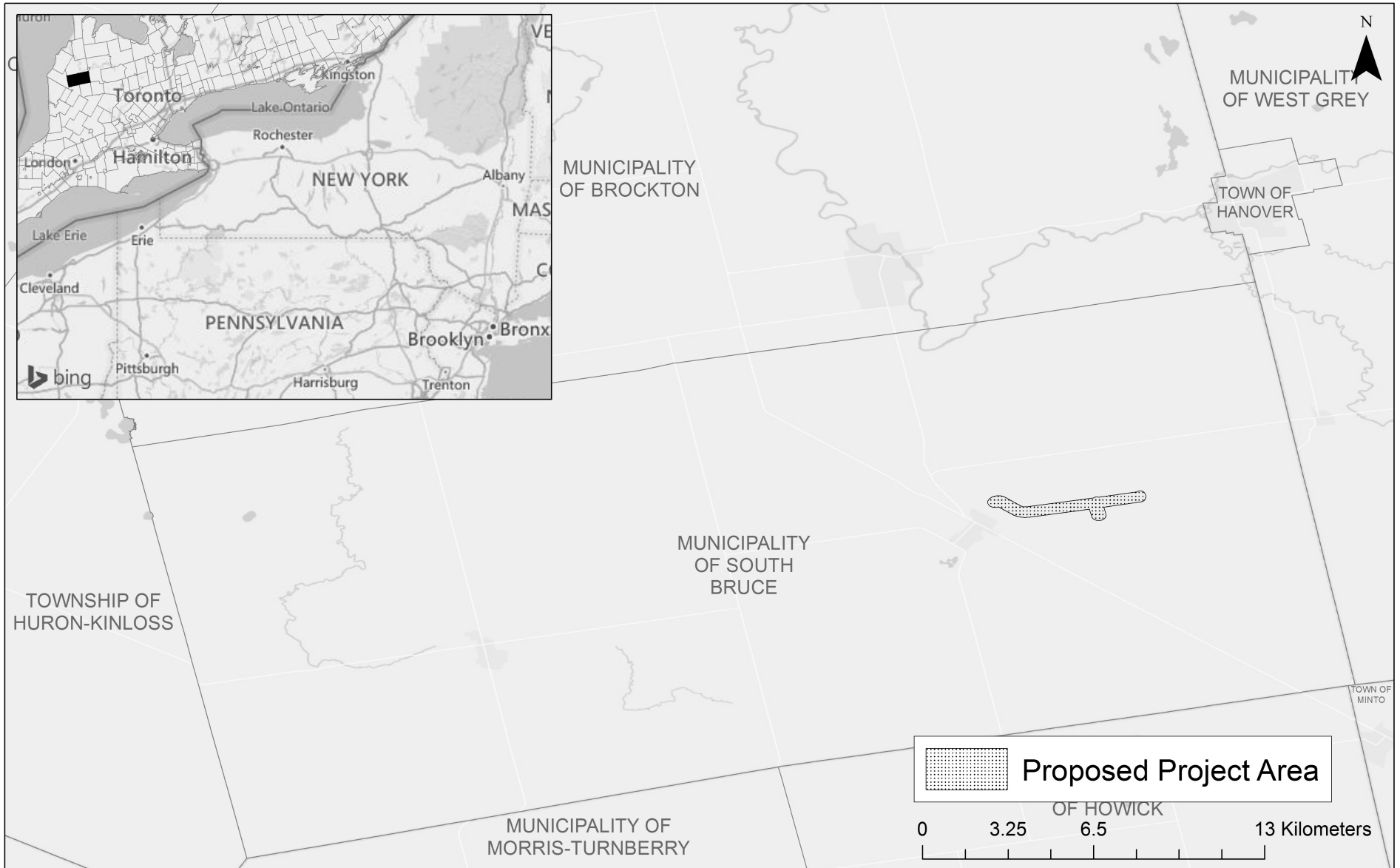
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the 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 EEEE2, 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 EEEE2, 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 EEEE2, 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 • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
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 EEEE4.</p>

Schedule EEEE1
Enbridge Gas Community Expansion Project Proposal
South Bruce (Deemerton)

Deemerton (Municipality of South Bruce)



Schedule EEEE2
Enbridge Gas Community Expansion Project Proposal
South Bruce (Deemerton)

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

<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>
	6	4	3	1	1	1	1	1	-	-	18
	-	3	1	-	-	-	-	-	-	-	4
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	<u>6</u>	<u>7</u>	<u>4</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>=</u>	<u>=</u>	<u>22</u>
	6	13	17	18	19	20	21	22	22	22	

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

<u>Customer Type</u>	<u>Annual Volumes - m3</u>										<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	6,600	17,600	25,300	29,700	31,900	34,100	36,300	38,500	39,600	39,600	299,200
Commercial	-	4,700	10,500	11,600	11,600	11,600	11,600	11,600	11,600	11,600	96,400
Institutional	-	-	-	-	-	-	-	-	-	-	-
Agricultural	-	-	-	-	-	-	-	-	-	-	-
Industrial	-	-	-	-	-	-	-	-	-	-	-
Total Volumes	<u>6,600</u>	<u>22,300</u>	<u>35,800</u>	<u>41,300</u>	<u>43,500</u>	<u>45,700</u>	<u>47,900</u>	<u>50,100</u>	<u>51,200</u>	<u>51,200</u>	<u>395,600</u>

<u>Customer Type</u>	<u>Cumulative Volumes - m3</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	6,600	24,200	49,500	79,200	111,100	145,200	181,500	220,000	259,600	299,200	
Commercial	-	4,700	15,200	26,800	38,400	50,000	61,600	73,200	84,800	96,400	
Institutional	-	-	-	-	-	-	-	-	-	-	
Agricultural	-	-	-	-	-	-	-	-	-	-	
Industrial	-	-	-	-	-	-	-	-	-	-	
Total Volumes	<u>6,600</u>	<u>28,900</u>	<u>64,700</u>	<u>106,000</u>	<u>149,500</u>	<u>195,200</u>	<u>243,100</u>	<u>293,200</u>	<u>344,400</u>	<u>395,600</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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Revenue Requirement											

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	\$ 2,004,700
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> \$ 91,123
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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> \$ 39.15
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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	\$	980	3,142	4,978	5,794	6,121	6,448	6,774	7,101	7,264	7,264	\$ 55,867
SES Revenue		1,518	5,129	8,234	9,499	10,005	10,511	11,017	11,523	11,776	11,776	90,988
Total Distribution Charge	\$	<u>2,498</u>	<u>8,271</u>	<u>13,212</u>	<u>15,293</u>	<u>16,126</u>	<u>16,959</u>	<u>17,791</u>	<u>18,624</u>	<u>19,040</u>	<u>19,040</u>	<u>\$ 146,855</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 EEEE3
Enbridge Gas Community Expansion Project Proposal
South Bruce (Deemerton)

Section 3.4 South Bruce

Total Forecasted Customers 22 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	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)
Oil	5	21%	\$ 5,000	\$ 2,829	\$ 1,258	\$ 1,571	\$ 7,258	6.7	-2.5	31	(12)
Electricity F/A	2	9%	\$ 5,000	\$ 2,028	\$ 1,258	\$ 770	\$ 1,525	0.5	3.6	1	7
Electricity Baseboard	3	12%	\$ 12,000	\$ 1,626	\$ 1,258	\$ 368	\$ 971	0.5	3.6	1	9
Propane	10	44%	\$ 600	\$ 1,626	\$ 1,258	\$ 368	\$ 3,561	5.2	-1.1	50	(10)
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/A				
Total	22	100%	\$ 31,100	\$ 8,109	\$ 5,031	\$ 3,077	\$ 13,316	12.9	3.6	83	(5)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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 M1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.572
Heating oil	L	2433	Heating oil	\$/L	1.163
Electricity	kWh	18046	Electricity	\$/kWh	0.112
Propane	L	3359	Propane	\$/L	0.484

Notes:

Gas prices correspond to EGI (Union Gas South) 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

South Propane prices correspond to the latest available monthly average EDPRO residential rates for Zone 1 (March 2020).

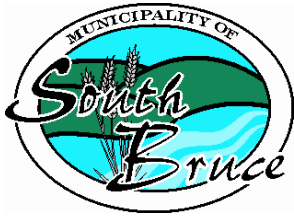
Carbon price is included for all energy types as reported. All costs exclude HST.

Schedule EEEE4
Enbridge Gas Community Expansion Project Proposal
South Bruce (Deemerton)

South Bruce Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule EEEE5
Enbridge Gas Community Expansion Project Proposal
South Bruce (Deemerton)



Municipality of South Bruce

MUNICIPAL OFFICE

P.O. Box 540, 21 GORDON ST E. TEESWATER, ONTARIO NOG 2S0
Phone (519) 392-6623 Fax (519) 392-6266

e-mail tgrubb@southbruce.ca

February 27, 2020

Enbridge Gas Inc.
603 Kumpf Drive
Waterloo, ON N2J 4A4

Dear Regional Director:

Re: Expression of Support for Natural Gas Expansion to The Municipality of South Bruce

In December 2019, the Government of Ontario announced plans to further increase access to natural gas by making financial support available for new service expansion projects. This Natural Gas Expansion Program will unlock financial support needed to expand natural gas service to new areas across Ontario that are not economically feasible without support. Our municipality is one such area, and we are eager to bring this affordable, reliable fuel source to our residents and businesses.

On behalf of the Municipality of South Bruce, I would like to formally express our interest to have South Bruce included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program.

Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support in its project submissions.

Natural gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines. We look forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

Sincerely,

A handwritten signature in blue ink, appearing to be "Leanne Martin".

Leanne Martin, CAO/Clerk
Municipality of South Bruce
lmartin@southbruce.ca
519-392-6623

Schedule EEEE6
Enbridge Gas Community Expansion Project Proposal
South Bruce (Deemerton)



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

AND IN THE MATTER OF an Application by
Union Gas Limited for a certificate of public
convenience and necessity to construct works to
supply gas to the inhabitants of the former Township
of Mildmay-Carrick

BEFORE: G. A. Dominy
Presiding Member and Vice Chair

J. B. Simon
Member

ORDER GRANTING

A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

Union Gas Limited ("Union") filed with the Ontario Energy Board ("the Board") an Application dated December 18, 1998, ("the Application") under section 8 of the Municipal Franchises Act, R.S.O. 1990, c. M. 55, as amended, for a certificate of public convenience and necessity to construct works to supply gas in the former Township of Mildmay-Carrick in the County of Bruce. The Application was assigned file number E.B.C. 288.

On January 1, 1999, the former Township of Mildmay-Carrick and the former Township of Teeswater-Culross were amalgamated to form the Township of Mildmay-Carrick-Teeswater-Culross, which has since been renamed and is now known as the Township of South Bruce.

- 2 -

Union served and published the Board's Notices of Application and Notices of Written Hearing. The Board has considered the submissions of Board staff and Union in this matter. The Board finds the Application to be in the public interest.

THEREFORE, THE BOARD ORDERS THAT:

1. A Certificate of Public Convenience and Necessity is granted to Union to construct works to supply gas in that part of the Township of South Bruce formerly known as the Township of Mildmay-Carrick.
2. If Union fails to substantially complete construction of the gas mains proposed in the Application within twenty-four months following the issuance of the Board's Certificate, the Certificate shall expire.
3. Construction of the gas works proposed in the evidence supporting the Application is subject to the Undertakings listed in Appendix "A" attached to this Order.
4. Union is directed to pay the Board's costs of and incidental to these proceedings, immediately upon receipt of the Board's invoice.

DATED at Toronto June 9, 1999.

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

APPENDIX 'A' TO
BOARD ORDER NO. E.B.C. 288

DATED June 9, 1999.

A handwritten signature in black ink, appearing to read "P. O'Dell", is written over a horizontal line.

Peter H. O'Dell
Assistant Board Secretary

Undertakings
The Former Township of Mildmay-Carrick
E.B.C. 288

- a) Union shall comply with these Undertakings given to the Board and shall construct the pipeline and shall restore the land according to the evidence filed with the Board.
- b) Union shall advise the Board's designated representative of any proposed change in construction or restoration procedures and, except in an emergency, Union shall not make such change without prior approval of the Board's designated representative. In the event of an emergency, the Board's designated representative shall be informed forthwith after the fact.
- c) Union shall designate one of its employees as project engineer and shall provide the name of the individual to the Board's designated representative. The project engineer will be responsible for the fulfilment of the Undertakings and other commitments on the construction site. Union shall provide a copy of the final Undertakings to the project engineer, within seven days of the Board's Order being issued.
- d) Union shall furnish the Board's designated representative with five (5) copies of written confirmation of the completion of construction in compliance with the Board's Order. This written confirmation shall be provided within one month of the test date, and shall contain the following:
 - 1. The date upon which construction was completed;
 - 2. The date on which the installed pipeline was tested and energized;
 - 3. Copies of all notices given pursuant to these Undertakings;
 - 4. In the event of any change in route alignment, representative drawings of the pipeline route in relation to that originally approved;
 - 5. An explanation for any deviations in compliance with these Undertakings; and
 - 6. A list of any outstanding landowner concerns.

- e) Both during and after the construction, Union shall monitor the effects upon the land and the environment, and shall file ten copies of a monitoring report in writing with the Board within one year of the in-service date.
- f) The Board shall be notified prior to any changes in the routing of the project as proposed.
- g) The Board's designated representative for the purposes of these Undertakings shall be the project Case Manager, or in their absence the Manager, Facilities.
- h) Union shall establish a separate account to track revenues received from customer contributions and to report on the level of attachments and customer contributions received relating to this project, in a future rates case, and as may be required from time to time by the Board.

Schedule FFFF
Enbridge Gas Community Expansion Project Proposal
Southwest Middlesex

**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: Southwest Middlesex () 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 provide gas distribution service to previously unserved areas within the Municipality of Southwest Middlesex along _____. The proposed facilities will provide access to natural gas to a forecasted 39 customers (34 residential and 5 commercial / institutional).

The proposed facilities will run along _____, starting from _____ up to _____ where the pipeline will connect to an existing 2" polyethylene pipe near the intersection of _____ and _____.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	16,000

Please refer to Schedule FFFF1 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 FFFF2, 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 FFFF2, 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 FFFF3, 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 FFFF4 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 FFFF5.</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 FFFF6 for Enbridge's CPCN for the Municipality of Southwest Middlesex (EB-2007-0908) 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 FFFF2, 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 FFFF2, 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>\$6,619,002</p> <p>Please refer to Schedule FFFF2, 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>\$169,718</p> <p>Please refer to Schedule FFFF2, 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>\$78.15</p> <p>Please refer to Schedule FFFF2, Table 5.3.</p>

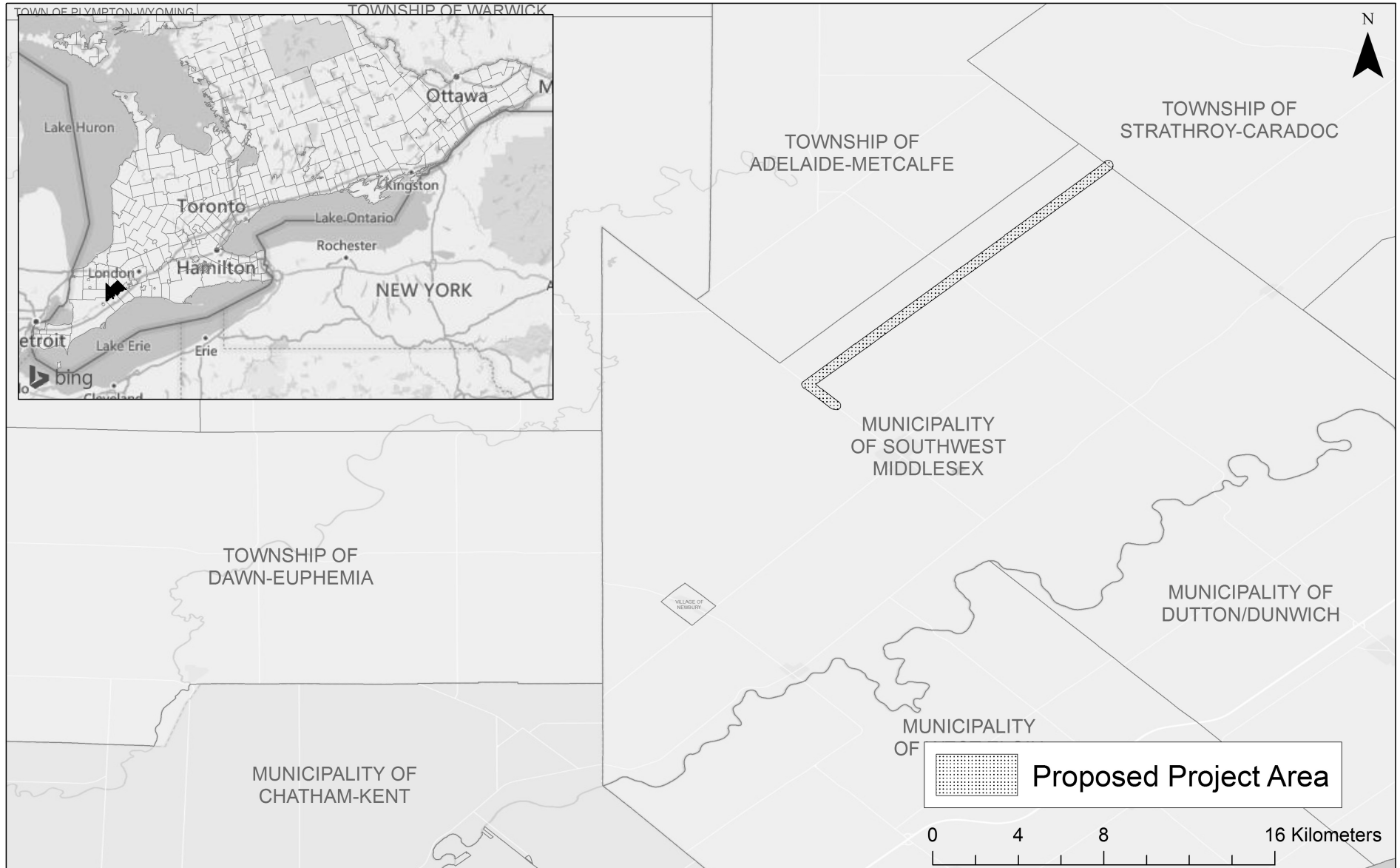
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the 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 FFFF2, 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 FFFF2, 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 FFFF2, 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 • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
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 FFFF4.</p>

Schedule FFFF1
Enbridge Gas Community Expansion Project Proposal
Southwest Middlesex

Southwest Middlesex



Schedule FFFF2
Enbridge Gas Community Expansion Project Proposal
Southwest Middlesex

Table 3.2 - Customer Attachments Over The Rate Stability Period

Customer Type	Firm / IT
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

Project Year	1	2	3	4	5	6	7	8	9	10	Total
	10	8	5	3	3	1	1	1	1	1	34
	-	3	1	1	-	-	-	-	-	-	5
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	10	11	6	4	3	1	1	1	1	1	39
	10	21	27	31	34	35	36	37	38	39	

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

Customer Type	
Residential	
Commercial	
Institutional	
Agricultural	
Industrial	
Total Volumes	
Customer Type	
Residential	
Commercial	
Institutional	
Agricultural	
Industrial	
Total Volumes	

Project Year	1	2	3	4	Annual Volumes - m3	5	6	7	8	9	10	Total
	11,000	30,800	45,100	53,900	60,500	64,900	67,100	69,300	71,500	73,700	547,800	
	-	3,300	7,700	9,900	11,000	11,000	11,000	11,000	11,000	11,000	86,900	
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	11,000	34,100	52,800	63,800	71,500	75,900	78,100	80,300	82,500	84,700	634,700	
Project Year	1	2	3	4	Cumulative Volumes - m3	5	6	7	8	9	10	
	11,000	41,800	86,900	140,800	201,300	266,200	333,300	402,600	474,100	547,800		
	-	3,300	11,000	20,900	31,900	42,900	53,900	64,900	75,900	86,900		
	-	-	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-	-	-		
	11,000	45,100	97,900	161,700	233,200	309,100	387,200	467,500	550,000	634,700		

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

Total Capital Costs

Year 10

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

Project Year	1	2	3	4	5	6	7	8	9	10	Total
--------------	---	---	---	---	---	---	---	---	---	----	-------

Year 10

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	\$ 6,619,002
--	--------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	Year 10 \$ 169,718
---	---------------------------------------

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

Section 36.2 Funding Amount Per Year 10 Volume (m3)	Year 10 \$ 78.15
---	-------------------------------------

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	1,633	5,063	7,839	9,473	10,616	11,269	11,596	11,922	12,249	12,576	\$ 94,236
SES Revenue		2,530	7,843	12,144	14,674	16,445	17,457	17,963	18,469	18,975	19,481	145,981
Total Distribution Charge	\$	<u>4,163</u>	<u>12,906</u>	<u>19,983</u>	<u>24,147</u>	<u>27,061</u>	<u>28,726</u>	<u>29,559</u>	<u>30,391</u>	<u>31,224</u>	<u>32,057</u>	<u>\$ 240,217</u>

Table 7.1 - Profitability Index (PI) Inclusive of 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	
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>

Net Present Value

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 FFFF3
Enbridge Gas Community Expansion Project Proposal
Southwest Middlesex

Section 3.4 Southwest Middlesex (_____)

EB-2019-0255
Schedule FFFF3
Redacted

Total Forecasted Customers 39 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	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)
Oil	8	21%	\$ 5,000	\$ 2,829	\$ 1,258	\$ 1,571	\$ 12,866	6.7	-2.5	54	(21)
Electricity F/A	4	9%	\$ 5,000	\$ 2,028	\$ 1,258	\$ 770	\$ 2,704	0.5	3.6	2	13
Electricity Baseboard	5	12%	\$ 12,000	\$ 1,626	\$ 1,258	\$ 368	\$ 1,722	0.5	3.6	3	17
Propane	17	44%	\$ 600	\$ 1,626	\$ 1,258	\$ 368	\$ 6,314	5.2	-1.1	89	(18)
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	\$ 8,109	\$ 5,031	\$ 3,077	\$ 23,606	12.9	3.6	148	(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 M1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.572
Heating oil	L	2433	Heating oil	\$/L	1.163
Electricity	kWh	18046	Electricity	\$/kWh	0.112
Propane	L	3359	Propane	\$/L	0.484

Notes:

Gas prices correspond to EGI (Union Gas South) 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

South Propane prices correspond to the latest available montly average EDPRO residential rates for Zone 1 (March 2020).

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

Schedule FFFF4
Enbridge Gas Community Expansion Project Proposal
Southwest Middlesex

Southwest Middlesex (_____) Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule FFFF5
Enbridge Gas Community Expansion Project Proposal
Southwest Middlesex

May 19, 2020

Enbridge Gas Inc.
Brian Lennie
Senior Advisor, Municipal Affairs
50 Keil Drive North,
Chatham, ON N7M 5M1
Via email: brian.lennie@enbridge.com

Dear Brian,

Re: Expression of Support for Natural Gas Expansion to the Municipality of Southwest Middlesex

In December 2019, the Government of Ontario announced plans to further increase access to natural gas by making financial support available for new service expansion projects. This Natural Gas Expansion Program will unlock financial support needed to expand natural gas service to new areas across Ontario that are not economically feasible without support. Our municipality is one such area, and we are eager to bring this affordable, reliable fuel source to our residents and businesses.

On behalf of the Municipality of Southwest Middlesex, I would like to formally express our interest to have 2 projects (community of Middlemiss and [REDACTED]) included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program.

Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support in its project submissions.

At the May 13, 2020 Council meeting, Southwest Middlesex Council passed the following resolution:

Moved by Councillor Cowell
Seconded by Councillor McGill

THAT Council direct staff to provide a written expression of support for a natural gas expansion project within Southwest Middlesex along [REDACTED] and
THAT Council direct staff to provide a written expression of support for a natural gas expansion project along [REDACTED] to the community of Middlemiss.
Carried

Natural gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines. We look forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

Sincerely,

J Bellchamber-Glazier

Jill Bellchamber-Glazier
CAO-Clerk
Municipality of Southwest Middlesex
cao@southwestmiddlesex.ca
519-287-2015 ext. 109

Schedule FFFF6
Enbridge Gas Community Expansion Project Proposal
Southwest Middlesex

EB-2007-0908

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Union Gas Limited

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

Municipality of Southwest Middlesex

This certificate replaces the certificates and portions of certificates associated with the former entities that are now within the Municipality of Southwest Middlesex.

DATED at Toronto, January 29, 2008

ONTARIO ENERGY BOARD

Original signed by

Neil McKay
Manager, Facilities Applications

Schedule GGGG
Enbridge Gas Community Expansion Project Proposal
Thunder Lake and Meadows

**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: Thunder Lake and Meadows (Dryden) 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 provide gas distribution service to previously unserved areas within the communities of Thunder Lake and Meadows within the City of Dryden. The proposed pipeline system will provide access to natural gas to a forecasted 148 customers (141 residential, 5 commercial / institutional and 2 industrial).

The proposed tie-in point will be near the intersection of _____ and _____ connecting to an existing 4" polyethylene pipe. The proposed distribution pipeline will consist of 23,168 m of 2" polyethylene pipe and 2,403 m of 4" polyethylene pipe. The proposed distribution system will extend _____ on _____ and branch on to _____, _____, _____, _____, _____, _____ and end on _____.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	23,168

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	4	2,403

Please refer to Schedule GGGG1 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 GGGG2, 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 GGGG2, 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 GGGG3, 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 GGGG4 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 GGGG5.</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 GGGG6 for Enbridge's CPCN for the City of Dryden (EB-2016-0213) which covers the majority of the 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 GGGG2, 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 GGGG2, 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>\$9,766,160</p> <p>Please refer to Schedule GGGG2, 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>\$65,988</p> <p>Please refer to Schedule GGGG2, 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>\$18.69</p> <p>Please refer to Schedule GGGG2, Table 5.3.</p>

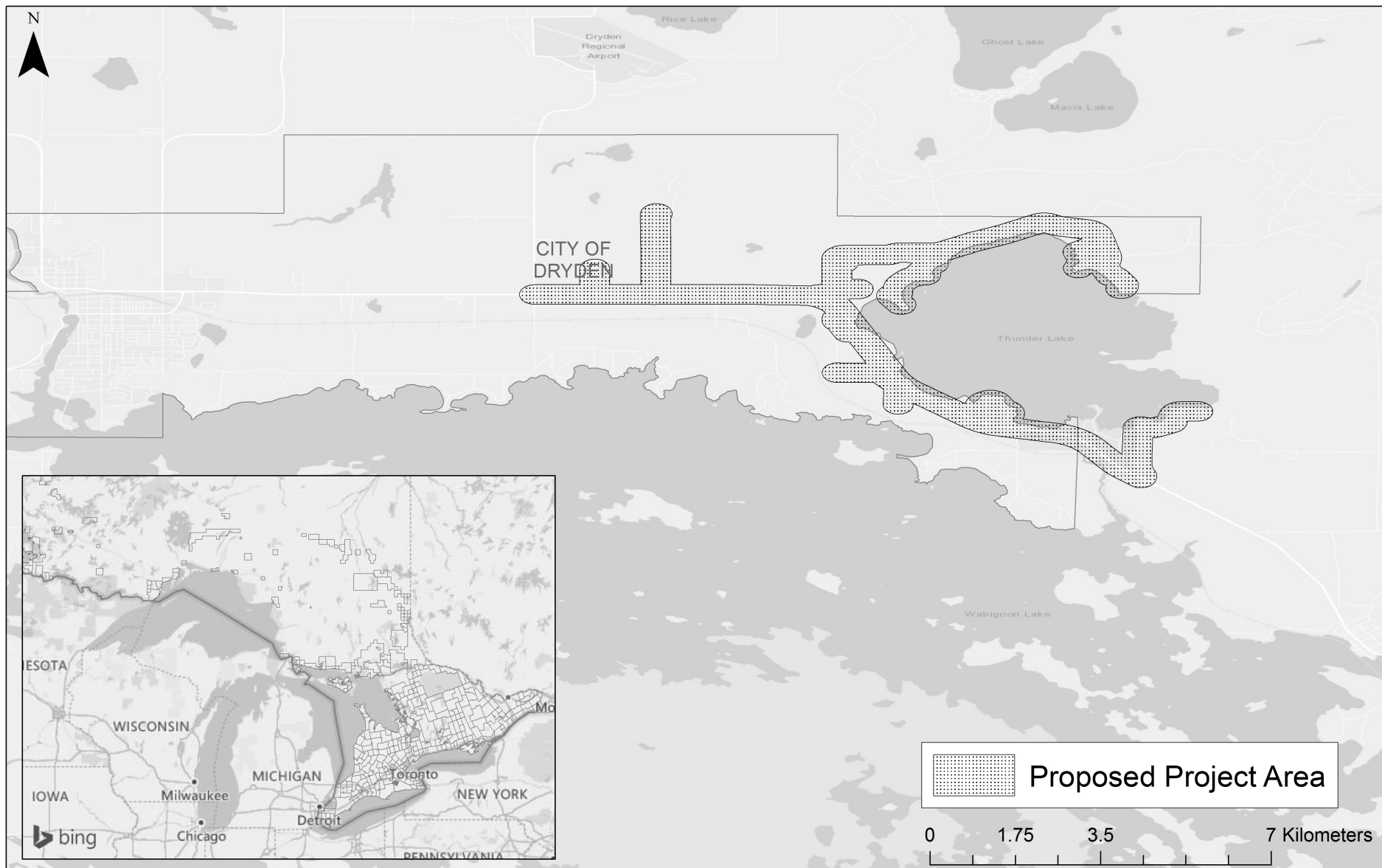
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the 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 GGGG2, 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 GGGG2, 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 GGGG2, 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 • Certificate of Public Convenience and Necessity (as required) • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
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 GGGG4.</p>

Schedule GGGG1
Enbridge Gas Community Expansion Project Proposal
Thunder Lake and Meadows

Thunder Lake & Meadows (Dryden area)



Schedule GGGG2
Enbridge Gas Community Expansion Project Proposal
Thunder Lake and Meadows

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

<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>
	44	33	22	11	11	4	4	4	4	4	141
	-	4	1	-	-	-	-	-	-	-	5
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	2	-	-	-	-	-	-	-	-	2
	<u>44</u>	<u>39</u>	<u>23</u>	<u>11</u>	<u>11</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>148</u>
	44	83	106	117	128	132	136	140	144	148	

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

<u>Customer Type</u>	<u>Annual Volumes - m3</u>										<u>Total</u>
<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential	48,400	133,100	193,600	229,900	254,100	270,600	279,400	288,200	297,000	305,800	2,300,100
Commercial	-	7,200	15,500	16,600	16,600	16,600	16,600	16,600	16,600	16,600	138,900
Institutional	-	-	-	-	-	-	-	-	-	-	-
Agricultural	-	-	-	-	-	-	-	-	-	-	-
Industrial	-	100,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,700,000
Total Volumes	<u>48,400</u>	<u>240,300</u>	<u>409,100</u>	<u>446,500</u>	<u>470,700</u>	<u>487,200</u>	<u>496,000</u>	<u>504,800</u>	<u>513,600</u>	<u>522,400</u>	<u>4,139,000</u>

<u>Customer Type</u>	<u>Cumulative Volumes - m3</u>										
<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential	48,400	181,500	375,100	605,000	859,100	1,129,700	1,409,100	1,697,300	1,994,300	2,300,100	
Commercial	-	7,200	22,700	39,300	55,900	72,500	89,100	105,700	122,300	138,900	
Institutional	-	-	-	-	-	-	-	-	-	-	
Agricultural	-	-	-	-	-	-	-	-	-	-	
Industrial	-	100,000	300,000	500,000	700,000	900,000	1,100,000	1,300,000	1,500,000	1,700,000	
Total Volumes	<u>48,400</u>	<u>288,700</u>	<u>697,800</u>	<u>1,144,300</u>	<u>1,615,000</u>	<u>2,102,200</u>	<u>2,598,200</u>	<u>3,103,000</u>	<u>3,616,600</u>	<u>4,139,000</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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Revenue Requirement											

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	\$ 9,766,160
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> \$ 65,988
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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> \$ 18.69
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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	\$	10,193	36,843	58,627	66,504	71,600	75,075	76,928	78,782	80,635	82,488	\$ 637,674
SES Revenue		11,132	55,269	94,093	102,695	108,261	112,056	114,080	116,104	118,128	120,152	951,970
Total Distribution Charge	\$	<u>21,325</u>	<u>92,112</u>	<u>152,720</u>	<u>169,199</u>	<u>179,861</u>	<u>187,131</u>	<u>191,008</u>	<u>194,886</u>	<u>198,763</u>	<u>202,640</u>	<u>\$ 1,589,644</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 GGGG3
Enbridge Gas Community Expansion Project Proposal
Thunder Lake and Meadows

Section 3.4 Thunder Lake and Meadows (Dryden)

Total Forecasted Customers 148 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	31	21%	\$ 5,000	\$ 2,787	\$ 1,495	\$ 1,292	\$ 40,158	6.6	-2.4	204	(76)
Electricity F/A	13	9%	\$ 5,000	\$ 1,998	\$ 1,495	\$ 503	\$ 6,698	0.5	3.6	7	48
Electricity Baseboard	18	12%	\$ 12,000	\$ 1,998	\$ 1,495	\$ 503	\$ 8,931	0.5	3.6	9	64
Propane	65	44%	\$ 600	\$ 1,611	\$ 1,495	\$ 116	\$ 7,571	5.1	-1.0	332	(64)
Wood	13	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	7	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	148	100%	\$ 31,100	\$ 8,395	\$ 5,981	\$ 2,414	\$ 63,358	12.7	3.8	553	(28)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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.

Schedule GGGG4
Enbridge Gas Community Expansion Project Proposal
Thunder Lake and Meadows

Thunder Lake and Meadows (Dryden) Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule GGGG5
Enbridge Gas Community Expansion Project Proposal
Thunder Lake and Meadows



Administration Department
City of Dryden
30 Van Horne Avenue
Dryden, ON P8N 2A7

April 3, 2020

Wendy Landry – Senior Advisor
Indigenous, Municipal
and Stakeholder Relations
Enbridge Gas Inc.
Wendy.Landry@enbridge.com

RE: City of Dryden Natural Gas Expansion

Dear Ms. Landry,

I hope my letter finds you well. I am writing to inquire as to the possibility of expanding access to natural gas service in the City of Dryden area.

During our last meeting on February 11, 2019 with Nicole Lehto, we discussed with a group of local residents and business owners that new development into the then proposed areas of expanded access would not be financially beneficial for Enbridge Gas and that provincial government investment would likely be required to make construction costs feasible.

On March 5, 2020 the provincial government announced the next step in their plan to expand natural gas access to thousands of households, businesses and Indigenous communities throughout rural and northern Ontario. The Natural Gas Expansion Support Program was created to help extend access to natural gas to unserved communities across the province, providing access to clean and affordable fuel.

Under this funding program, we are again requesting Enbridge Gas to strongly consider expansion of service in the Dryden area. Our municipal staff have gathered data to help initiate the initial investigation required. This data is attached to my letter in the form of maps showing the suggested areas of expansion with property and structure counts in these areas.

We are very hopeful that Enbridge Gas will submit a Dryden area natural gas expansion project proposal for inclusion in the OEB's report to the Ministry of Energy, Northern Development and Mines before the June 3, 2020 deadline.





Administration Department
City of Dryden
30 Van Horne Avenue
Dryden, ON P8N 2A7

Should you have any questions or need additional information please reach out to me at 807-220-0057 or at gwilson@dryden.ca.

Sincerely,

Greg Wilson, Mayor
City of Dryden

CC:

Nicole Lehto, Enbridge
City of Dryden Council
Hon. Greg Rickford, Minister of Energy, Northern Development and Mines
and Indigenous Affairs
Roger Nesbitt, CAO City of Dryden



Schedule GGGG6
Enbridge Gas Community Expansion Project Proposal
Thunder Lake and Meadows

EB-2016-0213

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Union Gas Limited

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

City of Dryden

DATED at Toronto, August 25, 2016

ONTARIO ENERGY BOARD

Pascale Duguay
Manager, Application Policy and Climate Change

Schedule HHHH
Enbridge Gas Community Expansion Project Proposal
Timaskaming District

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: Timiskaming District (King Kirkland, Larder Lake, Virginiatown, Kearns) Community Expansion Project (CNG)	
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 provide gas distribution service to the communities of King Kirkland, Larder Lake and the Township of McGarry (Virginiatown and Kearns) utilizing compressed natural gas (CNG) from the compression facility in Timmins.

The proposed facilities will provide access to natural gas to a forecasted 538 customers (495 residential, 40 commercial / institutional and 3 industrial).

Utilizing CNG eliminates the need for supply laterals to and between the four communities. Each community will have a station into which the CNG can be delivered. From this station, the distribution system will bring gas to the customers within each community.

A total of three stations are proposed as part of this project: one in King Kirkland near the intersection of _____ and _____, one in Larder Lake on _____ approximately _____ of _____, and one in the Township of McGarry at the intersection of _____ and _____.

The CNG will be delivered from the compression facility in Timmins near _____ approximately _____ to _____, _____ to _____ and _____ to _____.

The distribution system within King Kirkland includes approximately 4.5 km of polyethylene pipe, while the distribution piping in Larder Lake consists of approximately 15.6 km of polyethylene pipe, and 13.5 km of polyethylene pipe in the Township of McGarry.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	32,994
Polyethylene	4	675

Please refer to Schedule HHHH1 for Project Map.

3.2	<p>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.</p> <p>Please refer to Schedule HHHH2, Table 3.2.</p>
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 HHHH2, 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 HHHH3, 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 HHHH4 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 HHHH5.</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>Enbridge Gas does not currently have franchise agreements with nor Certificates of Public Convenience and Necessity for any of the communities in this proposed project. Enbridge Gas does have franchise agreements and CPCNs for many of the adjacent municipalities throughout Timiskaming District.</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

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 HHHH2, 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 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 HHHH2, 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>\$23,627,357</p> <p>Please refer to Schedule HHHH2, 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>\$43,917</p> <p>Please refer to Schedule HHHH2, 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>\$15.14</p> <p>Please refer to Schedule HHHH2, 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 HHHH2, 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 HHHH2, 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 HHHH2, 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 • Franchise Agreements • Certificates of Public Convenience and Necessity
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 HHHH4.</p>

Schedule HHHH1
Enbridge Gas Community Expansion Project Proposal
Timaskaming District

King Kirkland, Larder Lake, Virginiatown, Kearns



Schedule HHHH2
Enbridge Gas Community Expansion Project Proposal
Timaskaming District

Table 3.2 - Customer Attachments Over The Rate Stability Period

Customer Type	Firm / IT
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

Project Year	1	2	3	4	5	6	7	8	9	10	Total
	148	124	82	41	41	16	16	9	9	9	495
	-	20	5	3	3	2	2	2	1	1	39
	-	1	-	-	-	-	-	-	-	-	1
	-	-	-	-	-	-	-	-	-	-	-
	-	1	1	1	-	-	-	-	-	-	3
	148	146	88	45	44	18	18	11	10	10	538
	148	294	382	427	471	489	507	518	528	538	

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

Customer Type	Annual Volumes - m3										Total
Project Year	1	2	3	4	5	6	7	8	9	10	
Residential	162,800	461,680	687,959	823,259	913,459	976,159	1,011,359	1,038,859	1,058,659	1,078,459	8,212,652
Commercial	-	35,700	79,700	92,700	102,100	110,400	117,600	124,800	129,500	131,700	924,200
Institutional	-	25,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	425,000
Agricultural	-	-	-	-	-	-	-	-	-	-	-
Industrial	-	50,000	150,000	250,000	300,000	300,000	300,000	300,000	300,000	300,000	2,250,000
Total Volumes	162,800	572,380	967,659	1,215,959	1,365,559	1,436,559	1,478,959	1,513,659	1,538,159	1,560,159	11,811,852

Customer Type	Cumulative Volumes - m3										
Project Year	1	2	3	4	5	6	7	8	9	10	
Residential	162,800	624,480	1,312,439	2,135,698	3,049,157	4,025,316	5,036,675	6,075,534	7,134,193	8,212,652	
Commercial	-	35,700	115,400	208,100	310,200	420,600	538,200	663,000	792,500	924,200	
Institutional	-	25,000	75,000	125,000	175,000	225,000	275,000	325,000	375,000	425,000	
Agricultural	-	-	-	-	-	-	-	-	-	-	
Industrial	-	50,000	200,000	450,000	750,000	1,050,000	1,350,000	1,650,000	1,950,000	2,250,000	
Total Volumes	162,800	735,180	1,702,839	2,918,798	4,284,357	5,720,916	7,199,875	8,713,534	10,251,693	11,811,852	

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

Total Capital Costs	Year 10

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Project Year	1	2	3	4	5	6	7	8	9	10	Total
Revenue Requirement											

Closing Rate Base (net of proposed Section 36.2 funding)	Year 10

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ 23,627,357
--	---------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> \$ 43,917
---	---

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> \$ 15.14
---	--

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	34,286	109,145	173,938	212,294	236,747	251,357	259,945	266,911	271,899	276,533	\$ 2,093,054
SES Revenue		-	-	-	-	-	-	-	-	-	-	-
Total Distribution Charge	<u>\$</u>	<u>34,286</u>	<u>109,145</u>	<u>173,938</u>	<u>212,294</u>	<u>236,747</u>	<u>251,357</u>	<u>259,945</u>	<u>266,911</u>	<u>271,899</u>	<u>276,533</u>	<u>\$ 2,093,054</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 HHHH3
Enbridge Gas Community Expansion Project Proposal
Timaskaming District

Section 3.4 Timiskaming District (King Kirkland, Larder Lake, Virginiatown, Kearns) (CNG)

Total Forecasted Customers 538 Penetration Rate 60%

	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	113	21%	\$ 5,000	\$ 2,787	\$ 1,583	\$ 1,204	\$ 136,038	6.6	-2.4	741	(275)
Electricity F/A	48	9%	\$ 5,000	\$ 1,998	\$ 1,583	\$ 415	\$ 20,088	0.5	3.6	26	174
Electricity Baseboard	65	12%	\$ 12,000	\$ 1,998	\$ 1,583	\$ 415	\$ 26,784	0.5	3.6	34	232
Propane	237	44%	\$ 600	\$ 1,611	\$ 1,583	\$ 28	\$ 6,690	5.1	-1.0	1,208	(232)
Wood	48	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	27	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	538	100%	\$ 31,100	\$ 8,395	\$ 6,333	\$ 2,062	\$ 189,600	12.7	3.8	2,009	(101)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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	0.720
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 North East) April 2020 rates, including 27 cents per m3 CNG supply cost (No SES charge included).

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.

Schedule HHHH4
Enbridge Gas Community Expansion Project Proposal
Timaskaming District

Timiskaming District (King Kirkland, Larder Lake, Virginiatown, Kearns) Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule HHHH5
Enbridge Gas Community Expansion Project Proposal
Timaskaming District

CORPORATION OF THE
TOWNSHIP OF McGARRY

PHONE: (705) 634-2145 FAX: (705) 634-2700
EMAIL: treasure@ntl.sympatico.ca WEBSITE: www.mcgarry.ca

27 WEBSTER STREET
P.O. BOX 99, VIRGINIATOWN, ONTARIO P0K 1X0



April 22, 2020

Luke Skaarup
Director, Northern Region Operations
Enbridge Gas Inc.
luke.skaarup@enbridge.com

Dear Luke,

Re: Expression of Support for Natural Gas Expansion to the Township of McGarry

In December 2019, the Government of Ontario announced plans to further increase access to natural gas by making financial support available for new service expansion projects. This Natural Gas Expansion Program will unlock financial support needed to expand natural gas service to new areas across Ontario that are not economically feasible without support. Our municipality is one such area, and we are eager to bring this affordable, reliable fuel source to our residents and businesses.

On behalf of the Township of McGarry, I would like to formally express our interest to have The Township of McGarry Natural Gas Project included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program.

Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support in its project submissions.

Natural gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines. We look forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

Sincerely,

Jason Georgeoff, CMO, CMM II, OCT
Clerk-Treasurer
Township of McGarry
27 Webster Street
Virginiatown, ON P0K 1X0
705-634-2145 ext. 223
jgeorgeoff@mcgarry.ca

Schedule III
Enbridge Gas Community Expansion Project Proposal
Val Côté

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: Val-Côte 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 provide gas distribution service to previously unserved areas within the community of Val-Côté in the Township of Mattice - Val-Côté. The proposed facilities will provide access to natural gas to a forecasted 34 customers (31 residential, 2 commercial / institutional and 1 industrial).

The proposed tie-in point will be _____ of the community of Hallébourg along _____ connecting to existing 2" polyethylene pipe. The proposed distribution pipeline will consist of 13,500 m of 2" polyethylene pipe. The proposed distribution system will extend along _____ to Val-Côté and parts of _____ and _____.

There will be no reinforcement required to accommodate additional loads for the system. There are no stations required or any station modifications.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	13,500

Please refer to Schedule IIII1 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 IIII2, 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 IIII2, 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 IIII3, 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 IIII4 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 IIII5.</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 IIII6 for Enbridge's CPCN for the Township of Mattice - Val-Côté (EB-2006-0223) which covers the majority of the area of the proposed project. Hallébourg is a community in the unincorporated geographic township of Kendall for which Enbridge has CPCN rights as well (EBC 13).</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 IIII2, 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 IIII2, 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>\$4,996,314</p> <p>Please refer to Schedule IIII2, 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>\$146,950</p> <p>Please refer to Schedule IIII2, 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>\$29.13</p> <p>Please refer to Schedule IIII2, 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 IIII2, 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 IIII2, 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 IIII2, 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 • Certificate of Public Convenience and Necessity (as required) • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
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 IIII4.</p>

Schedule IIII1
Enbridge Gas Community Expansion Project Proposal
Val Côté

Val Cote



Schedule IIII2
Enbridge Gas Community Expansion Project Proposal
Val Côté

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

<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>
	10	7	5	2	2	1	1	1	1	1	31
	-	2	-	-	-	-	-	-	-	-	2
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	1	-	-	-	-	-	-	-	-	1
	<u>10</u>	<u>10</u>	<u>5</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>34</u>
	10	20	25	27	29	30	31	32	33	34	

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

<u>Customer Type</u>	<u>Annual Volumes - m3</u>										<u>Total</u>
<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential	11,000	29,700	42,900	50,600	55,000	58,300	60,500	62,700	64,900	67,100	502,700
Commercial	-	2,200	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	37,400
Institutional	-	-	-	-	-	-	-	-	-	-	-
Agricultural	-	-	-	-	-	-	-	-	-	-	-
Industrial	-	50,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	850,000
Total Volumes	<u>11,000</u>	<u>81,900</u>	<u>147,300</u>	<u>155,000</u>	<u>159,400</u>	<u>162,700</u>	<u>164,900</u>	<u>167,100</u>	<u>169,300</u>	<u>171,500</u>	<u>1,390,100</u>

<u>Customer Type</u>	<u>Cumulative Volumes - m3</u>										
<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential	11,000	40,700	83,600	134,200	189,200	247,500	308,000	370,700	435,600	502,700	
Commercial	-	2,200	6,600	11,000	15,400	19,800	24,200	28,600	33,000	37,400	
Institutional	-	-	-	-	-	-	-	-	-	-	
Agricultural	-	-	-	-	-	-	-	-	-	-	
Industrial	-	50,000	150,000	250,000	350,000	450,000	550,000	650,000	750,000	850,000	
Total Volumes	<u>11,000</u>	<u>92,900</u>	<u>240,200</u>	<u>395,200</u>	<u>554,600</u>	<u>717,300</u>	<u>882,200</u>	<u>1,049,300</u>	<u>1,218,600</u>	<u>1,390,100</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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Revenue Requirement											

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	\$ 4,996,314
--	-----------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> \$ 146,950
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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> \$ 29.13
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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	\$	2,317	10,537	17,599	19,220	20,147	20,842	21,305	21,768	22,232	22,695	\$ 178,661
SES Revenue		2,530	18,837	33,879	35,650	36,662	37,421	37,927	38,433	38,939	39,445	319,723
Total Distribution Charge	\$	<u>4,847</u>	<u>29,374</u>	<u>51,478</u>	<u>54,870</u>	<u>56,809</u>	<u>58,263</u>	<u>59,232</u>	<u>60,201</u>	<u>61,171</u>	<u>62,140</u>	<u>\$ 498,384</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 IIII3
Enbridge Gas Community Expansion Project Proposal
Val Côté

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

<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>
	10	7	5	2	2	1	1	1	1	1	31
	-	2	-	-	-	-	-	-	-	-	2
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	1	-	-	-	-	-	-	-	-	1
	<u>10</u>	<u>10</u>	<u>5</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>34</u>
	10	20	25	27	29	30	31	32	33	34	

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

<u>Customer Type</u>	<u>Annual Volumes - m3</u>										<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	11,000	29,700	42,900	50,600	55,000	58,300	60,500	62,700	64,900	67,100	502,700
Commercial	-	2,200	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	37,400
Institutional	-	-	-	-	-	-	-	-	-	-	-
Agricultural	-	-	-	-	-	-	-	-	-	-	-
Industrial	-	50,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	850,000
Total Volumes	<u>11,000</u>	<u>81,900</u>	<u>147,300</u>	<u>155,000</u>	<u>159,400</u>	<u>162,700</u>	<u>164,900</u>	<u>167,100</u>	<u>169,300</u>	<u>171,500</u>	<u>1,390,100</u>

<u>Customer Type</u>	<u>Cumulative Volumes - m3</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	11,000	40,700	83,600	134,200	189,200	247,500	308,000	370,700	435,600	502,700	
Commercial	-	2,200	6,600	11,000	15,400	19,800	24,200	28,600	33,000	37,400	
Institutional	-	-	-	-	-	-	-	-	-	-	
Agricultural	-	-	-	-	-	-	-	-	-	-	
Industrial	-	50,000	150,000	250,000	350,000	450,000	550,000	650,000	750,000	850,000	
Total Volumes	<u>11,000</u>	<u>92,900</u>	<u>240,200</u>	<u>395,200</u>	<u>554,600</u>	<u>717,300</u>	<u>882,200</u>	<u>1,049,300</u>	<u>1,218,600</u>	<u>1,390,100</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	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ 4,996,314
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> \$ 146,950
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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> \$ 29.13
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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	\$	2,317	10,537	17,599	19,220	20,147	20,842	21,305	21,768	22,232	22,695	\$ 178,661
SES Revenue		2,530	18,837	33,879	35,650	36,662	37,421	37,927	38,433	38,939	39,445	319,723
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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 IIII4
Enbridge Gas Community Expansion Project Proposal
Val Côté

Val-Côte Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule IIII5
Enbridge Gas Community Expansion Project Proposal
Val Côté

Municipalité de
Municipality of

**mATTICE-
VAL CÔTÉ**



Sac postal / P.O. Bag 129, Mattice, Ont. P0L 1T0
(705) 364-6511 – Fax: (705) 364-6431

March 30th, 2020

Enbridge Gas Inc.
36 Charles Street
North Bay, ON
P1B 8K7

Attention: Luke Skaarup, Director, Northern Region Operations

Dear Regional Director,

Re: Expression of Support for Natural Gas Expansion within our Municipality

In December 2019, the Government of Ontario announced plans to further increase access to natural gas by making financial support available for new service expansion projects. This Natural Gas Expansion Program will unlock financial support needed to expand natural gas service to new areas across Ontario that are not economically feasible without support. Our Municipality is one such area – while the village of Mattice has access to natural gas, said service is not available to those that reside outside immediate village boundaries, such as Val Côté residents and others living on properties that border Highway 11.

On behalf of the Municipality of Mattice – Val Côté, I would like to formally express our interest to have the *VAL CÔTÉ & area project* included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program.

Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from local government, demonstrated through a written expression of support and/or a commitment of financial support in its project submissions.

Natural gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines in increasing its access in northern Ontario. We look forward to working together to expand natural gas access in our community in order to attract new opportunities, help create jobs and lower monthly costs for our residents.

Sincerely,

Marc Dupuis
Mayor

Schedule IIII6
Enbridge Gas Community Expansion Project Proposal
Val Côté

Ontario Energy Board

EB-2006-0223

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Union Gas Limited

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

Township of Mattice Val - Côté

This approval replaces the approval granted under E.B.C. 40 for the former unorganized Township of of Eilber that is now within the Township of Mattice Val - Côté.

Dated at Toronto, October 27, 2006

ONTARIO ENERGY BOARD

Original Signed by

Peter H. O'Dell
Assistant Board Secretary

ONTARIO ENERGY BOARD

IN THE MATTER OF The Municipal Franchises
Act, R.S.O. 1960, Chapter 255, Section 8,
and amendments thereto;

AND IN THE MATTER OF an Application by
Northern Ontario Natural Gas Company
Limited for a Certificate of Public Con-
venience and Necessity to construct works
to supply gas to the inhabitants of the
unorganized Township of Kendall.

B E F O R E:

A. R. CROZIER, Chairman) Tuesday, the 22nd
)
J. J. WINGFELDER, Commissioner) Day of May, 1962,

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON THE APPLICATION of Northern Ontario Natural Gas
Company Limited, hereinafter referred to as the "Applicant", for a
Certificate pursuant to the provisions of The Municipal Franchises Act,
R.S.O. 1960, Chapter 255, Section 8 and amendments thereto, and at a
public hearing of such Application by the Board at the City of Toronto
on the 22nd day of May, 1962, after due notice of such hearing had been
given as directed by the Board in the presence of counsel for the
Applicant, no one else appearing, and upon consideration of the evi-
dence 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 Con-
venience and Necessity be and the same is hereby granted to Northern
Ontario Natural Gas Company Limited for the supply of natural gas to
the inhabitants of the unorganized Township of Kendall, and for the
construction of the works necessary therefor.

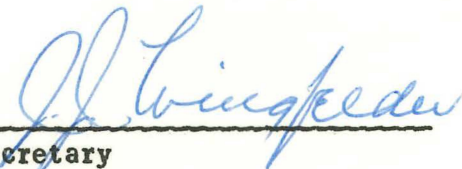
2. AND THIS BOARD DOTH FURTHER ORDER that the Certificate
of Public Convenience and Necessity hereby granted may be assigned by
Northern Ontario Natural Gas Company Limited to Montreal Trust Company,
the trustee under the deed of trust and mortgage, dated as of June 1,
1958, to be made between Northern Ontario Natural Gas Company Limited

and Montreal Trust Company, as trustee, and to such person, firm or corporation to whom Montreal Trust Company, as trustee, may assign such Certificate in execution of the trusts under the said deed of trust and mortgage, together with, in each case, all rights and powers, statutory or otherwise, which flow from or are evidenced by such Certificate.

3. AND THIS BOARD DOTH FURTHER ORDER that the costs of this hearing are fixed at \$15.00 and shall be paid forthwith by the Applicant to the Board.

DATED at Toronto this 5th day of July, 1962.

ONTARIO ENERGY BOARD


Secretary

Schedule JJJJ
Enbridge Gas Community Expansion Project Proposal
Wollaston

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: Wollaston 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 provide gas distribution service to the Township of Wollaston in Hastings County as well as communities along the supply lateral (including the community of St. Ola and other parts of the Township of Limerick) and residential customers near _____ and along _____.

The proposed facilities will provide access to natural gas to a forecasted 260 customers (222 residential, 33 commercial / institutional and 5 industrial).

The proposed tie-in of the steel supply lateral is in the Township of Madoc at the intersection of _____ and _____. This tie-in will bring gas from the existing system 64.4 km _____ along _____ to Limerick and Saint Ola, and _____ along _____ into Wollaston. A total of four stations are proposed as part of the project: one station to feed the Township of Wollaston located at _____ and _____, one at the intersection of _____ and _____, one at the intersection of _____ and _____, and the other at the intersection of _____ and _____.

There are several waterway crossings along the entire project including _____ on _____ and _____ within Wollaston. The distribution systems within Wollaston, Limerick and Saint Ola include approximately 8.7 km of polyethylene pipe. The existing system in Madoc requires reinforcement of approximately 8.7 km of steel at various locations.

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Steel	6	64,400

The approximate length and size of the reinforcement required:

Pipe Type	Diameter (NPS)	Length (m)
Steel	6	8,700

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	8,700

Please refer to Schedule JJJJ1 for Project Map.

3.2	<p>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.</p> <p>Please refer to Schedule JJJJ2, Table 3.2.</p>
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 JJJJ2, 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 JJJJ3, 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 JJJJ4 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 JJJJ5.</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 JJJJ6 for Enbridge's CPCN for the Township of Madoc (EB-2013-0104) which covers the supply lateral portion of this proposed project.</p> <p>Enbridge Gas does not currently have franchise agreements with nor Certificates of Public Convenience and Necessity for the Township of Wollaston or the Township of Limerick.</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

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 JJJJ2, 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 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 JJJJ2, 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>\$77,873,134</p> <p>Please refer to Schedule JJJJ2, 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>\$299,512</p> <p>Please refer to Schedule JJJJ2, 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>\$65.98</p> <p>Please refer to Schedule JJJJ2, 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 JJJJ2, 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 JJJJ2, 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 JJJJ2, 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 • Franchise Agreement • 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	<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 JJJJ4.</p>

Schedule JJJJ1
Enbridge Gas Community Expansion Project Proposal
Wollaston

Wollaston



Schedule JJJJ2
Enbridge Gas Community Expansion Project Proposal
Wollaston

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

<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>
	68	51	34	17	17	7	7	7	7	7	222
	-	14	5	3	3	1	1	1	-	-	28
	-	2	1	-	-	-	-	-	-	-	3
	-	2	-	-	-	-	-	-	-	-	2
	-	2	1	1	1	-	-	-	-	-	5
	<u>68</u>	<u>71</u>	<u>41</u>	<u>21</u>	<u>21</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>7</u>	<u>7</u>	<u>260</u>
	68	139	180	201	222	230	238	246	253	260	

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

<u>Customer Type</u>
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Annual Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
	74,800	205,700	299,200	355,300	392,700	419,100	434,500	449,900	465,300	480,700	3,577,200
	-	27,400	65,600	85,000	102,200	111,900	114,100	116,300	117,400	117,400	857,300
	-	30,000	65,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	585,000
	-	6,100	12,200	12,200	12,200	12,200	12,200	12,200	12,200	12,200	103,700
	-	100,000	250,000	350,000	450,000	500,000	500,000	500,000	500,000	500,000	3,650,000
	<u>74,800</u>	<u>369,200</u>	<u>692,000</u>	<u>872,500</u>	<u>1,027,100</u>	<u>1,113,200</u>	<u>1,130,800</u>	<u>1,148,400</u>	<u>1,164,900</u>	<u>1,180,300</u>	<u>8,773,200</u>

<u>Customer Type</u>
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Cumulative Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
	74,800	280,500	579,700	935,000	1,327,700	1,746,800	2,181,300	2,631,200	3,096,500	3,577,200
	-	27,400	93,000	178,000	280,200	392,100	506,200	622,500	739,900	857,300
	-	30,000	95,000	165,000	235,000	305,000	375,000	445,000	515,000	585,000
	-	6,100	18,300	30,500	42,700	54,900	67,100	79,300	91,500	103,700
	-	100,000	350,000	700,000	1,150,000	1,650,000	2,150,000	2,650,000	3,150,000	3,650,000
	<u>74,800</u>	<u>444,000</u>	<u>1,136,000</u>	<u>2,008,500</u>	<u>3,035,600</u>	<u>4,148,800</u>	<u>5,279,600</u>	<u>6,428,000</u>	<u>7,592,900</u>	<u>8,773,200</u>

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

Total Capital Costs

Year 10

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

<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>
---------------------	----------	----------	----------	----------	----------	----------	----------	----------	----------	-----------	--------------

Year 10

Closing Rate Base (net of proposed Section 36.2 funding)
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Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ 77,873,134
--	---------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u><u>Year 10</u></u> \$ 299,512
---	-------------------------------------

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

Section 36.2 Funding Amount Per Year 10 Volume (m3)	<u><u>Year 10</u></u> \$ 65.98
---	-----------------------------------

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	\$	15,753	58,833	100,042	122,835	140,658	151,424	155,130	158,837	162,312	165,555	\$ 1,231,379
SES Revenue		<u>17,204</u>	<u>84,916</u>	<u>159,160</u>	<u>200,675</u>	<u>236,233</u>	<u>256,036</u>	<u>260,084</u>	<u>264,132</u>	<u>267,927</u>	<u>271,469</u>	<u>2,017,836</u>
Total Distribution Charge	\$	<u>32,957</u>	<u>143,749</u>	<u>259,202</u>	<u>323,510</u>	<u>376,891</u>	<u>407,460</u>	<u>415,214</u>	<u>422,969</u>	<u>430,239</u>	<u>437,024</u>	<u>\$ 3,249,215</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 - See Note 1	
Change in Working Capital	
Total Cash Outflow (D)	
Profitability Index (PI) Inclusive of Section 36.2 Funding (C / D)	<u>1.00</u>

Notes:
1 - It is assumed for this project that the Section 36.2 funding will be received over three years in proportion to the addition of mains and station assets.
This is the net present value of the Section 36.2 funding and therefore will not agree to the Section 36.2 funding in Table 5.1 above.

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 JJJJ3
Enbridge Gas Community Expansion Project Proposal
Wollaston

Section 3.4 Wollaston

Total Forecasted Customers 260 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	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)
Oil	55	21%	\$ 5,000	\$ 2,787	\$ 1,495	\$ 1,292	\$ 70,548	6.6	-2.4	358	(133)
Electricity F/A	23	9%	\$ 5,000	\$ 1,998	\$ 1,495	\$ 503	\$ 11,767	0.5	3.6	12	84
Electricity Baseboard	31	12%	\$ 12,000	\$ 1,998	\$ 1,495	\$ 503	\$ 15,689	0.5	3.6	17	112
Propane	114	44%	\$ 600	\$ 1,611	\$ 1,495	\$ 116	\$ 13,300	5.1	-1.0	584	(112)
Wood	23	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	13	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	260	100%	\$ 31,100	\$ 8,395	\$ 5,981	\$ 2,414	\$ 111,305	12.7	3.8	971	(49)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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.

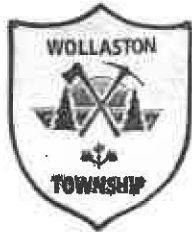
Carbon price is included for all energy types as reported. All costs exclude HST.

Schedule JJJJ4
Enbridge Gas Community Expansion Project Proposal
Wollaston

Pipeline Construction Schedule

[illegible]

Schedule JJJJ5
Enbridge Gas Community Expansion Project Proposal
Wollaston



90 Wollaston Lake Road
COE HILL, ON K0L 1P0
Tel: 613-337-5731
Fax: 613-337-5789
Email: clerk@wollaston.ca
REEVE: BARBARA SHAW

WOLLASTON TOWNSHIP

March 27, 2020

BY EMAIL ONLY TO: Steve.mcGivery@enbridge.com

ENBRIDGE GAS INC.
101 Honda Blvd
MARKHAM, ON
L6C 0M6

ATTN: Steve McGivery

Dear Sir:

At the regular meeting of council held on March 16, 2020, council members reviewed the correspondence sent by you dated February 20, 2020. After discussing the letter, council agreed it was important to support natural gas expansion.

Regards,


BERNICE CROCKER
Clerk/Administrator

February 20, 2020

Reeve Barbara Shaw
Township of Wollaston
90 Wollaston Lake Rd,
Coe Hill, ON
K0L 1P0

Dear Reeve Shaw and Members of Council,

Re: Natural Gas Expansion Program Update

In December 2019, the Government of Ontario announced its plans to further increase access to natural gas by making financial support available for new expansion projects. The Government's Natural Gas Expansion Program offers an opportunity to drive economic development and enhance the quality of life and prosperity of families and businesses across Ontario. As your Regional Director for Enbridge Gas Inc., I'm writing to provide an update on next steps, and how we can work together to bring natural gas to unserved communities in Ontario.

Enbridge Gas will submit project proposals to the Ontario Energy Board (OEB) based on Guidelines that are currently under development. The OEB will review project submissions and provide a report to the Ministry of Energy, Northern Development and Mines later this year recommending potential natural gas expansion projects that the Ontario government could consider as candidates for financial support. The Ministry of Energy, Northern Development and Mines will review the recommendations of the OEB along with other considerations and issue a decision on future natural gas expansion projects eligible to receive financial support.

Your municipality may have a project that you would like to submit for funding consideration. Based on Guidelines expected to be issued by the OEB, submissions will require certain information in order to be considered for funding. A summary of the expected filing requirements is included with this letter. If you would like to move a project within your community forward for consideration by the OEB, we ask that you provide a letter of support returned to us within 10-15 business days of receiving this letter. A sample letter of support is also included for your consideration.

For more than 170 years, Enbridge Gas has been delivering the energy that Ontarians need and want. With our long history, anchored in our commitment to operational excellence and strong safety performance, Enbridge Gas is in the best position to bring natural gas to currently unserved areas. We have a number of expansion projects underway, and we are committed to building on this success. If you have any questions, please do not hesitate to contact me or your Municipal Advisor, Mark Wilson, at mark.wilson@enbridge.com.

Sincerely,

Steve McGivery
Director, GTA East Region Operations
Enbridge Gas Inc.
905-927-3184
Steve.mcgivery@enbridge.com



Natural Gas Expansion Program – Anticipated Submission Requirements

The province is helping expand natural gas access to more communities in Ontario through its Natural Gas Expansion Program. The Ontario Energy Board (OEB) has been directed to examine and report back to the Ministry of Energy, Northern Development and Mines on potential natural gas expansion projects to assist the provincial government in determining which future expansion projects will receive government funding.

Enbridge Gas Inc. will submit project proposals to the OEB based on the OEB's Guidelines, which are currently under development. Based on the draft Guidelines issued by the OEB (EB-209-0255), Enbridge Gas Inc. anticipates it will be required to include letters from the Band Council(s) and/or local government, as applicable, stating support for proposed projects and providing details of any commitment to financial support.

Although Enbridge Gas Inc. is not currently aware of any requirement for municipal financial contributions to qualify for grant funding under the Natural Gas Expansion Program, the Company believes that a municipality's contribution toward project costs (e.g., equivalent to the municipal portion of property taxes recovered on the new infrastructure being built for a period of 10 years) would demonstrate the community's support for the proposed project. How this contribution is made is up to the discretion of the municipality or First Nation in consultation with Enbridge Gas Inc.

Note: To support project economics, councils should understand that Enbridge Gas Inc. will apply a 23 cent/m³ System Expansion Surcharge to all customers connected through the proposed project for a defined period of time of up to 40 years as a contribution toward recovery of the cost of the proposed project.

For Enbridge Gas Inc. to complete its submission to the OEB, we will be looking to gather the following information for proposed projects and may be seeking the municipality's assistance:

1) Map of desired service area, including:

- a. Residential dwellings within the potential service area
- b. Commercial dwellings within the potential service area
- c. Industrial properties (excluding farms) within the potential service area
- d. Farms and agri-businesses (grain elevators, feed manufacturing, etc.) within the potential service area
- e. Institutional buildings (municipal facilities, schools, hospitals, etc.) within the potential service area

2) Information regarding the primary heating source in your community, including:

- a. Number of properties currently heated using electric baseboard
- b. Number of properties currently heated using electric forced air
- c. Number of properties currently heated with propane
- d. Number of properties currently heated with oil
- e. Number of properties currently heated with wood

Project submission requirements have not yet been finalized by the OEB. We will notify municipalities if additional information is required for purposes of our submission to the OEB.

Please send your information to your municipal advisor or savewithgas@enbridge.com.

February 2020

Dear *REGIONAL DIRECTOR*,

Re: Expression of Support for Natural Gas Expansion to *MUNICIPALITY/PROJECT NAME*

In December 2019, the Government of Ontario announced plans to further increase access to natural gas by making financial support available for new service expansion projects. This Natural Gas Expansion Program will unlock financial support needed to expand natural gas service to new areas across Ontario that are not economically feasible without support. Our municipality is one such area, and we are eager to bring this affordable, reliable fuel source to our residents and businesses.

On behalf of *MUNICIPALITY*, I would like to formally express our interest to have *PROJECT NAME* included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program.

Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support in its project submissions.

Natural gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines. We look forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

Sincerely,

Name

Title

Municipality Name

Contact Information

Schedule JJJJ6
Enbridge Gas Community Expansion Project Proposal
Wollaston

EB-2013-0104

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 Madoc

This certificate supersedes the part of the Certificate of Public Convenience and Necessity that is associated with the Township of Madoc (F.B.C. 269) with a Certificate of Public Convenience and Necessity for the Township of Madoc.

DATED at Toronto, June 13, 2013

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Schedule KKKK
Enbridge Gas Community Expansion Project Proposal
Woodham and Kirkton

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: Woodham and Kirkton 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 provide gas distribution service to the communities of Woodham and Kirkton in the Municipality of South Huron. The proposed pipeline system will provide access to natural gas to a forecasted 132 customers (106 residential, 18 commercial / institutional, 3 intensive agricultural, 2 grain dryers and 3 industrial).

The proposed tie-in point will be near the intersection of _____ and _____ to an existing 4" steel pipeline. The proposed distribution pipeline will consist of 5,300 m of 2" polyethylene pipe, 300 m of 4" polyethylene pipe and 16,600 m of 6" polyethylene pipe. The proposed distribution system will extend _____ on _____ to _____ to include _____, _____, _____, _____, _____ and along _____ to include Woodham.

A new distribution station is required near the intersection of _____ and _____ along _____.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	5,300

The approximate length and size of the supply laterals required:

Pipe Type	NPS – Nominal Pipe Size	Length (m)
Polyethylene	4	300
Polyethylene	6	16,600

Please refer to Schedule KKKK1 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 KKKK2, 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 KKKK2, 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 KKKK3, 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 KKKK4 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 KKKK5.</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 KKKK6 for Enbridge's CPCN for the Municipality of South Huron (EB-2007-0023) 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 KKKK2, 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 KKKK2, 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>\$9,777,609</p> <p>Please refer to Schedule KKKK2, 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>\$74,073</p> <p>Please refer to Schedule KKKK2, 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>\$11.99</p> <p>Please refer to Schedule KKKK2, Table 5.3.</p>

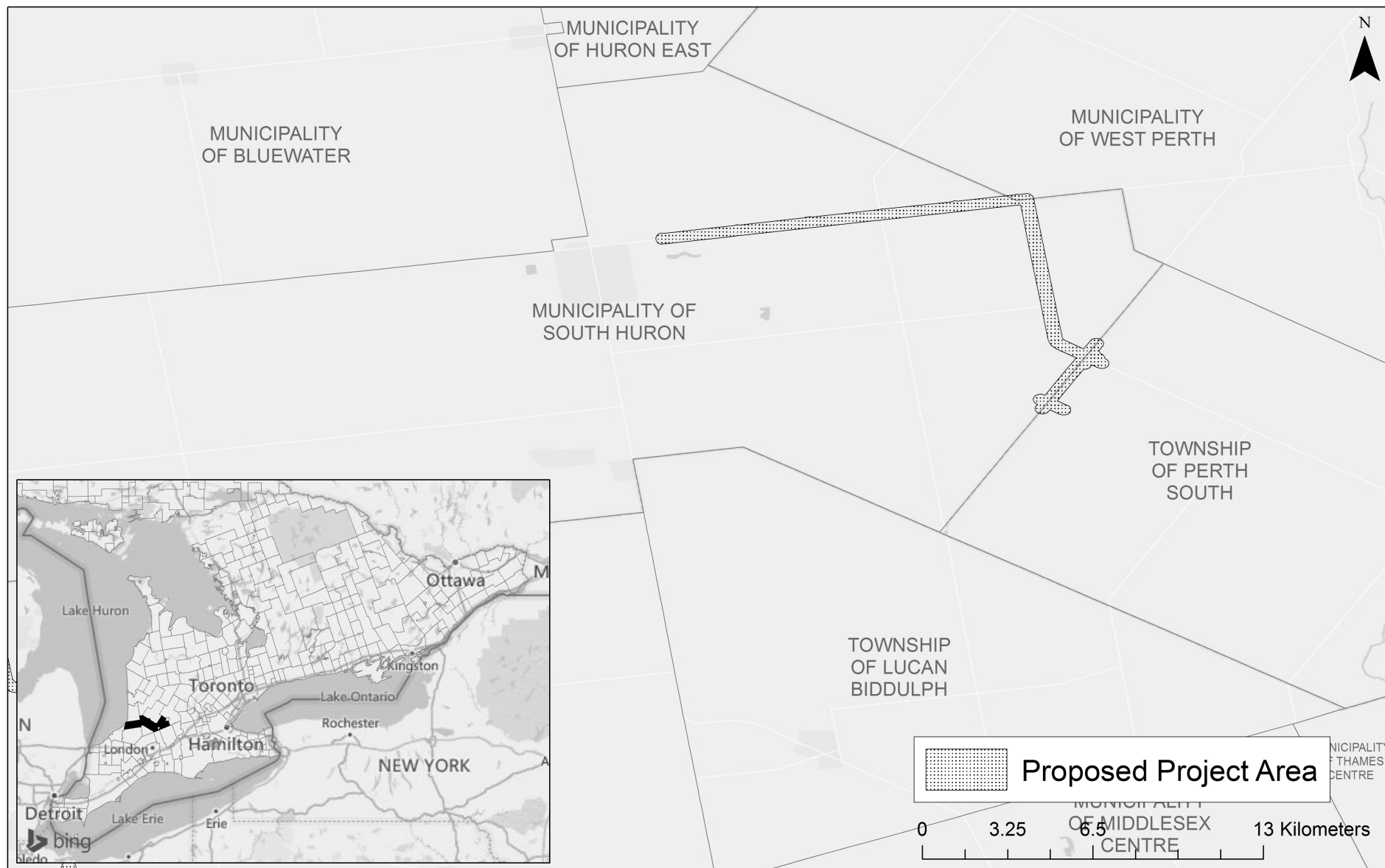
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the 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 KKKK2, 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 KKKK2, 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 KKKK2, 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 • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
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 KKKK4.</p>

Schedule KKKK1
Enbridge Gas Community Expansion Project Proposal
Woodham and Kirkton

Woodham / Kirkton



Schedule KKKK2
Enbridge Gas Community Expansion Project Proposal
Woodham and Kirkton

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

<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>
	33	26	16	8	8	3	3	3	3	3	106
	-	12	4	1	1	-	-	-	-	-	18
	-	-	-	-	-	-	-	-	-	-	-
	-	5	-	-	-	-	-	-	-	-	5
	-	2	1	-	-	-	-	-	-	-	3
	<u>33</u>	<u>45</u>	<u>21</u>	<u>9</u>	<u>9</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>132</u>
	33	78	99	108	117	120	123	126	129	132	

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

<u>Customer Type</u>	<u>Annual Volumes - m3</u>										<u>Total</u>
<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential	36,300	101,200	147,400	173,800	191,400	203,500	210,100	216,700	223,300	229,900	1,733,600
Commercial	-	23,800	57,300	68,100	70,300	71,400	71,400	71,400	71,400	71,400	576,500
Institutional	-	-	-	-	-	-	-	-	-	-	-
Agricultural	-	107,200	214,400	214,400	214,400	214,400	214,400	214,400	214,400	214,400	1,822,400
Industrial	-	100,000	250,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	2,450,000
Total Volumes	<u>36,300</u>	<u>332,200</u>	<u>669,100</u>	<u>756,300</u>	<u>776,100</u>	<u>789,300</u>	<u>795,900</u>	<u>802,500</u>	<u>809,100</u>	<u>815,700</u>	<u>6,582,500</u>

<u>Customer Type</u>	<u>Cumulative Volumes - m3</u>										
<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential	36,300	137,500	284,900	458,700	650,100	853,600	1,063,700	1,280,400	1,503,700	1,733,600	
Commercial	-	23,800	81,100	149,200	219,500	290,900	362,300	433,700	505,100	576,500	
Institutional	-	-	-	-	-	-	-	-	-	-	
Agricultural	-	107,200	321,600	536,000	750,400	964,800	1,179,200	1,393,600	1,608,000	1,822,400	
Industrial	-	100,000	350,000	650,000	950,000	1,250,000	1,550,000	1,850,000	2,150,000	2,450,000	
Total Volumes	<u>36,300</u>	<u>368,500</u>	<u>1,037,600</u>	<u>1,793,900</u>	<u>2,570,000</u>	<u>3,359,300</u>	<u>4,155,200</u>	<u>4,957,700</u>	<u>5,766,800</u>	<u>6,582,500</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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Revenue Requirement											

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	\$ 9,777,609
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>\$ 74,073</u>
---	------------------

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

	<u>Year 10</u>
Section 36.2 Funding Amount Per Year 10 Volume (m3)	\$ 11.99

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	\$	5,390	24,998	44,411	51,074	54,014	55,974	56,954	57,934	58,914	59,894	\$ 469,557
SES Revenue		8,349	76,406	153,893	173,949	178,503	181,539	183,057	184,575	186,093	187,611	1,513,975
Total Distribution Charge	\$	<u>13,739</u>	<u>101,404</u>	<u>198,304</u>	<u>225,023</u>	<u>232,517</u>	<u>237,513</u>	<u>240,011</u>	<u>242,509</u>	<u>245,007</u>	<u>247,505</u>	<u>\$ 1,983,532</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 KKKK3
Enbridge Gas Community Expansion Project Proposal
Woodham and Kirkton

Section 3.4 Woodham and Kirkton (South Huron)

Total Forecasted Customers 132 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	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)
Oil	28	21%	\$ 5,000	\$ 2,829	\$ 1,258	\$ 1,571	\$ 43,548	6.7	-2.5	184	(70)
Electricity F/A	12	9%	\$ 5,000	\$ 2,028	\$ 1,258	\$ 770	\$ 9,152	0.5	3.6	6	43
Electricity Baseboard	16	12%	\$ 12,000	\$ 1,626	\$ 1,258	\$ 368	\$ 5,828	0.5	3.6	9	57
Propane	58	44%	\$ 600	\$ 1,626	\$ 1,258	\$ 368	\$ 21,369	5.2	-1.1	301	(61)
Wood	12	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	7	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	132	100%	\$ 31,100	\$ 8,109	\$ 5,031	\$ 3,077	\$ 79,897	12.9	3.6	500	(32)

1 Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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 M1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.572
Heating oil	L	2433	Heating oil	\$/L	1.163
Electricity	kWh	18046	Electricity	\$/kWh	0.112
Propane	L	3359	Propane	\$/L	0.484

Notes:

Gas prices correspond to EGI (Union Gas South) 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

South Propane prices correspond to the latest available montly average EDPRO residential rates for Zone 1 (March 2020).

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

Schedule KKKK4
Enbridge Gas Community Expansion Project Proposal
Woodham and Kirkton

Woodham and Kirkton Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule KKKK5
Enbridge Gas Community Expansion Project Proposal
Woodham and Kirkton



**CORPORATION OF THE MUNICIPALITY OF SOUTH HURON
OFFICE OF THE MAYOR**

322 Main Street South P.O. Box 759
Exeter Ontario
N0M 1S6

Phone: 519-235-0310 Fax: 519-235-3304
Toll Free: 1-877-204-0747
www.southhuron.ca

May 7, 2020

Via email – Brian.Lennie@enbridge.com

Brain Lennie
Sr. Advisor Municipal Affairs & Stakeholders Relations
Enbridge Gas Inc.


**Re: Expression of Support for Natural Gas Expansion to
Kirkton/Woodham**

Further to the April 23, 2020 correspondence of the Township of Perth South, on behalf of the Council of the Municipality of South Huron, I would like to formally express our interest to have the villages of Kirkton and Woodham included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program. Kirkton and Woodham are located next to each other along Highway 23 and are shared between the Municipality of South Huron and the Township of Perth South.

We are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or a commitment to financial support in its project submissions, based on the draft Guidelines issued by the OEB (EB-2019-0255). Natural gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines. We look forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

If you require anything further from our office please do not hesitate to contact me.

Respectfully,



Rebekah Msuya-Collison, Clerk
Municipality of South Huron
clerk@southhuron.ca
519-235-0310

cc. Lizet Scott, Clerk
Township of Perth South

Schedule KKKK6
Enbridge Gas Community Expansion Project Proposal
Woodham and Kirkton

EB-2007-0023

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Union Gas Limited

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

Municipality of South Huron

This certificate replaces the portions of the certificates associated with the former townships that are now within the Municipality of South Huron.

DATED at Toronto, April 10, 2007

ONTARIO ENERGY BOARD

Original signed by

Neil McKay
Manager, Facilities Applications

Schedule LLLL
Enbridge Gas Community Expansion Project Proposal
Zephyr, Udora, Leaskdale

**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: Zephyr, Udora and Leaskdale 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 provide gas distribution service to the communities of Zephyr and Leaskdale within the Township of Uxbridge and the community of Udora which is predominantly within the Town of Georgina. The proposed facilities will provide access to natural gas to a forecasted 454 customers (439 residential and 15 commercial / institutional).

The nearest existing gas infrastructure is at the intersection of _____ and _____. A station is proposed to tie-in to the existing NPS 8 XHP pipeline system and reduce pressure for the supply line and distribution within the communities. The proposed supply line is approximately 21 km of NPS 4 polyethylene pipe. The supply line runs _____ and _____ from the proposed station to the distribution system within Leaskdale. The supply line runs _____ of Leaskdale to Udora. From Leaskdale, the supply line runs _____ and _____ to Zephyr. The distribution system within the communities include approximately 17 km of polyethylene pipe.

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	4	21,366

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	1.25	3,087
Polyethylene	2	14,625

Please refer to Schedule LLLL1 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 LLLL2, 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 LLLL2, 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 LLLL3, 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 LLLL4 for Proposed Construction Schedule.</p>
3.6 Updated	<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 Schedules LLLL5(a) and LLLL5(b).</p>

3.7 Updated	<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 LLLL6 for Enbridge's CPCNs for the former Township of Scott (FBC 266 - now part of Uxbridge) and for the Town of Georgina (EB-2018-0182) which cover 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 LLLL2, 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 LLLL2, 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>\$17,387,484</p> <p>Please refer to Schedule LLLL2, 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>\$38,298</p> <p>Please refer to Schedule LLLL2, 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>\$13.17</p> <p>Please refer to Schedule LLLL2, Table 5.3</p>

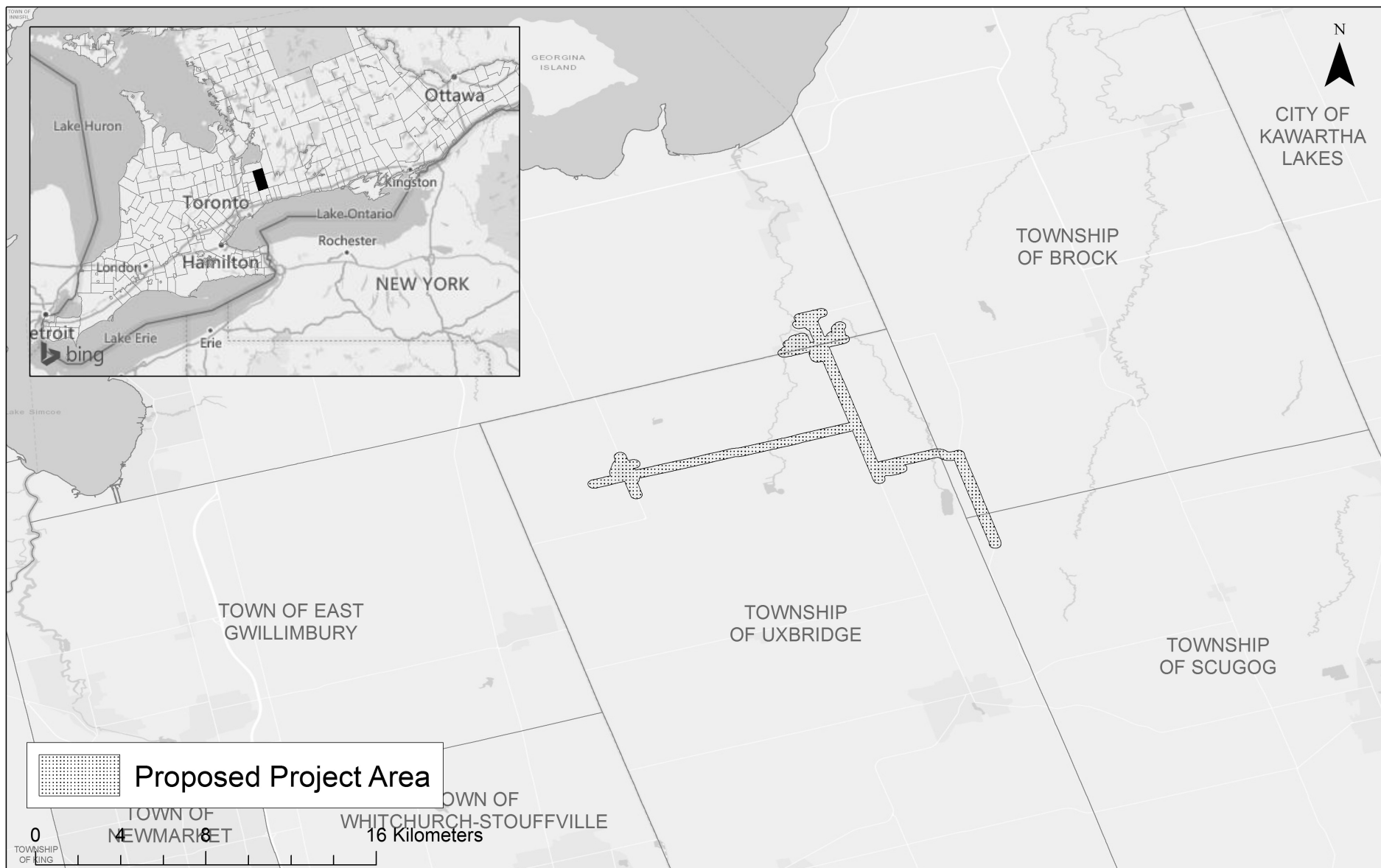
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the 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 LLLL2, 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 LLLL2, 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 LLLL2, 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 LLLL4.</p>

Schedule LLLL1
Enbridge Gas Community Expansion Project Proposal
Zephyr, Udora, Leaskdale

Zephyr, Udora, Leaskdale



Schedule LLLL2
Enbridge Gas Community Expansion Project Proposal
Zephyr, Udora, Leaskdale

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Residential	Firm		119	105	40	28	22	27	24	27	24	23	439
Commercial	Firm		-	6	2	1	1	-	-	-	-	-	10
Institutional	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural	Firm		-	3	2	-	-	-	-	-	-	-	5
Industrial	Firm		-	-	-	-	-	-	-	-	-	-	-
Total Customers			<u>119</u>	<u>114</u>	<u>44</u>	<u>29</u>	<u>23</u>	<u>27</u>	<u>24</u>	<u>27</u>	<u>24</u>	<u>23</u>	<u>454</u>
Cumulative Customers			119	233	277	306	329	356	380	407	431	454	

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

<u>Customer Type</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Annual Volumes - m3</u>						<u>10</u>	<u>Total</u>
Residential		142,800	411,600	585,600	667,200	727,200	786,000	847,200	908,400	969,600	1,026,000	7,071,600	
Commercial		-	12,300	27,000	30,600	33,000	34,200	34,200	34,200	34,200	34,200	273,900	
Institutional		-	-	-	-	-	-	-	-	-	-	-	-
Agricultural		-	70,000	200,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000	2,090,000	
Industrial		-	-	-	-	-	-	-	-	-	-	-	-
Total Volumes		<u>142,800</u>	<u>493,900</u>	<u>812,600</u>	<u>957,800</u>	<u>1,020,200</u>	<u>1,080,200</u>	<u>1,141,400</u>	<u>1,202,600</u>	<u>1,263,800</u>	<u>1,320,200</u>	<u>9,435,500</u>	

<u>Customer Type</u>	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Cumulative Volumes - m3</u>						<u>10</u>	
Residential		142,800	554,400	1,140,000	1,807,200	2,534,400	3,320,400	4,167,600	5,076,000	6,045,600	7,071,600		
Commercial		-	12,300	39,300	69,900	102,900	137,100	171,300	205,500	239,700	273,900		
Institutional		-	-	-	-	-	-	-	-	-	-		
Agricultural		-	70,000	270,000	530,000	790,000	1,050,000	1,310,000	1,570,000	1,830,000	2,090,000		
Industrial		-	-	-	-	-	-	-	-	-	-		
Total Volumes		<u>142,800</u>	<u>636,700</u>	<u>1,449,300</u>	<u>2,407,100</u>	<u>3,427,300</u>	<u>4,507,500</u>	<u>5,648,900</u>	<u>6,851,500</u>	<u>8,115,300</u>	<u>9,435,500</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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Revenue Requirement											

	<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	\$ 17,387,484
--	------------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	Year 10 \$ <u>38,298</u>
---	---

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

Section 36.2 Funding Amount Per Volume (m3)	Year 10 \$ <u>13.17</u>
---	--

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	25,022	80,141	123,214	142,604	154,169	164,998	175,722	186,446	197,170	207,053	\$ 1,456,540
SES Revenue		32,844	113,597	186,898	220,294	234,646	248,446	262,522	276,598	290,674	303,646	2,170,165
Total Distribution Charge	\$	<u>57,866</u>	<u>193,738</u>	<u>310,112</u>	<u>362,898</u>	<u>388,815</u>	<u>413,444</u>	<u>438,244</u>	<u>463,044</u>	<u>487,844</u>	<u>510,699</u>	\$ <u>3,626,705</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 LLLL3
Enbridge Gas Community Expansion Project Proposal
Zephyr, Udora, Leaskdale

Section 3.4 Zephyr, Udora and Leaskdale

Total Forecasted Customers 454 Penetration Rate 64%

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 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)
Oil	129	28%	\$ 5,000	\$ 3,050	\$ 1,481	\$ 1,570	\$ 202,099	7.2	-2.7	923	(344)
Electricity F/A	41	9%	\$ 5,000	\$ 2,187	\$ 1,481	\$ 706	\$ 28,722	0.6	3.9	24	159
Electricity Baseboard	68	15%	\$ 12,000	\$ 2,187	\$ 1,481	\$ 706	\$ 47,870	0.6	3.9	40	265
Propane	129	28%	\$ 600	\$ 1,764	\$ 1,481	\$ 283	\$ 36,477	5.6	-1.1	719	(140)
Wood	81	18%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	7	1%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	454	100%	\$ 31,100	\$ 9,188	\$ 5,923	\$ 3,266	\$ 315,168	13.9	4.1	1,706	(60)

¹ Based on completed Market Research for this community. 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.

2623.229847

	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 LLLL4
Enbridge Gas Community Expansion Project Proposal
Zephyr, Udora, Leaskdale

Zephyr, Udora and Leaskdale Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule LLLL5
Enbridge Gas Community Expansion Project Proposal
Zephyr, Udora, Leaskdale

From: Rachel Dillabough <rdillabough@georgina.ca>
Sent: Thursday, May 21, 2020 4:47 PM
To: Mark Wilson <Mark.Wilson@enbridge.com>; 'Gary Ruona' <gruona@uxbridge.ca>
Cc: David Reddon <dreddon@georgina.ca>; Ryan Cronsberry <rcronsberry@georgina.ca>; Mamata Baykar <mbaykar@georgina.ca>
Subject: [External] Enbridge Expansion to Udora

Good afternoon,

I hope you are well. I have attached a copy of RESOLUTION NO. C-2017-0388 from 2017. This Resolution provides support for the expansion of natural gas to Udora as well as a financial contribution. **The Town of Georgina remains supportive of this initiative.** Please feel free to contact me should you require anything further.



~~RESOLUTION -~~
~~Enbridge.docx~~



~~NGSP2 Support~~
~~Letter from Geo...~~



~~Appendix 1.pdf~~

Best Regards,



Rachel Dillabough, Dipl. M.M.
Town Clerk | Office of the Deputy CAO
26557 Civic Centre Road, Keswick, ON | L4P 3G1
905-476-4301 Ext. 2223 | georgina.ca
Follow us on [Twitter](#) and [Instagram](#)
Like us on [Facebook](#)



GEORGINA

OFFICE OF THE MAYOR

Margaret Quirk, BAsC
MAYOR

TR-2018-008

March 7, 2018

Ministry of Infrastructure
Infrastructure Policy Division
Mowat Block, 5th Floor
900 Bay Street
Toronto, ON M7A 2C1

Attention: Elizabeth Doherty, Director, Intergovernmental Policy Branch

Dear Ms. Doherty:

On behalf of the Council of the Town of Georgina, I am writing to request that the Province of Ontario partake in an additional round of the Natural Gas Grant program with the funds being released from the *Moving Ontario Forward* \$31.5 billion plan to invest in infrastructure.

The Town of Georgina previously passed a resolution on July 19, 2017, in support of an application by Enbridge Gas Distribution to the Ontario Energy Board, to serve the community of Udora. We received correspondence dated December 8, 2017, from the Ministry of Infrastructure, advising this project was not selected to receive funding.

It is with sincere hope and strong encouragement that the Province of Ontario agrees to offer an additional round of funding so that unserved communities, such as Udora, will be able to realize the many benefits of access to natural gas in these areas.

Sincerely,

Margaret Quirk
Mayor

:tr

cc. Hon. Kathleen Wynne, Premier
Julia Munro, MPP, Simcoe-York
Mark Wilson, Senior Advisor, Municipal Affairs, Enbridge Gas Distribution



TOWN OF GEORGINA

26557 Civic Centre Rd., Keswick, Ontario L4P 3G1

July 20, 2017

Enbridge Gas Distribution
500 Consumers Road
TORONTO, Ontario M2J 1P8

Attn: Mark Wilson, Senior Advisor, Municipal Affairs

Dear Mr. Wilson:

Re: Expansion of Natural Gas Distribution System to Udora

Further to the Town Council meeting held on July 19, 2017, please be advised that Town Council passed the following motion supporting the application made by Enbridge Gas Distribution for funding to expand services into Udora.

RESOLUTION NO. C-2017-0388

WHEREAS this Council recognizes the benefits of access to natural gas to the unserved communities of the Town of Georgina in attracting new industry and creating jobs, creating more affordable commercial transportation and agriculture options and offering lower energy prices to residents, employers and institutions;

AND WHEREAS this Council supports the associated application by Enbridge Gas Distribution to the Ontario Energy Board to serve the community of Udora, inclusive of the new mechanisms to finance the project;

AND WHEREAS this Council commits to a future project to serve Udora, a financial contribution equal to the Town of Georgina's portion of the property tax that would be recovered on the newly constructed natural gas infrastructure to serve Udora for a period of 10 years, beginning from the time that property taxes first become due;

NOW THEREFORE BE IT RESOLVED that the Council of the Corporation of the Town of Georgina provide a letter in support of a future application by Enbridge Gas Distribution to the Ontario Energy Board to serve the community of Udora.

Carried.

Sincerely,
FOR THE TOWN OF GEORGINA,


Carolyn Lance
Council Services Coordinator

cc: Ontario Energy Board, 2300 Yonge St, 25th Fl, Toronto, Ontario M4P 1E4

(905) 476-4301

(905) 722-6516

(705) 437-2210

Fax: (905) 476-8100



12. DISPOSITION/PROCLAMATIONS, GENERAL INFORMATION ITEMS AND COMMITTEE OF ADJUSTMENT

- (F) Mark Wilson, Enbridge Gas, requesting support for natural gas expansion to Udora, providing a draft resolution and an excerpt from the July 10th Township of Uxbridge Council meeting indicating its support.

Moved by Regional Councillor Davison, Seconded by Councillor Harding

That the Rules of Procedure be waived to permit Mark Wilson to address Council.

Carried

Winanne Grant explained that Enbridge Gas is desiring to expand their servicing into the Udora area on both sides of the municipal boundary and are applying for a funding opportunity requiring a resolution of Council supporting the application. The request from Enbridge Gas to the Town is for a deferral of the incremental tax revenue that would be generated by the incremental assessment of the utility in the Town road allowances.

Mark Wilson advised that the community of Udora is included in a project including the Leaskdale, Zephyr and Uxbridge areas. They are seeking property tax relief estimated at \$3-4,000 annually for the Town of Georgina over a ten year period. If Enbridge is successful in its grant applications, it will then provide all the information to municipalities. Enbridge will capture 75% of residents and 100% of commercial businesses in Udora.

Moved by Councillor Fellini, Seconded by Councillor Harding

That the meeting recess at 10:41am

Carried.

The meeting reconvened at 10:55am

Mapping was circulated to indicate pipeline locations. Future information sessions are to be scheduled for the benefit of the public.

Moved by Councillor Harding, Seconded by Councillor Fellini

RESOLUTION NO. C-2017-0388

WHEREAS this Council recognizes the benefits of access to natural gas to the unserved communities of the Town of Georgina in attracting new industry and

creating jobs, creating more affordable commercial transportation and agriculture options and offering lower energy prices to residents, employers and institutions;

AND WHEREAS this Council supports the associated application by Enbridge Gas Distribution to the Ontario Energy Board to serve the community of Udora, inclusive of the new mechanisms to finance the project;

AND WHEREAS this Council commits to a future project to serve Udora, a financial contribution equal to the Town of Georgina's portion of the property tax that would be recovered on the newly constructed natural gas infrastructure to serve Udora for a period of 10 years, beginning from the time that property taxes first become due;

NOW THEREFORE BE IT RESOLVED that the Council of the Corporation of the Town of Georgina provide a letter in support of a future application by Enbridge Gas Distribution to the Ontario Energy Board to serve the community of Udora.

Carried.

May 29, 2020

Enbridge Gas
Steve McGivery |
Director of Operations,
GTA East Enbridge Gas Inc.
101 Honda Blvd
Markham, ON
L6C 0M6



Dear Mr. McGivery,

Re: Expression of Support for Natural Gas Expansion to the Rural Hamlets of Zephyr,
Leaskdale and Udora – Township of Uxbridge

In December 2019, the Government of Ontario announced plans to further increase access to natural gas by making financial support available for new service expansion projects. This Natural Gas Expansion Program will unlock financial support needed to expand natural gas service to new areas across Ontario that are not economically feasible without support. Our municipality is one such area, and we are eager to bring this affordable, reliable fuel source to more residents and businesses. On behalf of the Township of Uxbridge, I would like to formally express our interest to have the Zephyr, Udora, Leaskdale project included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program. Based on the Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support in its project submissions. Natural gas is the most common, affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas Inc., the OEB and the Ministry of Energy, Northern Development and Mines. We look forward to working together to expand natural gas access in our community to attract new opportunities, help create jobs and lower monthly costs for our residents.

Yours truly

Dave Barton
Mayor

Schedule LLLL6
Enbridge Gas Community Expansion Project Proposal
Zephyr, Udora, Leaskdale

EB-2019-0255
Schedule LLL6(a)

BEFORE:

CERTIFICATE OF PUBLIC CONVENIENCE
AND NECESSITY

DATED at Toronto this 19th day of August 1958.

.....
W. R. ...
 Chairman
 L. R. ...
 Commissioner

EB-2018-0182

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 Georgina

as it is constituted on the date of this Decision and Order.

DATED at Toronto, July 12, 2018

ONTARIO ENERGY BOARD

Pascale Duguay
Manager, Application Policy and Climate Change

Schedule MMMM
Enbridge Gas Community Expansion Project Proposal
Zorra Township (Kintore)

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: Zorra Township (Kintore) 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 provide gas distribution service within the community of Kintore in the Township of Zorra. The proposed pipeline system will provide access to natural gas to a forecasted 131 customers (92 residential, 3 commercial / institutional and 36 crop dryers / intensive agricultural).

The proposed tie-in point will be on _____ near the intersection of _____ and _____ connecting at the _____ at the approximate coordinates of _____, _____. The proposed distribution pipeline will consist of 3,700 m of 2" polyethylene pipe, 21,250 m of 2" steel pipe and 15,400 m of 4" steel pipe.

From _____, the proposed pipeline will extend _____ on _____ then _____ on _____ then continue _____ on _____. It will partially branch along _____ for approximately 695 m then the system will continue along _____ before turning _____ along _____.

There will be 2 segments of pipeline. The first to continue on _____ up to approximately _____. The second branch will extend _____ along _____ then _____ on _____ and _____ on _____ up to the intersection of _____ and _____, ending approximately _____ of the intersection along _____.

There are 2 new proposed distribution stations required for the system to accommodate additional loads. A new small distribution station to provide flow to the Happy Hills community and one large station at the _____.

The approximate length and size of the distribution pipelines required are shown in the table below:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	3,700

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	21,250
Polyethylene	4	15,400

Please refer to Schedule MMMM1 for Project Map.

3.2	<p>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.</p> <p>Please refer to Schedule MMMM2, Table 3.2.</p>
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 MMMM2, 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 MMMM3, 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 MMMM4 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 MMMM5.</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 MMMM6 for Enbridge's CPCN for the Township of Zorra (EB-2007-0025) and the Township of South-West Oxford (EB-2013-0021) which cover 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 MMMM2, 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><tr><td>Description</td><td>Year 1</td><td>Year 2...</td><td>Year 10</td><td>Total</td></tr><tr><td>Revenue Requirement</td><td></td><td></td><td></td><td></td></tr></table> <table><tr><td>Description</td><td>Year 10</td></tr><tr><td>Closing Rate Base</td><td></td></tr></table> <p>Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP).</p> <p>Please refer to Schedule MMMM2, 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>\$20,052,662</p> <p>Please refer to Schedule MMMM2, 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>\$153,074</p> <p>Please refer to Schedule MMMM2, 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>\$8.58</p> <p>Please refer to Schedule MMMM2 Table 5.3.</p>

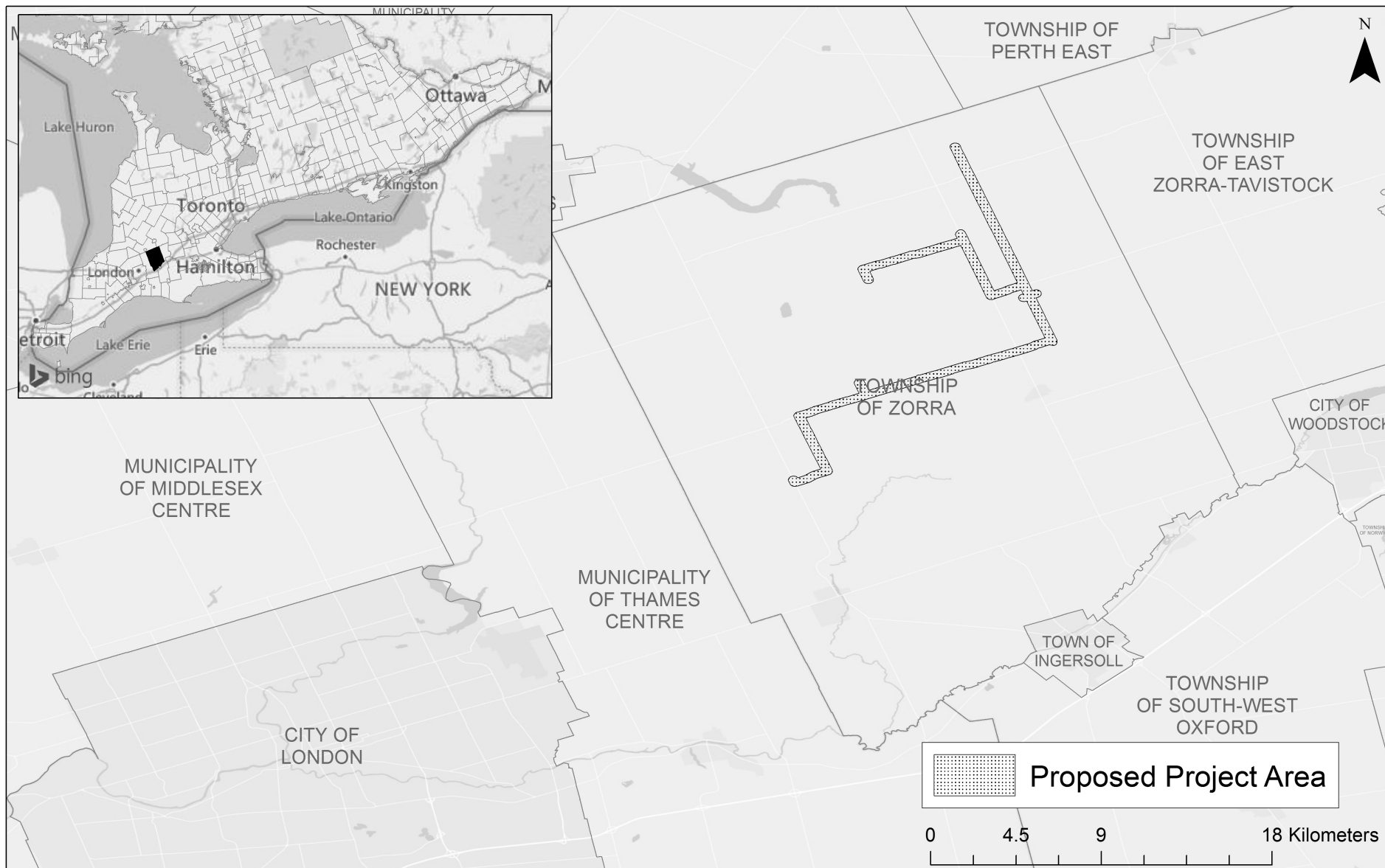
Part VI – Distribution Charge	
6.1	<p>Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the 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 MMMM2, 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 MMMM2, 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 MMMM2, 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 • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
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 MMMM4.</p>

Schedule MMMM1
Enbridge Gas Community Expansion Project Proposal
Zorra Township (Kintore)

Kintore Area, Township of Zorra



Schedule MMMM2
Enbridge Gas Community Expansion Project Proposal
Zorra Township (Kintore)

Table 3.2 - Customer Attachments Over The Rate Stability Period

<u>Customer Type</u>	<u>Firm / IT</u>
Residential	Firm
Commercial	Firm
Institutional	Firm
Agricultural	Firm
Industrial	Firm
Total Customers	
Cumulative Customers	

<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>
	28	21	14	7	7	3	3	3	3	3	92
	-	2	-	-	-	-	-	-	-	-	2
	-	1	-	-	-	-	-	-	-	-	1
	-	18	14	4	-	-	-	-	-	-	36
	-	-	-	-	-	-	-	-	-	-	-
	<u>28</u>	<u>42</u>	<u>28</u>	<u>11</u>	<u>7</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>131</u>
	28	70	98	109	116	119	122	125	128	131	

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

<u>Customer Type</u>	<u>Annual Volumes - m3</u>										<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	30,800	84,700	123,200	146,300	161,700	172,700	179,300	185,900	192,500	199,100	1,476,200
Commercial	-	3,600	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	61,200
Institutional	-	25,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	425,000
Agricultural	-	460,000	1,300,000	1,880,000	2,080,000	2,080,000	2,080,000	2,080,000	2,080,000	2,080,000	16,120,000
Industrial	-	-	-	-	-	-	-	-	-	-	-
Total Volumes	<u>30,800</u>	<u>573,300</u>	<u>1,480,400</u>	<u>2,083,500</u>	<u>2,298,900</u>	<u>2,309,900</u>	<u>2,316,500</u>	<u>2,323,100</u>	<u>2,329,700</u>	<u>2,336,300</u>	<u>18,082,400</u>

<u>Customer Type</u>	<u>Cumulative Volumes - m3</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	30,800	115,500	238,700	385,000	546,700	719,400	898,700	1,084,600	1,277,100	1,476,200	
Commercial	-	3,600	10,800	18,000	25,200	32,400	39,600	46,800	54,000	61,200	
Institutional	-	25,000	75,000	125,000	175,000	225,000	275,000	325,000	375,000	425,000	
Agricultural	-	460,000	1,760,000	3,640,000	5,720,000	7,800,000	9,880,000	11,960,000	14,040,000	16,120,000	
Industrial	-	-	-	-	-	-	-	-	-	-	
Total Volumes	<u>30,800</u>	<u>604,100</u>	<u>2,084,500</u>	<u>4,168,000</u>	<u>6,466,900</u>	<u>8,776,800</u>	<u>11,093,300</u>	<u>13,416,400</u>	<u>15,746,100</u>	<u>18,082,400</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	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ 20,052,662
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> \$ 153,074
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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> \$ 8.58
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Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	4,573	30,663	68,387	92,860	102,270	103,903	104,883	105,863	106,843	107,822	\$ 828,065
SES Revenue		7,084	131,859	340,492	479,205	528,747	531,277	532,795	534,313	535,831	537,349	4,158,952
Total Distribution Charge	\$	<u>11,657</u>	<u>162,522</u>	<u>408,879</u>	<u>572,065</u>	<u>631,017</u>	<u>635,180</u>	<u>637,678</u>	<u>640,176</u>	<u>642,674</u>	<u>645,171</u>	<u>\$ 4,987,017</u>

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

<u>Cash Inflow</u>	<u>Net Present 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)		
<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 MMMM3
Enbridge Gas Community Expansion Project Proposal
Zorra Township (Kintore)

Section 3.4 Zorra Township (Kintore)

Total Forecasted Customers 131 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	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)
Oil	28	21%	\$ 5,000	\$ 2,829	\$ 1,258	\$ 1,571	\$ 43,218	6.7	-2.5	183	(70)
Electricity F/A	12	9%	\$ 5,000	\$ 2,028	\$ 1,258	\$ 770	\$ 9,083	0.5	3.6	6	42
Electricity Baseboard	16	12%	\$ 12,000	\$ 1,626	\$ 1,258	\$ 368	\$ 5,784	0.5	3.6	9	56
Propane	58	44%	\$ 600	\$ 1,626	\$ 1,258	\$ 368	\$ 21,207	5.2	-1.1	299	(61)
Wood	12	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	7	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	131	100%	\$ 31,100	\$ 8,109	\$ 5,031	\$ 3,077	\$ 79,291	12.9	3.6	497	(32)

¹ Fuel shares were estimated based on the average fuel share distribution observed in other potential expansion areas. Specially, 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 M1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.572
Heating oil	L	2433	Heating oil	\$/L	1.163
Electricity	kWh	18046	Electricity	\$/kWh	0.112
Propane	L	3359	Propane	\$/L	0.484

Notes:

Gas prices correspond to EGI (Union Gas South) 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

South Propane prices correspond to the latest available montly average EDPRO residential rates for Zone 1 (March 2020).

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

Schedule MMMM4
Enbridge Gas Community Expansion Project Proposal
Zorra Township (Kintore)

Pipeline Construction Schedule

[illegible]

Schedule MMMM5
Enbridge Gas Community Expansion Project Proposal
Zorra Township (Kintore)



CORPORATION OF THE TOWNSHIP OF ZORRA 7.7(b)

274620 27th Line, PO Box 306 Ingersoll, ON, N5C 3K5
Ph. 519-485-2490 • 1-888-699-3868 • Fax 519-485-2520

EB-2019-0255
Schedule MMMM5

Moved By:  Seconded By: 

Date: March 4, 2020 Resolution #: 16 -03-20

“THAT Enbridge Gas Inc. be advised the Township of Zorra hereby formally expresses interest to have Kintore Area Gas Expansion Project included in the list of projects being proposed to the Ontario Energy Board for consideration for financial support through the Natural Gas Expansion Program.”

	Yea	Nay
Recorded Vote	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Ryan	<input type="checkbox"/>	<input type="checkbox"/>
Councillor Forbes	<input type="checkbox"/>	<input type="checkbox"/>
Councillor Davies	<input type="checkbox"/>	<input type="checkbox"/>
Councillor Mitchell	<input type="checkbox"/>	<input type="checkbox"/>
Councillor MacDonald	<input type="checkbox"/>	<input type="checkbox"/>

Carried ☒ Defeated ☐ Tabled/Deferred ☐

Mayor: 

Schedule MMMM6
Enbridge Gas Community Expansion Project Proposal
Zorra Township (Kintore)

EB-2007-0025

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Union Gas Limited

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

Township of Zorra

This certificate replaces the portions of the certificates associated with the former townships that are now within the Township of Zorra.

DATED at Toronto, April 10, 2007

ONTARIO ENERGY BOARD

Original signed by

Neil McKay
Manager, Facilities Applications

EB-2013-0021

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-West Oxford

This certificate replaces the Certificate of Public Convenience and Necessity associated with the former Village of Beachville (E.B.C. 17), and supersedes those parts of the Certificate of Public Convenience and Necessity F.B.C. 259 related to the former Township of West Oxford and the former Township of Dereham and replaces them with a single Certificate of Public Convenience and Necessity for the amalgamated Corporation of the Township of South-West Oxford except for those areas covered by the Certificate of Public Convenience and Necessity E.B.C. 111 and 119 held by Natural Resource Gas Limited.

DATED at Toronto, April 11, 2013

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary