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November 27, 2020

VIA EMAIL and RESS

Ms. Christine Long
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Long:

Re: Enbridge Gas Inc. (Enbridge Gas)
Ontario Energy Board (OEB) File: EB-2020-0134
2019 Utility Earnings and Disposition of Deferral & Variance Account Balances Application – Interrogatory Responses

In accordance with the Procedural Order No. 1 dated October 21, 2020, enclosed please find Interrogatory Responses from Enbridge Gas in the above noted proceeding.

Please contact the undersigned if you have any questions.

Yours truly,

(Original Digitally Signed)

Anton Kacicnik
Manager, Rates

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit A, Tab 2, Page 3 of 5, Paragraph 11

Preamble:

Enbridge Gas seeks approval to clear part of the final balance of one 2019 Enbridge Gas deferral and variance account related to accounting policy changes required as a result of amalgamation. The balance in this account related to pension expense is not being requested for clearance in 2019.

Question:

a) Why is the balance in this account related to pension expense not being request for clearance in 2019?

Response

The pension balance in the APCDA reflects the unamortized accumulated actuarial gains/losses and past service costs incurred by legacy Union Gas, in relation to the period up to the Enbridge/Spectra merger in 2017, which were previously recorded in Accumulated Other Comprehensive Income (AOCI). The amortization of accumulated actuarial gains/losses and past service costs, and corresponding draw down of the AOCI asset, is recognized as a component of accrual based pension expenses, which are included in OM&A and recovered in rates.

As a result of the January 1, 2019 amalgamation of Enbridge Gas Distribution and Union Gas Limited, US GAAP push down accounting required the amalgamated entity to reclassify the pre-February 2017 unamortized actuarial gains/losses and past service costs to goodwill (which would not be subject to annual amortization), which the Company subsequently transferred to the APCDA.

Enbridge Gas is not requesting clearance of this cumulative unamortized balance as part of the disposition of 2019 deferral balances, as through the deferred rebasing term, the Company’s proposal is to continue its annual amortization and inclusion as part of the accrual based pension cost recognized as part of OM&A expense (consistent with the amortization of actuarial gains/losses and past service costs incurred after the Enbridge/Spectra merger in 2017). This proposal will draw down the balance in the APCDA throughout the deferred rebasing period and will result in the recognition of annual pension expenses consistent with amounts that would have been recognized had the accounting change not been required. By recognizing the amortization of the balance through an annual expense and draw down of the APCDA regulatory asset, Enbridge Gas ensures ratepayers are no better or worse off because of the change related to amalgamation (i.e. utility earnings are not impacted).

Upon rebasing, Enbridge Gas will propose a disposition methodology for the remaining unamortized balance.

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit A, Tab 3, Page 3 of 4, Paragraph 9

Preamble:

The rationale for the continued use of a one-time adjustment includes:

- Alignment of the cost incurrence of the deferral account balance with cost recovery by customer. The one-time adjustment avoids material mismatches that could occur between cost incurrence and cost recovery due to customer switching between rate classes and changes in customer's consumption volumes from year to year.

- Elimination of the forecast variance which results from disposing of deferral account balances prospectively.

Question:

a) Please explain, through the use of examples, how the use of a one-time adjustment results in:
   i. the alignment of the cost incurrence of the deferral account balance with cost recovery by customer;

   ii. avoidances of material mismatches that could occur between cost incurrence and cost recovery due to customer switching between rate classes and changes in customer's consumption volumes from year to year;

   iii. elimination of the forecast variance which results from disposing of deferral account balances prospectively.

Response:

a)

i. Alignment of Cost Incurrence with Cost Recovery by Customer

The calculation of a one-time adjustment is based on actual volumes for the applicable time period which results in prior period costs being recovered from each customer in proportion to the customer's volumes for the same time period.

The calculation of prospective recovery is based on forecast volumes over an approved future time period.[1] Different annual consumption patterns of customers in the same rate class can result in a misalignment between cost incurrence and cost recovery by using a forecast of volumes for a partial year to recover prior period costs.

For example, a customer that represents 5% of the 2019 annual volumes of a rate class may represent less than or greater than 5% of the three-month forecast volumes, which impacts the amount recovered from each individual customer under the two methodologies.

ii. Avoids Material Mismatches Due to Customer Switching and Changes in Volumes

The calculation of a one-time adjustment is based on actual volumes for the applicable time period. By using actual customer volumes to recover prior period costs, volumes from other time periods are not relevant, which eliminates impacts associated with customers switching rate classes and customers' consumption behavior changing year to year.

For example, if a customer consumed gas in 2019, a portion of the 2019 deferral account balance would be recovered from that customer using a one-time adjustment based on their 2019 usage and their applicable rate class in that year. There is no impact to the 2019 costs recovered by a one-time adjustment if the customer switched rate classes after 2019 or significantly changed their consumption after 2019.

[1] Enbridge Gas has proposed to prospectively recover the deferral balances for general service customers in the Union rate zones over the period of January 1, 2021 to March 31, 2021.

iii. <u>Eliminates Forecast Variances</u>

The unit rate for a one-time adjustment disposition is calculated based on the actual volumes for the applicable time period. The unit rate for prospective disposition is calculated based on forecast volumes for a future time period. The use of forecast volumes to recover costs will result in recovery variances due to differences between forecast and actual volumes for the disposition time period.[2]

For example, if the customers within a rate class consume volumes that are greater or lower than the amount that was forecasted over the prospective recovery time period, there will be a variance between the forecast and actual recovery. This recovery variance is eliminated with the use of one-time adjustments that are derived based on actual volumes.

Enbridge Gas supports that the continued use of a prospective recovery disposition methodology from general service customers is appropriate as it generally provides alignment between cost incurrence and cost recovery because of the consistency of consumption patterns throughout the year by customers in these rate classes.

[2] Variances in forecast and actual consumption are subsequently recovered in the Deferral Clearing Variance Account for the Union rate zones.

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit B, Tab 1, Page 3 of 7, Paragraph 7

Preamble:

When compared to the Company's required rate of return for ESM determination, of 6.546% (Line 7), as determined within the capital structure required in support of the determined rate base amount (inclusive of the 150 basis point deadband on ROE before earnings sharing is triggered), there is a resulting deficiency of 0.002% (Line 25) on total rate base.

Question:

a) Should the reference to Line 25 in Paragraph 7 be changed to Line 8?

Response

a) Yes, the reference to Line 25, included in paragraph 7 of Exhibit B, Tab 1, should be corrected to reference Line 8 of Exhibit B, Tab 1, Schedule 1.

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit B, Tab 1, Page 3 of 7, Paragraph 8

Preamble:

As shown in Lines 9 through 11, the deficiency of 0.002% multiplied by the rate base of $13,139.0 million, produces a net under earnings or deficiency of $0.2 million which from a pre-tax perspective, ($0.2 million divided by the reciprocal, 73.5%, of the corporate tax rate which is 26.5%) shows a $0.3 million total amount of under earnings, and therefore nothing to be shared equally between ratepayers and the Company. Column 2 provides supporting evidence references.

Question:

a) Should the references to $0.2 million be corrected to $0.3 million?

b) Should the reference to $0.3 million be corrected to $0.4 million?

Response

a) Yes, the references to $0.2 million in paragraph 8, of Exhibit B, Tab 1 should be corrected to $0.3 million. The net under earnings, or deficiency, was approximately $255 thousand, which was correctly shown as ($0.3M) on line 9 of Exhibit B Tab 1 Schedule 1. This amount was, however, incorrectly referenced as $0.2 million in the written evidence at paragraph 8, of Exhibit B, Tab 1.

b) No, the reference to the $0.3 million gross earnings deficiency is correct in paragraph 8, of Exhibit B, Tab 1. As mentioned in a) above, the net under earnings, or deficiency, was approximately $255 thousand, which when grossed-up for taxes results in a gross earnings deficiency of approximately $348 thousand (or $0.3 million), which is shown at line 11 of Exhibit B, Tab 1, Schedule 1.

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit B, Tab 1, Page 5 of 7, Paragraph 14

Preamble:

The 0.005% multiplied by the common equity level of $4,730.0 million (Line 21) produces a net under earnings or deficiency of $0.3 million which from a pre-tax perspective ($0.3 million divided by the reciprocal, 73.5%, of the corporate tax rate), shows a $0.4 million total amount of under earnings, and therefore nothing to be shared equally between ratepayers and the Company. Column 2 provides supporting evidence references.

Question:

a) Should the references to $0.3 million be corrected to $0.2 million?

b) Should the reference to $0.3 million be corrected to $0.4 million?

Response

a) As was noted in response to Exhibit I.BOMA.4 a), the net earnings deficiency was approximately $255 thousand, or $0.3 million.

b) As was noted in response to Exhibit I.BOMA.4 b), the gross earnings deficiency was approximately $348 thousand, or $0.3 million. As such, the reference to $0.4 million in Exhibit B, Tab 1, paragraph 14, should be corrected to $0.3 million.

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit B, Tab 1, Schedule 1, Page 1 of 1

Question:

a) Should the amount shown at Line 11 be (0.4)?

b) Should the amount shown at Line 25 be (0.2)?

c) If the amounts at Lines 11 and 27 should be (0.4) and (0.3), why is there a difference in the Gross Earnings Deficiency calculated by the two methods (Part A and Part B)?

d) Is a difference in the Gross Earning Deficiency calculated by the two methods (Part A and Part B) to be expected?

Response

a) As indicated in the response to Exhibit I.BOMA.4 b), the gross earnings deficiency amount shown at Line 11 is approximately $348 thousand, which is correctly rounded to ($0.3) million.

b) As indicated in the response to Exhibit I.BOMA.5, the net earnings deficiency amount shown at Line 25 is approximately $255 thousand, which is correctly rounded to ($0.3) million.

c) There is no difference between lines 11 and 27, the gross deficiency calculated under both the Return on Rate Base and Return on Equity methods is approximately $348 thousand, or ($0.3) million.

d) A variance in the gross earnings deficiency/sufficiency amount calculated under either the Return on Rate Base or Return on Equity method is not expected. If a variance were to occur, it would need to be investigated as it would indicate there was an inconsistency between the calculations.

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit B, Tab 1, Page 2 of 7, Paragraph 4

Preamble:

..within Exhibit B, Tab 1, Schedule 1, the Company has calculated earnings for sharing in two ways for confirmation purposes.

Question:

a) Has the confirmation described above been achieved?

Response

Yes, the calculation of earnings sharing under both the Return on Rate Base and Return on Equity methods has arrived at the same result, which is the desired outcome when confirming the calculation in two manners.

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit B, Tab 2, Pages 1 to 15

Preamble:

The page headings refer to Exhibit B, Tab 2, Schedule 4, Pages 1 to 15.

Question:

a) Please confirm that the page headings should refer to Exhibit B, Tab 3, Schedule 1, Pages 1 to 15.

Response

The Company confirms that the header to the Utility Capital Expenditures exhibit incorrectly refers the exhibit as, Exhibit B, Tab 2, Schedule 4. The Utility Capital Expenditures exhibit should be identified as Exhibit B, Tab 3, Schedule 2, consistent with how it is identified in the exhibit list at Exhibit A, Tab 1, page 2.

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit B, Tab 1, Schedule 2, Page 1 of 2, Notes (iv) and (v)

Question:

a) Please describe/define the "ABC T-service".

Response

Within Exhibit B, Tab 1, Schedule 2, page 1 of 2, Notes (iv) and (v), ABC T-service refers to the Agent Billing and Collection (ABC) program/services provided by the Company. The Agent Billing and Collection program is the service whereby Enbridge Gas (the utility or distributor) provides billing and collection services to end-use customers on behalf of natural gas Agents, Marketers and Brokers ("ABMs"). The Agent Billing and Collection Service may also be referred to as Distributor Consolidated Billing (DCB).

Within the EGD rate zone, the Board has previously found the ABC T-service program to be a non-utility function, and as a result, within the EGD rate zone net revenues (revenues net of direct costs - identified in Note (iv)) and allocable costs (Note (v)) of providing the service are eliminated from utility results.

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit B, Tab 1, Schedule 4, Page 1 of 8, Line 5 and Page 8 of 8, Col.2

Question:

a) Please describe/define the "ABC receivable".

Response

The ABC (agent billing and collection) receivable component of rate base working capital relates to the Union rate zones, and reflects the variance between amounts collected from ABC customers for gas consumed (based on actual consumption), versus the amounts remitted to brokers/marketers for gas delivered to the utility (i.e. a timing difference).

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 1, Page 1 of 1, Col. 2 and Col. 3

Question:

a) Please describe/define the "ABC-T" and the "ABC-Unbundled".

Response

ABC-T: Agent Billing & Collections (or DCB: Distributor Consolidated Billing) is an additional service that a party (primarily gas vendors) may contract, where Enbridge Gas bills each of the accounts associated with a direct purchase arrangement for gas supply charges on their behalf.

ABC-Unbundled: Unbundled service is a service in which the demand for natural gas at a Terminal location is met by the customer contracting for separate services (upstream transportation, load balancing/storage, transportation on Enbridge Gas's distribution system) of which only transportation on Enbridge Gas's distribution system is mandatory.

ENBRIDGE GAS INC.

Answer to Interrogatory from
The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit B, Tab 3, Schedule 1, Page 1 of 1, Line 19

Question:

a) Please describe/define the "ABC T-service Program".

Response

Please refer to the response to Exhibit I.BOMA.9. The elimination from utility results of the ABC T-service Program costs at Line 19, of Exhibit B, Tab 3, Schedule 1, are the same costs which are eliminated and referenced in Note (v) of Exhibit B, Tab 1, Schedule 2.

ENBRIDGE GAS INC.

Answer to Interrogatory from The Building Owners and Managers Association ("BOMA")

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 4, Page 7 of 15, Paragraph 10

Preamble:

Expenditures in 2019 include Victoria Park Centre (VPC) renovations, and land purchases to protect the area surrounding the TOC building from encroachment due to urban sprawl.

Question:

a) Please describe/define the "TOC building".

Response

The TOC (Technology & Operations Centre) is a facility in Markham with specialized occupancy for Technical Training. It includes an outdoor streetscape that consists of infrastructure common in an urban community, where simulations are conducted in a controlled, safe environment for training. Inside, the facility provides space for practical and classroom learning, as well as, operations facilities, materials storage, warehousing, fleet, labs for Materials Evaluation and office space for administration.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Reference:

Ex. A/T3/p. 4

Question:

The evidence states that EGI is in the process of integrating internal systems and processed between legacy EGD and Union. When does EGI expect to complete the integration?

Response:

Please see the response at Exhibit I.STAFF.1. The integration of internal system and processes between legacy EGD and Union referenced in the evidence relates to the system used to bill Union rate zone general service customers.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Reference:

Ex. A/T3/p. 4

Question:

When does EGI expect to complete the Parkway West Project? What are the total project costs to date and the projected costs going forward?

Response:

While there is no official timetable for completion, Enbridge Gas's intention is to complete the remaining work by the end of 2021.

Total costs to date as at October 31, 2020 are $231.7 million and forecasted remaining spend is $1.4 million.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Reference:

Ex. B/T1

Question:

EGI has set out the methodology and calculations for the Earnings Sharing mechanism. Please set out any ways this methodology differs from the methodologies used by the previous Union Gas Limited and Enbridge Gas Distribution Inc. in the calculation of earnings sharing.

Response:

Please refer to the response to Exhibit I.STAFF.2.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Reference:

Ex. B/T2/S4/p. 2

Question:

Please explain why there is a significant difference between the capitalized overhead amounts for the EGD Rate Zone and the Union Gas Rate Zone.

Response:

The capitalization process and composition of overheads differed historically between the EGD and Union rate zones. Both utilities followed the Enbridge Harmonized Enterprise-wide Capitalization Policy, however the overhead capitalization processes were still legacy based. A key difference is the use of burden rates. Union directly capitalized labour (burdens) to capital projects whereas EGD treated these costs as overheads (DLC, or Departmental Labour Costs).

EGD overheads are comprised of four cost components:

- Administrative & General overheads (A&G). A&G are costs that support the delivery of capital projects but cannot be tied directly to a particular project. It is the capitalization of support services based on an approved OEB rate of capitalization for departments such as HR, Finance, and IT, Legal, Executive, Supply Chain, Regulatory, etc.
- Departmental Labour Costs (DLC). DLC are determined by the degree of support each functional group provides directly to capital projects. DLC is generally allocated from Operations and Engineering departments.
- Interest during construction
- Alliance partner overheads

Union overheads are comprised of three cost components:

- Indirect overhead allocations (OH). OH are costs that support the delivery of capital projects but cannot be tied directly to a particular project. It is the capitalization of support services such as HR, IT, Finance, Legal, etc. and direct capital support (Engineering, Operations)
- Alliance partner overheads
- District contractor pre-work costs

EGI is harmonizing the overhead capitalization policies as part of overall integration and alignment activities.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Reference:

Ex. C/T1/p. 8

Question:

Please explain why EGI has adopted the EGD approach to depreciation.

Response:

Both the legacy EGD approach of commencing depreciation the month following an asset being placed into service and ceasing depreciation the month following retirement, and the legacy UGL half year approach, are acceptable under US GAAP. The EGD approach was adopted to align Enbridge Gas with the rest of the Enbridge Inc. organization.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Reference:

Ex. C/T1/p. 13

Question:

Please explain why EGI is not seeking to clear the Tax Variance Deferral Account through this Application.

Response:

In the OEB's letter dated July 25, 2019, the OEB stated that impacts arising from CCA rule changes will be disposed of in a manner designated by the OEB in a future rate hearing, which would generally coincide with the utility's next cost-based rate application. In accordance with that direction, the Company expects to request the disposition of accelerated CCA amounts contained in the Tax Variance Deferral Account as part of its next rebasing application. The Company also notes that the sharing of accelerated CCA impacts, between ratepayers and shareholders, is an issue that is still to be determined by the Board upon disposition of the account.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Reference:

Ex. D/T1/p. 4

Question:

Please provide a detailed calculation of the $13.1 million in 2019 Transactional Service Revenue for the EGD rate zone. See also Exhibit D, Tab 1, Schedule 2.

Response:

($000's)	Net Storage Optimization	Net Pipeline Optimization	Total
January	$ 0.5	$ 899.7	$ 900.2
February	$ -	$ 1,089.4	$ 1,089.4
March	$ 60.2	$ 916.1	$ 976.3
April	$ -	$ 361.3	$ 361.3
May	$ -	$ 375.2	$ 375.2
June	$ -	$ 385.2	$ 385.2
July	$ -	$ 614.6	$ 614.6
August	$ -	$ 476.0	$ 476.0
September	$ -	$ 342.3	$ 342.3
October	$ -	$ 392.2	$ 392.2
November	$ -	$ 3,330.7	$ 3,330.7
December	$ -	$ 3,901.8	$ 3,901.8
Total YTD - Gross TS Revenues	**$ 60.7**	**$ 13,084.5**	**$ 13,145.2**

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Reference:

Ex. E/T1/p. 7

Question:

Please provide a detailed calculation of the $5.963 million in net revenues from upstream transportation optimization.

Response:

Line no	Particulars	2019 Actual
1	Gross Exchange Revenue	$8.242 million
2	Exchange Costs	$(2.279) million
3 = 1-2	Net Exchange Revenue	$5.963 million

ENBRIDGE GAS INC.

Answer to Interrogatory from
Canadian Manufacturers & Exporters (CME)

Interrogatory

Reference:

Exhibit A, Tab 3, Page 3 of 4

At page 3 of 4 of the application, EGI stated that it proposed to dispose of the deferral and variance account balances as either a one-time adjustment or prospectively. The one-time adjustment would appear on the January, 2021 bill.

Question:

a) Has EGI considered any mitigation measures with respect to this application, given that the previous QRAM contained increases that required mitigation (for instance 25% increases to commodity prices and 10% total bill impacts), and EGI has applied for other amounts to be added to the January, 2021 bill, such as DSM related balances?

b) If the answer to a) is no, why not? If the answer is yes, please outline what measures were considered and why they were adopted or discarded.

Response:

a) – b)

No, Enbridge Gas has not considered mitigation measures with respect to this application due to the amount of the resulting bill impacts. Mitigation measures have not been deemed necessary in the past on bill impacts of similar amounts. Please see the response at Exhibit I.LPMA.16.

Enbridge Gas will consider the need for any rate mitigation at the time of the QRAM application that coincides with the disposition of the balances in this proceeding (which is no longer expected to be the January 2021 QRAM based on the current procedural timing). Addressing rate mitigation as part of the QRAM proceeding will allow for a holistic picture of the total effective rate changes and bill impacts as of that date.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Canadian Manufacturers & Exporters (CME)

Interrogatory

Reference:

Exhibit A, Tab 3, Page 4 of 4

At page 4 of 4, EGI stated "As Enbridge Gas is in the process of integrating internal systems and processes between legacy EGD and Union, Enbridge Gas is not able to introduce any further commonality to the disposition approaches at this time. A common approach could be proposed once integrated systems and processes are implemented."

Question:

a) Does EGI forecast when the integrated systems and processes will be implemented?

Response:

a) Please see the response at Exhibit I.STAFF.1. The integration of internal system and processes between legacy EGD and Union referenced in the evidence relates to the system used to bill Union rate zone general service customers.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Canadian Manufacturers & Exporters (CME)

Interrogatory

Reference:

Exhibit C, Tab 1, page 1 of 15

At page 1 of 15, EGI stated "The Company is no longer requesting clearance of the 2019 GSPCCDA, which has a balance of $3.9 million that would have been collected from ratepayers. The balance will not be carried forward, and Enbridge Gas will not maintain the account in future years."

Question:

a) Does EGI intend to collect that balance from ratepayers, either in this application or through another means? Please describe fully.

b) Is EGI seeking to close this account as part of this application? If not, please explain EGI's anticipated closure date for this account.

Response:

a) Please see response to Exhibit I.STAFF.7 a).

b) Please see response to Exhibit I.STAFF.7 b).

ENBRIDGE GAS INC.

Answer to Interrogatory from
Canadian Manufacturers & Exporters (CME)

Interrogatory

Reference:

Exhibit E, Tab 1, page 6 of 61

At page 6 of 61, EGI stated that "the balance in this deferral account is a debit from ratepayers of $12.122 million plus interest of $0.166 million for a total debit from ratepayers of $12.288 million." EGI also lists three reasons for the debit.

Question:

a) EGI has listed the value of the cancellation of the FT-RAM program. Does EGI have a sense of the magnitude of each of the other reasons listed in terms of its impact on the debit total in the account?

b) Does EGI see the changing market dynamics listed in reasons 2 and 3 as being short term changes only, or will these variances from EGI's forecast persist throughout the rate setting period?

c) To the extent that EGI's forecasts may be significantly different from the existing market, does EGI have any plans to apply for any changes with respect to this account, or simply allow the account to collect the variance?

Response:

a) Enbridge Gas is unable to quantify the impacts that the changing market dynamics related to the increase in firm contracting on TransCanada Mainline or decreasing market spreads has had.

b) Enbridge Gas expects that the changing market dynamics will persist throughout the rate setting period.

c) Enbridge Gas does not have any plans to apply for changes to this account.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Canadian Manufacturers & Exporters (CME)

Interrogatory

Reference:

Exhibit E, Tab 1, page 28 of 61

At page 28 of 61, EGI stated that unaccounted for gas costs were approximately $6.5 million higher than what was already built into rates.

Question:

a) Does EGI know why UFG costs were nearly double the amount forecast? If so, please provide the drivers and any actionable steps EGI proposes to reduce UFG costs.

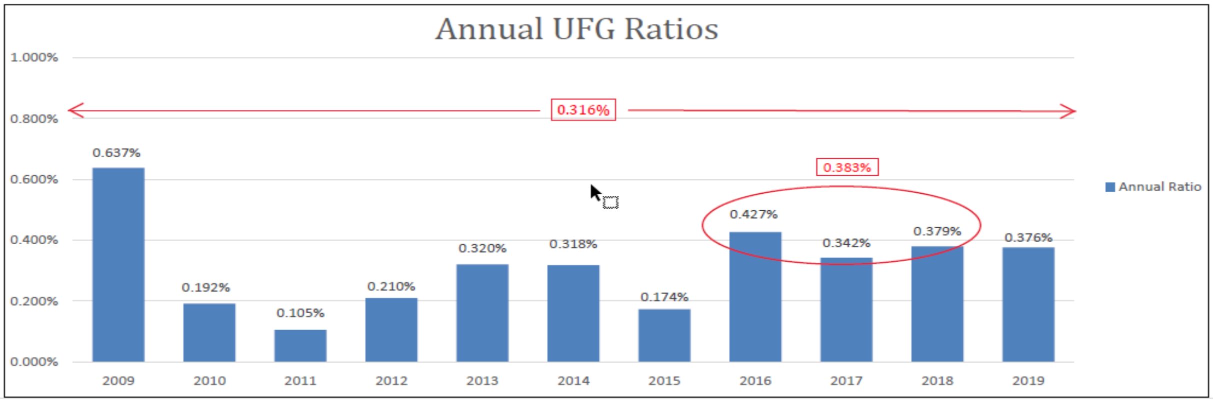
b) Does EGI anticipate increased UFG costs to persist throughout the rate-setting period?

Response:

a) The 2013 Board Approved UFG ratio (percentage of throughput) and subsequent 2014-2018 IRM period was calculated using the Board-approved weighted average of the most recent three years of actual UFG activity. The most recent year has a weighted of 3/6th, the second year has a 2/6th weighting and the first year has a 1/6th weighting

   Included in the 2013 Board Approved UFG Ratio was actual UFG incurred for years 2009, 2010 and 2011. The three-year weighted average UFG ratio of 0.22% includes a 3/6th weighting of 2011 activity, 2/6th weighting of 2010 activity and 1/6th weighting of 2009 activity. As depicted in the table below, 2010 and 2011 incurred lower than average UFG contributing to a low UFG ratio for 2013 Board-Approved, compared to the ten-year average of 0.316%

   The average UFG ratio for the period 2016-2018 is 0.383%, which is directionally in line with the 2019 actual UFG of 0.376%.



As required by the MAADs Decision, Enbridge Gas filed a Report on Unaccounted For Gas (UFG) for the EGD and Union Rate Zones (UFG Report). The Company will implement the recommendations in the UFG Report and will report on its progress in the 2022 rate application. Enbridge Gas will also present a proposal for consistent forecasting and management of UFG across the full franchise area as part of the 2024 rebasing application.

b) Due to the difficulties in isolating and quantifying the drivers of UFG, the Company is unable to predict the anticipated level of UFG through the remainder of the deferred rebasing period. However, the UFG ratios presented in response to part a) (i.e. the 10 year ratio and recent 3 year average ratio), do suggest that higher UFG costs, as compared to what is included in rates, may persist throughout the deferred rebasing period.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 4, Page 2, Table 2

Preamble:

For the EGD Rate Zone Capitalized Overheads are $150.85 million on $576.72 million of capital expenditures, while for the Union Rate Zone Capitalized Overheads are $82.4 million on $510.65 million of capital expenditures.

Question:

Please explain the large difference between the overhead capitalization rates between the EGD Rate Zone and the Union Rate Zones.

Response:

Please refer to Exhibit I.CCC 4.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit B, Tab 4, Schedule 4, Pages 7 and 8

Preamble:

The overheads in the EGD rate zone include departmental labour costs, capitalized administrative and general, EA fixed overheads and interest during construction.

Question:

a) Please provide a breakdown of overheads showing the amount for each category identified in the preamble.

b) Please list the departments included in the departmental labour costs and the administrative and general, the total 2019 departmental expenditures and the amounts capitalized.

Response:

a) Please see the response at Exhibit I.FRPO.16.

b) Please see the table below for the breakdown of Departmental Labour Costs (DLC) and Administrative & General (A&G):

Departments - 2019 Costs	Gross O&M ($M)	DLC ($M)	A&G ($M)
Operations	270.2	62.3	0.1
Human Resources	176.7	-	30.2
Business Development & Regulatory	169.9	0.4	5.2
Engineering	125.0	23.0	0.0
Information Technology	25.1	-	6.0
Energy Services	21.5	0.9	-
Finance	6.5	-	1.0
Supply Chain	5.9	3.4	0.1
Legal	2.0	-	0.5
Other	5.2	-	1.1
Other Non-Capitalized O&M	369.3	-	-
EG Total	**1,177.1**	**89.9**	**44.1**

Note 2019 spend by department represents O&M spend in both rate zones.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit B, Tab 3, Schedule 1; EB-2019-0105 Exhibit B, Tab 2, Appendix D Schedule 2; EB-2019-0105, Exhibit C, Tab 2, Appendix A, Schedule 13.

Preamble:

EGI has prepared a new consolidated O&M Expense schedule (first reference) that shows O&M expenses in a reduced number of categories, including elimination of several historic categories.

Question:

a) Please indicate why EGI has introduced the new format and replaced the zone-specific O&M Expense schedules?
b) Does EGI agree there is a material loss of transparency for ratepayers
c) Please provide the 2019 EGD and Union Zone- specific O&M schedules in the prior historic formats, including Board-Approved.
d) Please provide reconciliations to schedule B/T3/S1.
e) Please provide the 3 year actuals (2017-2019) for each category of O&M expense using historic categories.
f) Please provide the compound annual growth rate (CAGR) for each category.
g) Please provide the above responses in Excel Format.

Response:

a) The new reporting format is the result of harmonizing organization structures and the restatement of operating cost categories for the amalgamated utility. This reporting format is utilized by management of Enbridge Gas since operating as a single entity began in 2019. O&M expenses are no longer tracked and analyzed along legacy zone-specific basis but are viewed as a whole for Enbridge Gas.

b) Enbridge Gas does not agree. The combined O&M costs reflect the operating expenses of the amalgamated utility and the aligned reporting format is used to inform management decisions for the single entity. Retaining legacy reporting structures would have resulted in the misalignment of costs which no longer reflect operating reality.

c) Enbridge Gas is not able to disaggregate its 2019 O&M results into historical legacy rate zone formats.

d) Please see response to c).

e) As noted in part c) a disaggregation of 2019 results cannot be carried out. 2017 and 2018 are provided in historical formats. Combined 2019 results are compared against combined 2018 results as carried out in the response at Exhibit I.VECC.2 a). Please see Tables 1-3 in the subsequent pages.

f) Percent changes are calculated between 2017 and 2018 for legacy entities using historical formats. Percent changes are calculated between combined 2018 and 2019 results for Enbridge Gas. Please see Tables 1-3 in the subsequent pages.

   Variance explanations between 2018 & 2019 for material drivers are provided below in response to Exhibit I.EP.4 b).

   The increase in Compensation and Benefits (line 1) is primarily due to severance incurred related to the amalgamation of EGD and UG.

   The increase in Inbound Service costs in the Allocations & Recoveries (line 13) is primarily related to alignment and further centralization of Centralized Functions (CF) costs. This process started in 2018 and continued throughout 2019, including the shift of Legacy UG from the legacy Spectra model into the Enbridge model. This resulted in higher CF costs for functions that became shared services and reported in this line item. The Inbound Charges are reassessed annually and will reflect the continued integration of central functions.

   Other seemingly material drivers in Materials and Supplies (line 3) and Admin Expenses (line 11) should be viewed together, as DSM costs previously in Admin Expenses were reported in Materials and Supplies, offsetting to an immaterial change.

g) Responses will be made available in Excel Format (Attachment 1).

Table 1
ENBRIDGE GAS DISTRIBUTION
Utility O&M

Line No.	Particulars (in millions)	Actuals 2017	Actuals 2018	% change
1	Total Compensation	223.9	230.4	3%
2	Employee Training and Development	4.2	3.3	-21%
3	Materials and Supplies	5.3	6.0	13%
4	Outside Services	82.5	95.3	16%
5	Consulting	2.6	3.2	23%
6	Repairs and Maintenance	1.7	1.8	6%
7	Fleet	3.1	3.6	16%
8	Rents and Leases	4.9	4.5	-8%
9	Telecommunications	0.0	0.0	0%
10	Travel and Other Business Expenses	1.8	2.1	17%
11	Memberships	5.2	6.4	23%
12	Claims, Damages and Legal Fees	0.4	0.3	-25%
13	Interest on Security Deposits	0.6	0.8	33%
14	Provision for Uncollectibles	5.4	5.6	4%
15	Natural Gas Vehicles (NGV)	0.8	0.5	-38%
16	Legal Fees	2.8	0.8	-71%
17	Audit Fees	0.8	2.1	163%
18	Other	1.2	(2.3)	-292%
19	Internal Allocations and Recoveries	(14.0)	(14.8)	6%
20	Capitalization (A&G)	(36.8)	(37.1)	1%
21	Capitalization (DLC)	(85.1)	(87.6)	3%
22	Regulatory Eliminations	(1.7)	(1.0)	-41%
23	Other O&M Subtotal	209.6	223.9	7%
24	Customer Care/CIS Service Charges	85.4	88.4	4%
25	Pensions and OPEB	24.7	15.4	-38%
26	RCAM	49.6	43.2	-13%
27	Demand Side Management Programs (DSM)	62.9	67.6	7%
28	Conservation Services	(0.7)	(1.2)	71%
29	Total Net Utility O&M Expense before Eliminations	431.5	437.3	1%

Table 2
UNION GAS LIMITED
Utility O&M

Line No.	Particulars (in millions)	Actuals 2017	Actuals 2018	% change
1	Salaries and Wages	221.8	244.5	10%
2	Benefits	60.7	65.9	9%
3	Materials	10.2	12.1	18%
4	Employee Training	12.4	12.1	-3%
5	Contract Services	70.6	77.4	10%
6	Consulting	8.2	11.1	36%
7	General	27.9	28.0	0%
8	Transportation and Maintenance	9.8	10.2	4%
9	Company Used Gas	1.9	2.0	0%
10	Utility Costs	6.0	5.5	-7%
11	Communications	5.7	4.1	-27%
12	Demand Side Management Programs	48.1	51.2	7%
13	Advertising	3.4	3.3	-5%
14	Insurance	6.8	2.3	-66%
15	Donations	0.9	2.6	191%
16	Financial	2.7	2.0	-26%
17	Lease	4.7	4.8	2%
18	Cost Recover from Third Parties	(3.7)	(11.1)	196%
19	Computers	10.8	7.8	-28%
20	Regulatory Hearing & OEB Cost Assessment	3.6	4.7	31%
21	Outbound Affiliate Services	(15.8)	(9.5)	-40%
22	Inbound Affiliate Services	22.6	22.9	1%
23	Bad Debt	4.1	4.7	16%
24	Other	-	-	
25	Total	523.3	558.7	7%
26	Indirect Capitalization	(73.0)	(76.0)	4%
27	Direct Capitalization	(22.5)	(20.8)	-8%
28	Total	427.7	461.9	
29	Unregulated Storage	(13.5)	(13.5)	
30	Non Utility Earnings Adjustments	(0.8)	(1.5)	80%
31	Total Non Utility Costs	(14.3)	(14.9)	5%
32	Total Net Utility O&M Expense before Eliminations	413.4	446.9	8%

Table 3
ENBRIDGE GAS INC.
Combined Utility O&M

Line No.	Particulars (in millions)	Actuals 2018	Actuals 2019	$ change	% change
1	Compensation and Benefits	546.0	566.9	20.9	4%
2	Employee Related Services and Development	5.6	5.5	(0.1)	-1%
3	Materials and Supplies	79.8	101.7	21.9	27%
4	Outside Services	365.6	356.1	(9.4)	-3%
5	Transportation Related Repairs and Maintenance	8.3	8.8	0.5	6%
6	Vehicle Aircraft and Other Repairs and Maintenance	19.6	18.5	(1.1)	-6%
7	Rents and Leases	12.2	13.2	1.1	9%
8	Telecommunications	4.2	3.5	(0.7)	-16%
9	Travel and Entertainment	13.0	13.6	0.6	0%
10	Donations and Memberships	11.9	11.6	(0.3)	-2%
11	Admin Expenses	4.9	(6.9)	(11.8)	-239%
12	Inventory Adjustments	(0.0)	(0.1)	(0.0)	121%
13	Allocations & Recoveries	44.5	70.2	25.8	58%
14	Miscellaneous O and A Expense	12.1	9.8	(2.3)	-19%
15	Capitalization	(228.7)	(239.9)	(11.2)	5%
15A	*Capitalization Policy Change (APCDA) per VECC#2*		4.4	4.4	
16	O&M Subtotal before Eliminations	898.9	937.2	38.3	4%
17	Donations	(1.0)	(3.0)	(2.0)	202%
18	CDM Program	1.2	0.2	(1.0)	-80%
19	ABC T-service Program	(0.4)	(0.3)	0.1	-25%
20	Amalgamation Transaction Costs	(0.1)	(0.1)	(0.0)	11%
21	Unregulated Adjustments	(14.9)	(19.5)	(4.5)	30%
22	Elimination of MAADs Proceeding Costs (Settlement)	(2.9)		2.9	
23	Interest on Security Deposits	0.8		(0.8)	
22	Total Unregulated/Non-Utility Eliminations	(17.3)	(22.6)	(5.3)	31%
				0.0	
23	Total Net Utility O&M Expense	881.6	914.6	33.0	4%

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8	Rents and Leases	4.9	4.5	(0.4)	-8%
9	Telecommunications	0.0	0.0	0.0	0%
10	Travel and Other Business Expenses	1.8	2.1	0.3	17%
11	Memberships	5.2	6.4	1.2	23%
12	Claims, Damages and Legal Fees	0.4	0.3	(0.1)	-25%
13	Interest on Security Deposits	0.6	0.8	0.2	33%
14	Provision for Uncollectibles	5.4	5.6	0.2	4%
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3	Materials	10.2	12.1	1.9	18%
4	Employee Training	12.4	12.1	(0.4)	-3%
5	Contract Services	70.6	77.4	6.8	10%
6	Consulting	8.2	11.1	3.0	36%
7	General	27.9	28.0	0.1	0%
8	Transportation and Maintenance	9.8	10.2	0.4	4%
9	Company Used Gas	1.9	2.0	0.1	0%
10	Utility Costs	6.0	5.5	(0.4)	-7%
11	Communications	5.7	4.1	(1.5)	-27%
12	Demand Side Management Programs	48.1	51.2	3.1	7%
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29	Unregulated Storage	(13.5)	(13.5)	(0.0)	
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6	Vehicle Aircraft and Other Repairs and Maintenance	19.6	18.5	(1.1)	-6%
7	Rents and Leases	12.2	13.2	1.1	9%
8	Telecommunications	4.2	3.5	(0.7)	-16%
9	Travel and Entertainment	13.0	13.6	0.6	0%
10	Donations and Memberships	11.9	11.6	(0.3)	-2%
11	Admin Expenses	4.9	(6.9)	(11.8)	-239%
12	Inventory Adjustments	(0.0)	(0.1)	(0.0)	121%
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ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit B, Tab 3, Schedule 1; EB-2019-0105 Exhibit B Tab 2 Appendix D Schedule 2; EB-2019-0105 Exhibit C Tab 2 Appendix A Schedule 13.

Question:

a) Please compare the 2019 O&M to that proposed/projected in the MAADs IRM proceeding.

b) Specifically break out the following O&M expense categories and provide the drivers for material changes relative to Board-Approved:
   i. Compensation/Salaries and Wages
   ii. Outside Services
   iii. Transportation/Fleet/Aircraft
   iv. Travel and Entertainment
   v. Inbound and outbound Affiliate Services (and Totals)
   vi. RCAM.

c) Please provide the annual RCAM amounts and Payments to Enbridge Corporate by Union Gas relative to Board-Approved.

d) Why is Computers an O&M expense as opposed to Capital?

e) Please provide a Comparison of the Capitalization of O&M Expenses 2017-2019

Response:

a) Descriptions of potential integration opportunities and 2019 – 2028 estimates of the capital investment required and ensuing O&M savings were provided in the MAADs proceeding in key functional areas (EB-2017-0306 Exhibit C.BOMA.16 attachment). In addition, assumptions underpinning revenue requirement estimates were provided (EB-2017-0306 Exhibit C.FRPO.11) that included standalone O&M assumptions for 2019.

Standalone O&M estimates were combined as the basis for comparison against 2019 O&M Actuals in Table 1. As noted in the MAADs reference, O&M cost projections include embedded productivity:

Table 1: Comparative 2019 O&M ($M)

	2019 Actuals			**2019 MAADs Estimate***
Combined O&M	915		EGD O&M	441
Less: Merger Costs	48		UGL O&M	443
Total O&M	867		Total O&M	884
			*EB-2017-0306 Exhibit C.FRPO.11 pp 2-4	

Adjusting for merger costs (please see Exhibit I.SEC.2), 2019 actual results are $17 million lower than the modelled estimate. EGI incurred higher one-time costs like severance in 2019 because of the need to execute on integration. It also achieved a higher rate of synergy savings than projected.

b) As explained at Exhibit I.FRPO.7, Enbridge Gas did not separately track or record O&M costs for the legacy utilities in 2019. Therefore, there is no O&M cost breakdown for each legacy utility that could be compared to “Board-approved.” At a high level, the response in a) above comparing 2019 actuals to O&M cost projections provided in MAADs provides the information related to comparative costs. Additionally, a comparison of 2018 and 2019 combined Enbridge Gas Utility O&M and material variance drivers is provided in Exhibit I,EP.3.

c) See Exhibit I.VECC.2 b) for EGI Inbound/Outbound amounts. As a result of centralization, the RCAM amount previously reported by Legacy Enbridge Gas Distribution, and the Inbound payments previously reported by Union, are now included within total Inbound Service charges incurred by Enbridge Gas as a single entity.

d) Computers on Line 19 of the Union Rate Zones O&M exhibit (Schedule 13) largely relates to computer licensing agreements required for software maintenance. Maintenance costs relating to software are treated as O&M.

e) Please see the response to Exhibit I.VECC.2 a). Capitalization increased by $11 million between 2018 and 2019. Comparisons to 2017 are not possible as a combined view of the amalgamated entity cannot be generated.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 4

Question:

a) Please provide the historic 5 year Late Payment Charge revenue for each rate zone and totals.

b) Please provide 2020 YTD and discuss comparison to historic.

Response:

a) The historic late payment penalty charge revenue, for each of the legacy EGD and Union rate zones, is presented in the table below.

Year	Union Rate Zones ($ Millions)	EGD Rate Zone ($ Millions)	Total ($ Millions)
2014	8.2	13.1	21.3
2015	8.1	13.2	21.3
2016	5.1	10.4	15.6
2017	6.6	10.3	17.0
2018	7.3	11.9	19.2
2019	7.4	12.0	19.4

b) The 2020 YTD (January-October) late payment penalty charge revenue, for each of the legacy EGD and Union rate zones, is presented in the below.

Year	Union Rate Zones ($ Millions)	EGD Rate Zone ($ Millions)	Total ($ Millions)
2020 YTD	7.7	10.3	18.0

Commentary:

Due to the impact of COVID-19, there are more customer accounts in arrears, which is driving higher late payment charges, relative to historical results.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit C, Tab 1, Schedule 1 line 22; Exhibit E, Tab 1, Tables 1-4

Question:

a) Please provide a table that shows the 2019 NAC for Rate 01, Rate 10, Rate M1 and M2 and reconciles to the $4,796,100 amount in the first reference.

b) Please explain or provide reference how the balance is allocated to each rate class.

c) Please provide a Rate Class graphical representation of Normalized Average Use per Customer for the historic years 2014-2019 (show forecast and actual).

d) Please discuss how the 2019 actuals affect the 2020 forecast and provide the forecasts.

Response:

a) The detailed calculation of the NAC Deferral Account balance can be found at Exhibit E, Tab 1, Schedule 6.

b) The deferral account balance is calculated by multiplying the variance between the weather normalized target NAC and the weather normalized actual NAC by the 2013 Board-approved number of customers and the 2019 Board-approved delivery and storage rates for each Union rate zone general service rate class.

   These amounts are calculated individually for each rate class. The detailed calculation of the NAC Deferral Account balance can be found at Exhibit E, Tab 1, Schedule 6.

c) Please refer to the response at Exhibit I.EP.11 b) for a graphical representation of NAC for each rate class calculated using the 2019 weather normal.

The table below also shows the actual and Board-approved target NAC for each rate class for 2014-2019. The figures below are weather normalized to the Board-approved weather normal in each respective year.

	Rate M1		Rate M2		Rate 01		Rate 10	
Year	Actual NAC	Board Approved Target NAC	Actual NAC	Board Approved Target NAC	Actual NAC	Board Approved Target NAC	Actual NAC	Board Approved Target NAC
	(m^3)	(m^3)	(m^3)	(m^3)	(m^3)	(m^3)	(m^3)	(m^3)
2014	2,748	2,751	167,537	165,085	2,923	2,898	172,516	167,443
2015	2,676	2,761	163,129	169,121	2,799	2,901	162,078	169,025
2016	2,667	2,852	159,933	172,694	2,788	3,015	159,855	177,214
2017	2,764	2,738	166,969	166,297	2,835	2,844	163,483	164,329
2018	2,810	2,654	171,248	159,319	2,864	2,771	167,467	158,894
2019	2,780	2,767	168,624	167,039	2,880	2,853	171,056	164,301

d) The 2019 actual NAC does not have any bearing on the 2020 target NAC. Please refer to the response at Exhibit I.EP.11 d) for a description of the 2020 target NAC.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit C Tab1 Lines 28-33; Exhibit E Tab 1 Pages 31-36; EB-2019-0105 interrogatory EP-11

179-136 Parkway West Project Costs
179-137 Brantford-Kirkwall/Parkway D Project Costs
179-142 Lobo C Compressor/Hamilton-Milton Pipeline Project Costs
179-144 Lobo D/Bright C/Dawn H Compressor Project Costs
179-149 Burlington Oakville Project Costs
179-156 Panhandle Reinforcement Project costs

Question:

a) For the listed projects please update the Summary Table (Excel) in the third reference that provides:
   i. The LTC Approved cost
   ii. Changes to approved cost and final cost
   iii. Planned and actual In-service dates
   iv. Planned and actual In-service costs
   v. Incremental Capacity- Planned and Actual
   vi. Comments on material changes

b) Is all of the incremental Dawn Parkway capacity now contracted? Please discuss.

c) Please provide a Listing of Shippers (including EGD and Union), Contracted annual Volumes, and Term, and the Total capacity.

Response:

a) Please see the chart below

Capital Pass-Through Project	LTC Approved Cost	Actual Cost To 2019	Planned In-Service Dates	Actual In-service Dates	Incremental Capacity - Planned and Actual
Parkway West	$219 million	$231.7 million	2014-2015	Multi-phased project	LCU compressor
Brantford-Kirkwall/Parkway D	$204 million	$197.4 million	Nov. 2015	Nov. 2015	433 TJ/d
Lobo C Compressor/Hamilton-Milton Pipeline	$390.7 million	$347.1 million	Nov. 2016	Nov. 2016	442,770 GJ/d
Lobo D/Bright C/Dawn H Compressor	$622.5 million	$619.9 million	Nov. 2017	Jul, Sep & Oct 2017	456,647 GJ/d
Burlington Oakville	$119.5 million	$83.3 million	Nov. 2016	Oct. 2016	222 TJ/d
Panhandle Reinforcement	$264.5 million	$228.1 million	Nov. 2017	Nov. 2017	106 TJ/d

b) Yes, as of November 1, 2019 EGI has sold incremental long-term Dawn Parkway capacity that fully utilized any surplus capacity.

c) As part of the OEB's Storage and Transportation Access Rule (STAR) reporting requirements, EGI files a complete Index of Customers on its website at https://www.uniongas.com/storage-and-transportation/informational-postings/index-of-customers. Please see Attachment 1 for a copy of the Transport Index of Customers for November 1, 2020.

Enbridge Gas Inc. Transport Shippers as of November 1, 2020

Customer Name	Agreement Name	Receipt Point	Delivery Point	Quantity (GJ)	Start Date	Expiry Date	Negotiated Rate indicator	Affiliate
Liberty Utilities (St. Lawrence Gas) Corp.	C10076	Parkway	Dawn	10,785	Apr 1, 2007	Mar 31, 2023	N	N
Greenfield Energy Centre LP	C10083	Dawn	Dawn Vector	92,845	Mar 1, 2008	Oct 31, 2022	N	N
TransCanada PipeLines Limited	C10097	Dawn	Dawn TCPL	500,000	Nov 1, 2010	Oct 31, 2022	N	N
York Energy Centre LP	C10102	Dawn	Parkway	11,654	Apr 1, 2012	Oct 31, 2022	N	N
Bluewater Gas Storage, LLC	C10105	Bluewater	Dawn	123,000	Nov 1, 2013	Oct 31, 2023	N	N
Emera Energy Limited Partnership	C10107	Kirkwall	Dawn	73,745	Nov 1, 2015	Oct 31, 2022	N	N
Emera Energy Limited Partnership	C10108	Kirkwall	Dawn	26,335	Apr 1, 2015	Mar 31, 2021	N	N
Seneca Resources Company, LLC	C10109	Kirkwall	Dawn	388,261	Nov 1, 2016	Mar 31, 2023	Y	N
Rover Pipeline LLC	C10113	Ojibway	Dawn	36,927	Nov 1, 2017	Oct 31, 2025	N	N
TransCanada PipeLines Limited	C10115	Parkway	Dawn	42,202	Nov 1, 2017	Oct 31, 2022	N	N
TransCanada PipeLines Limited	C10118	Parkway	Dawn	200,000	Nov 1, 2020	Oct 31, 2025	N	N
TransCanada PipeLines Limited	C10119	Parkway	Dawn	200,000	Nov 1, 2020	Oct 31, 2023	N	N
TransCanada PipeLines Limited	C10120	Parkway	Dawn	105,937	Nov 1, 2020	Oct 31, 2021	N	N
BP Canada Energy Group ULC	HUB040T0322	Dawn	Parkway	1,275	Nov 1, 2020	Oct 31, 2021	N	N
BP Canada Energy Group ULC	HUB040T0323	Dawn	Parkway	3,045	Nov 1, 2020	Oct 31, 2021	N	N
BP Canada Energy Group ULC	HUB040T0324	Dawn	Parkway	10,759	Nov 1, 2020	Oct 31, 2021	N	N
Vermont Gas Systems, Inc.	HUB100T0062	Dawn	Parkway	15,826	Nov 1, 2020	Mar 31, 2021	Y	N
Tidal Energy Marketing Inc.	HUB305T0252	Ojibway	Dawn	10,551	Nov 1, 2020	Mar 31, 2021	Y	N
Tidal Energy Marketing Inc.	HUB305T0261	Dawn	Parkway	63,303	Nov 1, 2020	Mar 31, 2021	Y	N
Ontario Power Generation Inc.	HUB335T0019	Parkway	Dawn	2,650	Nov 1, 2020	Oct 31, 2021	Y	N
Bluewater Gas Storage, LLC	HUB507T0138	Dawn	Dawn Vector	123,001	Nov 1, 2020	Mar 31, 2021	Y	N
Citadel Energy Marketing LLC	HUB729T0021	Ojibway	Dawn	21,101	Nov 1, 2020	Mar 31, 2021	Y	N
1425445 Ontario Limited o/a Utilities Kingston	M12077	Dawn	Parkway	6,322	Apr 1, 2004	Mar 31, 2023	N	N
Energir, L.P. by its General Partner Energir Inc	M12109	Dawn	Parkway	65,000	Nov 1, 2007	Oct 31, 2027	N	N
Goreway Station Partnership	M12110	Dawn	Parkway	140,000	Nov 1, 2007	Oct 31, 2028	N	N
Vermont Gas Systems, Inc.	M12119	Dawn	Parkway	20,000	Nov 1, 2007	Oct 31, 2022	N	N
Greater Toronto Airports Authority	M12120	Dawn	Parkway	7,500	Nov 1, 2007	Oct 31, 2022	N	N
Liberty Utilities (St. Lawrence Gas) Corp.	M12126	Dawn	Parkway	10,785	Nov 1, 2008	Mar 31, 2023	N	N
Thorold CoGen L.P. by its General Partner Northland Power Thorold Cogen GP Inc.	M12129	Dawn	Kirkwall	49,500	Sep 1, 2009	Aug 31, 2029	N	N
Portlands Energy Centre L.P. by its General Partner, Portlands Energy Centre Inc.	M12130	Dawn	Parkway	100,000	Jan 13, 2009	Apr 21, 2029	N	N
Energir, L.P. by its General Partner Energir Inc	M12132	Dawn	Parkway	52,343	Apr 1, 2009	Mar 31, 2023	N	N
The Narragansett Electric Company d/b/a National Grid	M12164	Dawn	Parkway	1,081	Nov 1, 2011	Oct 31, 2022	N	N
Connecticut Natural Gas Corporation	M12166	Dawn	Parkway	6,410	Nov 1, 2011	Oct 31, 2022	N	N
Ag Energy Co-operative Ltd.	M12167	Dawn	Parkway	1,900	Nov 1, 2011	Oct 31, 2021	N	N
Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc.	M12171	Dawn	Parkway	21,825	Nov 1, 2011	Oct 31, 2022	N	N
Energir, L.P. by its General Partner Energir Inc	M12172	Dawn	Parkway	22,908	Apr 1, 2010	Mar 31, 2023	N	N
Energir, L.P. by its General Partner Energir Inc	M12176	Dawn	Parkway	88,728	Apr 1, 2011	Mar 31, 2021	N	N

Enbridge Gas Inc. Transport Shippers as of November 1, 2020

Customer Name	Agreement Name	Receipt Point	Delivery Point	Quantity (GJ)	Start Date	Expiry Date	Negotiated Rate indicator	Affiliate
Central Hudson Gas & Electric Corporation (a subsidiary of CH Energy Group, Inc.)	M12182	Dawn	Parkway	5,467	Nov 1, 2011	Oct 31, 2022	N	N
York Energy Centre LP	M12184	Dawn	Parkway	76,000	Apr 1, 2012	Oct 31, 2022	N	N
Niagara Mohawk Power Corporation d/b/a National Grid	M12186	Dawn	Parkway	55,123	Nov 1, 2011	Oct 31, 2022	N	N
Vermont Gas Systems, Inc.	M12190	Dawn	Parkway	500	Nov 1, 2010	Oct 31, 2022	N	N
The Brooklyn Union Gas Company d/b/a National Grid NY	M12193	Dawn	Parkway	43,170	Nov 1, 2010	Oct 31, 2022	N	N
KeySpan Gas East Corporation d/b/a National Grid	M12194	Dawn	Parkway	39,934	Nov 1, 2010	Oct 31, 2022	N	N
Central Hudson Gas & Electric Corporation (a subsidiary of CH Energy Group, Inc.)	M12195	Dawn	Parkway	10,792	Nov 1, 2010	Oct 31, 2022	N	N
Boston Gas Company d/b/a National Grid	M12197	Dawn	Parkway	17,915	Nov 1, 2010	Oct 31, 2022	N	N
Liberty Utilities (EnergyNorth Natural Gas) Corp.	M12200	Dawn	Parkway	4,317	Nov 1, 2010	Oct 31, 2022	N	N
Connecticut Natural Gas Corporation	M12201	Dawn	Parkway	18,077	Nov 1, 2010	Oct 31, 2022	N	N
The Southern Connecticut Gas Company	M12202	Dawn	Parkway	34,950	Nov 1, 2010	Oct 31, 2022	N	N
Yankee Gas Services Company dba Eversource Energy	M12203	Dawn	Parkway	43,116	Nov 1, 2010	Oct 31, 2022	N	N
Eversource Gas Company of Massachusetts	M12204	Dawn	Parkway	27,803	Nov 1, 2010	Oct 31, 2022	N	N
Connecticut Natural Gas Corporation	M12206	Dawn	Parkway	9,170	Nov 1, 2010	Oct 31, 2022	N	N
The Southern Connecticut Gas Company	M12207	Dawn	Parkway	13,970	Nov 1, 2010	Oct 31, 2022	N	N
Yankee Gas Services Company dba Eversource Energy	M12210	Dawn	Parkway	20,560	Nov 1, 2010	Oct 31, 2022	N	N
Yankee Gas Services Company dba Eversource Energy	M12212	Dawn	Parkway	5,380	Nov 1, 2010	Oct 31, 2022	N	N
The Southern Connecticut Gas Company	M12213	Dawn	Parkway	9,735	Nov 1, 2010	Oct 31, 2022	N	N
Connecticut Natural Gas Corporation	M12214	Dawn	Parkway	6,489	Nov 1, 2010	Oct 31, 2022	N	N
Suncor Energy Products Partnership Produits Suncor Energie, S.E.N.C.	M12217	Dawn	Parkway	9,585	Nov 1, 2011	Oct 31, 2021	N	N
TransCanada PipeLines Limited	M12219	Kirkwall	Parkway	88,497	Nov 1, 2012	Oct 31, 2022	N	N
TransCanada PipeLines Limited	M12220	Kirkwall	Parkway	174,752	Nov 1, 2013	Oct 31, 2023	N	N
Emera Energy Limited Partnership	M12221	Kirkwall	Parkway	36,751	Nov 1, 2012	Oct 31, 2022	N	N
Energir, L.P. by its General Partner Energir Inc	M12222	Dawn	Parkway	257,784	Nov 1, 2015	Oct 31, 2025	N	N
Vermont Gas Systems, Inc.	M12224	Dawn	Parkway	8,100	Nov 1, 2014	Oct 31, 2024	N	N
TransCanada PipeLines Limited	M12230	Kirkwall	Parkway	36,301	Nov 1, 2016	Oct 31, 2031	N	N
Energir, L.P. by its General Partner Energir Inc	M12232	Dawn	Parkway	39,507	Nov 1, 2016	Oct 31, 2031	N	N
Energir, L.P. by its General Partner Energir Inc	M12233	Dawn	Parkway	19,754	Nov 1, 2016	Oct 31, 2031	N	N
Energir, L.P. by its General Partner Energir Inc	M12237	Dawn	Parkway	85,680	Nov 1, 2016	Oct 31, 2031	N	N
Energir, L.P. by its General Partner Energir Inc	M12244	Dawn	Parkway	36,670	Nov 1, 2017	Oct 31, 2032	N	N
Liberty Utilities (St. Lawrence Gas) Corp.	M12249	Dawn	Parkway	10,412	Nov 1, 2017	Oct 31, 2032	N	N
1425445 Ontario Limited o/a Utilities Kingston	M12251	Dawn	Parkway	5,000	Nov 1, 2017	Oct 31, 2032	N	N
1425445 Ontario Limited o/a Utilities Kingston	M12252	Kirkwall	Parkway	1,000	Nov 1, 2017	Oct 31, 2032	N	N
The Corporation of the City of Kitchener	M12253	Kirkwall	Parkway	10,000	Nov 1, 2017	Oct 31, 2032	N	N
DTE Energy Trading, Inc.	M12255	Kirkwall	Parkway	73,854	Nov 1, 2017	Oct 31, 2031	N	N
Northern Utilities, Inc.	M12256	Dawn	Parkway	42,962	Nov 1, 2017	Oct 31, 2033	N	N
Liberty Utilities (Gas New Brunswick) Corp.	M12270	Dawn	Parkway	2,650	Nov 1, 2018	Oct 31, 2040	N	N

Enbridge Gas Inc. Transport Shippers as of November 1, 2020

Customer Name	Agreement Name	Receipt Point	Delivery Point	Quantity (GJ)	Start Date	Expiry Date	Negotiated Rate indicator	Affiliate
Liberty Utilities (Gas New Brunswick) Corp.	M12271	Dawn	Parkway	4,831	Nov 1, 2019	Oct 31, 2040	N	N
Liberty Utilities (Gas New Brunswick) Corp.	M12272	Dawn	Parkway	959	Nov 1, 2020	Oct 31, 2040	N	N
Boston Gas Company d/b/a National Grid	M12273	Dawn	Parkway	60,328	Nov 1, 2018	Oct 31, 2040	N	N
The Narragansett Electric Company d/b/a National Grid	M12274	Dawn	Parkway	30,656	Nov 1, 2018	Oct 31, 2040	N	N
Heritage Gas Limited	M12276	Dawn	Parkway	10,617	Nov 1, 2018	Oct 31, 2040	N	N
Liberty Utilities (Gas New Brunswick) Corp.	M12277	Dawn	Parkway	112	Nov 1, 2018	Oct 31, 2040	N	N
Liberty Utilities (EnergyNorth Natural Gas) Corp.	M12284	Dawn	Parkway	5,348	Apr 1, 2019	Oct 31, 2040	N	N
Eversource Gas Company of Massachusetts	M12292	Dawn	Parkway	64,588	Nov 1, 2019	Oct 31, 2040	N	N
The Berkshire Gas Company	M12293	Dawn	Parkway	4,239	Nov 1, 2019	Oct 31, 2040	N	N
Portlands Energy Centre L.P Napanee	M12294	Dawn	Parkway	143,775	Apr 29, 2020	Oct 31, 2032	N	N
Northern Utilities, Inc.	M12296	Dawn	Parkway	10,814	Nov 1, 2020	Oct 31, 2040	N	N
TransCanada PipeLines Limited	M12X004	Dawn	Parkway	50,000	Sep 1, 2011	Aug 31, 2022	N	N
TransCanada PipeLines Limited	M12X005	Dawn	Parkway	78,316	Sep 1, 2011	Aug 31, 2022	N	N
TransCanada PipeLines Limited	M12X013	Dawn	Parkway	62,695	Nov 1, 2012	Oct 31, 2023	N	N
1425445 Ontario Limited o/a Utilities Kingston	M12X015	Dawn	Parkway	5,000	Apr 1, 2014	Mar 31, 2024	N	N
Market Hub Partners Canada L.P.	M16004	Dawn	MHP St Clair Sto	5,000	Jun 1, 2007	May 31, 2023	N	Y
Market Hub Partners Canada L.P.	M16004	Market Hub Partners - St. Clair Pool	Dawn	5,000	Jun 1, 2007	May 31, 2023	N	Y
EPCOR Natural Gas Limited Partnership	M17000	Dawn	Dornoch	3,310	Jun 4, 2020	Jun 3, 2035	N	N
Enbridge Gas Inc. (In-Franchise Customers - EGD Zone) *		Dawn	Parkway	2,992,173	Nov 1, 2020	Oct 31, 2021	N	Y
Enbridge Gas Inc. (In-Franchise Customers - EGD Zone) **		Dawn	Kirkwall	67,929	Nov 1, 2020	Oct 31, 2021	N	Y
In-Franchise Customers - Union South and North Zones		Dawn	Parkway	2,307,360	Nov 1, 2020	Oct 31, 2021	N	Y
TransCanada PipeLines Limited		Parkway (EGT)	Albion King's North	1,200,000	Nov 16, 2016	Nov 15, 2031	N	N
Niagara Gas Transmission Limited		Tecumseh	Dawn	86,000	Apr 1, 2020	Mar 31, 2021	N	Y

* - comprised of former contract #'s: M12079B, M12080, M12108, M12125, M12188, M12225, M12234, M12250, M12264, & M12X006

** - comprised of former contract #'s: M12079A & M12175

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit D, Tab 1, pages 6 and 7, Table 2

Preamble:

No significant factors are known to have occurred in 2019 that would have contributed to a higher UAF than previous years.

Question:

a) Please provide a version of Table 2 with costs to ratepayers.

b) Please provide a statistical analysis of UFG volumes including Average, Standard Deviation and Trend

c) Given the experienced volatility in UFG in the EGD rate zone should a DVA floor (e.g. $5million) be implemented like the Union rate zone? Please discuss.

d) Please provide the Metered Throughput for each of the historic years 2014-2019.

e) Please provide the 2019 Metered Delivery Points and indicate the counter party.

Response:

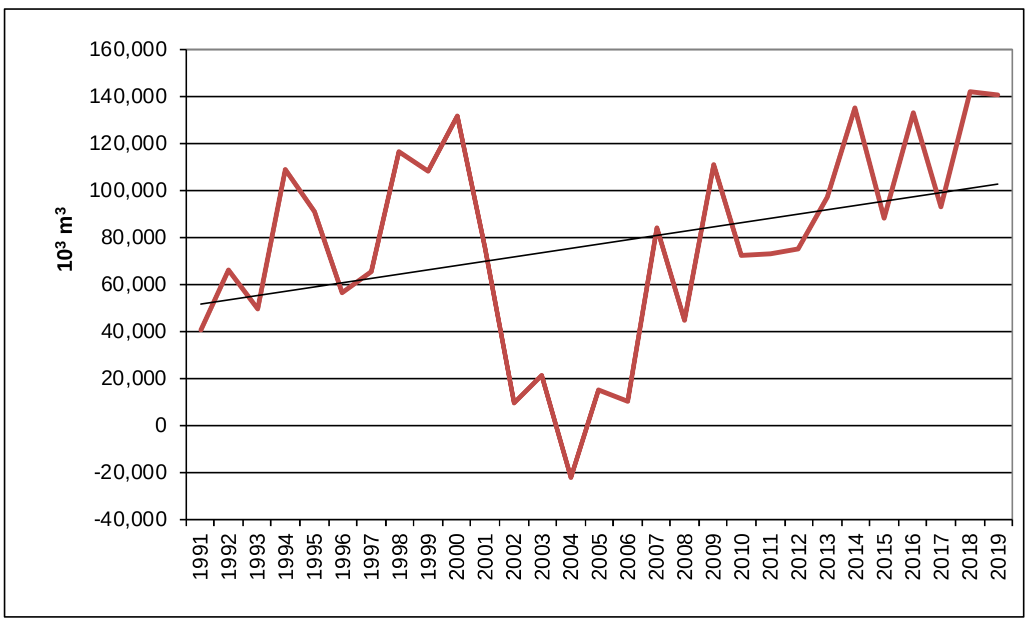
a) The cost of the UFG is a function of the UFG volume and the PGVA reference price, where the reference price can fluctuate substantially over the years. The UFG volumes shown in Table 2 provide a more meaningful comparison of the actual UFG trend.

   Given the time constraint to provide interrogatory responses, the UFG costs for the years from 2010 to 2019 are provided in the table below.

Year	UAF Volumes ($10^3 m^3$)	Amount ($000s)
2010	72,104	15,819.4
2011	73,355	14,404.5
2012	74,762	13,158.9
2013	97,361	17,889.1
2014	135,380	27,615.0
2015	88,438	18,534.4
2016	133,112	23,116.1
2017	93,077	16,570.7
2018	142,086	23,172.2
2019	140,594	22,872.5

b) The chart below shows the historical UFG volumes with a trend line. Statistical analysis of the UFG volumes including average and standard deviation are shown in Table 2 at Exhibit D, Tab 1, page 10.

Table 1: Unaccounted-For Gas Volumes (10^3 m^3), 1991-2019



c) The Company does not agree that the parameters of individual Board approved deferral and variance accounts should be amended in the midst of the deferred rebasing term. The Company believes that the appropriate time to amend, align or consolidate deferral and variance accounts across rate zones is at rebasing.

d) Metered Throughput Volumes for Legacy EGD.

Year	Throughput Volumes (10^6m^3)
2014	12,656.5
2015	11,931.8
2016	10,927.1
2017	11,346.5
2018	12,546.0
2019	11,885.7

e) Legacy EGD Metered Delivery Points and Counter Parties

Station	IC Operators
Vector -Sombra	Vector & Enbridge Gas
ANR*	ANR & Enbridge Gas
Enbridge-Dawn	TCPL & Enbridge Gas
Parkway Cons Station	TCPL & Enbridge Gas
All other gate stations into Legacy EGD	TCPL & Enbridge Gas
Cornwall (St Lawrence Gate Station)*	TCPL & Enbridge Gas

TCPL = TC Energy
ANR = ANR Pipeline Company
* via Niagara Gas Transmission Line (NGTL)

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit D, Tab 1, Page 11; Exhibit D, Tab1, Schedule 3

Question:

a) Please provide a version of the second reference with Rate Class totals.

b) Please provide a graphical representation of Rate 1 and Rate 6 Normalized Average Use per Customer for the historic years 2014-2019 (show forecast and actual).

c) Please expand on the basis for the 2019 increase in average use and provide estimates for the contributing factors for example - DSM, price, economy and other factors.

d) Did EGD use the 2019 result in its models for 2020? Please provide the 2020 forecast results for each class.

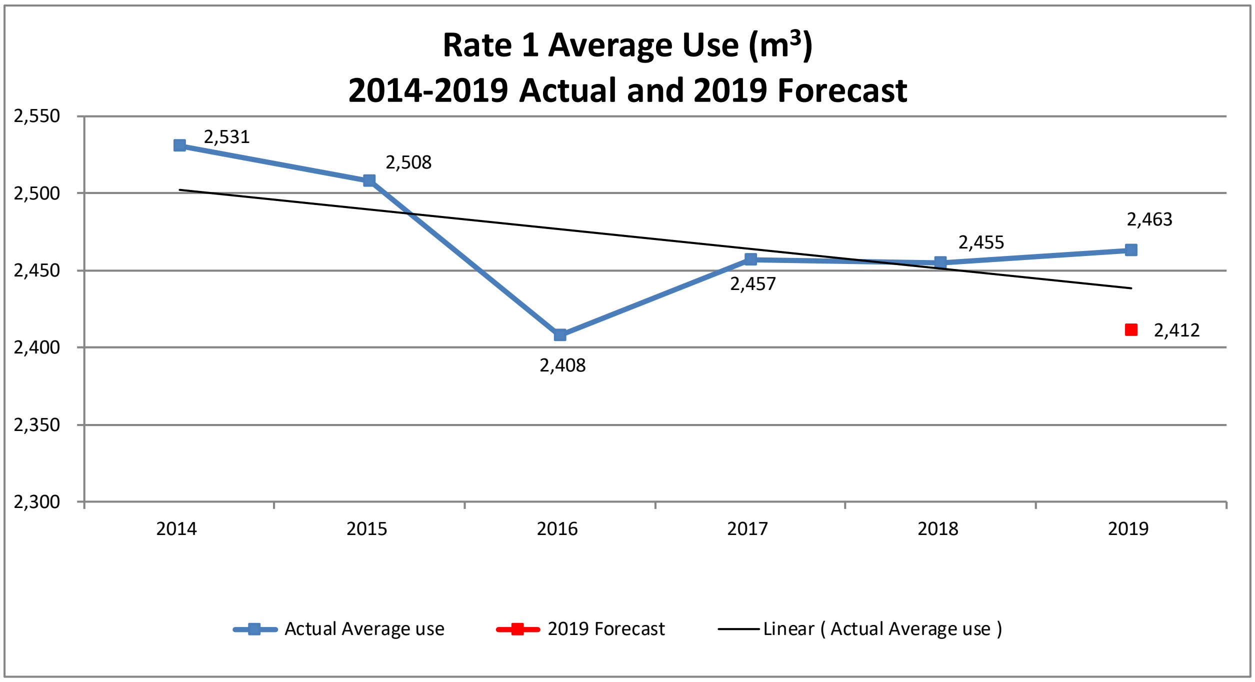
e) If price is a major driver discuss how this affected the 2020 forecast?

Response:

a) The table below details the calculations at Exhibit D, Tab1, Schedule 3 for Rate class totals.

				=Col. 2-1		=Col. 3*4			=Col. 7-6	=Col. 5-8		=Col. 9*10
Period	Rate Class	Budget Annual Use (m^3)	Normalized Actual Annual Use (m^3)	Normalized Usage Variance (m^3)	Budget Customer Meters	Normalized Volumetric Variance (10^6m^3)	DSM Budget (10^6m^3)	DSM Actual (10^6m^3)	DSM Volumetric Variance (10^6m^3)	Normalized Volumetric Variance Excluding DSM (10^6m^3)	Unit Rate ($/$m^3$)	AUTUVA: Revenue Impact, Exclusive of Gas Costs - ($ millions)
Jan-Mar	1	1,180	1,188	9	2,046,299	17.5	(5.1)	(5.1)	0.0	17.5	0.0702	1.23
Apr-Dec	1	1,232	1,275	43	2,046,299	87.1	(5.1)	(5.1)	0.0	87.1	0.0716	6.24
Total	Rate 1	2,412	2,463	51	2,046,299	104.6	(5.1)	(5.1)	0.0	104.6		7.47
Jan-Mar	6	13,934	14,054	121	168,065	20.3	(15.1)	(15.1)	0.0	20.3	0.0400	0.81
Apr-Dec	6	15,220	15,293	73	168,065	12.3	(15.1)	(15.1)	0.0	12.3	0.0403	0.49
Total	Rate 6	29,154	29,348	194	168,065	32.5	(15.1)	(15.1)	0.0	32.5		1.30
Total	Rate 1 & 6											8.77

b) Please see a graphical representation of Actual Rate 1 and Rate 6 Normalized Average Use per Customer for the historic years 2014-2019 and the forecast for 2019. Please note that average uses seen in charts are all normalized to 2019 Board approved degree days.



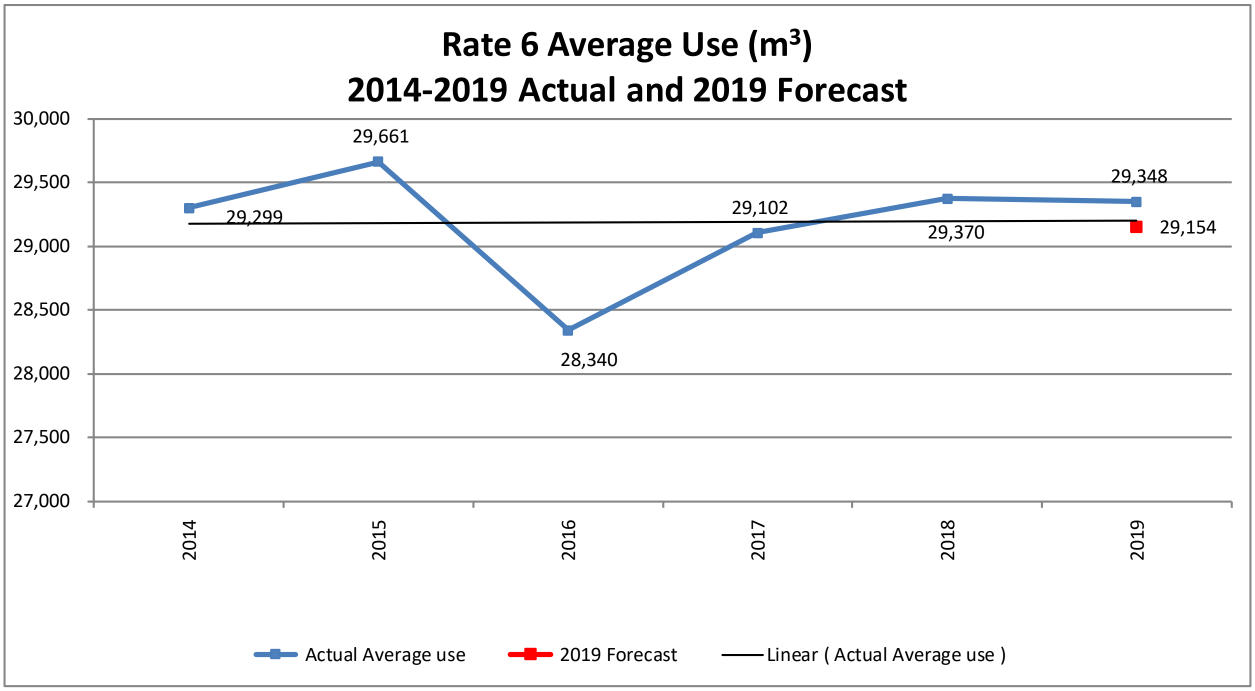


Table below also shows actual versus forecast (Board approved) Rate 1 and Rate 6 Normalized Average Uses per Customer that are normalized to relative years' Board approved degree days for the historic years 2014-2019.

Year	Rate 1		Rate 6	
	Actual Normalized Average Use Per Customer	Board Approved Normalized Average Use Per Customer	Actual Normalized Average Use Per Customer	Board Approved Normalized Average Use Per Customer
	(m^3)	(m^3)	(m^3)	(m^3)
2014	2,475	2,433	28,634	28,383
2015	2,427	2,419	28,600	28,341
2016	2,401	2,480	28,203	28,753
2017	2,485	2,472	29,462	29,058
2018	2,456	2,358	29,377	28,656
2019	2,463	2,412	29,348	29,154

c) Rate 1 and Rate 6 weather-normalized average uses in 2019 were 51 m^3 and 194 m^3 higher than the forecast relatively.

Rate 1 and 6 burner tip gas prices in 2019 were approximately 9% and 12% lower than were forecast relatively. 2019 employment in Central and Eastern regions were

2% and 4% higher than were forecast relatively. Ontario GDP in 2019 was also 8% higher than was forecast.

As stated at EB 2020-0134, Exhibit D, Tab 1, page 1, paragraph 3; lower gas prices, higher employment levels and stronger GDP is expected to lead to higher average use than was forecast. It's difficult to breakdown the contributing factors; however, using lower gas prices and more positive economic forecast would have resulted in a higher average use forecast for both Rate 1 and 6 for 2019.

d) The Company uses the data up to the most recent actual data available at the time of developing the forecast, therefore the actual data to 2018 was used for the 2020 forecast. 2019 actual results will be used for 2021 forecast.

Please refer to Exhibit D, Tab 1, Rate Order, Working Papers, Schedule 10 for the 2020 forecast for Rate 1 and Rate 6, respectively.

e) Historical gas prices up to 2018 and an updated gas price forecast for 2019 and 2020 were used to develop 2020 average use forecast. Overall, the impact of a 10% lower/higher real gas price would lead to an incremental 0.2%-0.4% higher/lower average use per customer forecast, assuming all other variables in the model are held constant.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit E, Tab 1, Page 12; Exhibit E, Tab 1, Schedule 4.

Preamble:

"In 2019, Enbridge Gas sold a total of 5.9 PJ of short-term peak storage (legacy Union). Of this total, 2.9 PJ was excess utility space, calculated by deducting 97.1 PJ of in-franchise utility requirement (as per the Gas Supply Plan) from the total 100 PJ of in-franchise utility storage. Therefore, the excess short term peak storage sales of 3.0 PJ was sold as non-utility space. Total revenue from the sale of C1 Short-Term Peak Storage (Utility) in 2019 was $2.125 million. Details of the above sales are reflected in Exhibit E, Tab 1, Schedule 4."

Question:

a) Please provide the C1 forecast volume and price compared to actual.

b) Please provide a Table showing the forecast and actual space and average price since 2014.

c) How does Union produce the forward year forecast? Please describe in detail.

d) Please provide the forecast for 2020.

Response:

a)

	2013 Board Approved Volume (PJ)	2013 Board Approved average annual price ($CAD/GJ)	Actual Vol (PJ)	Actual average annual price ($CAD/GJ)
2019	11.3	0.70	2.9	0.73

b)

Excess Utility Space	2013 Board Approved Volume (PJ)	2013 Board Approved average annual price ($CAD/GJ)	Actual Vol (PJ)	Actual average annual price ($CAD/GJ)
2014	11.3	0.70	6.4	0.50
2015	11.3	0.70	5.0	0.99
2016	11.3	0.70	6.4	0.88
2017	11.3	0.70	6.8	0.68
2018	11.3	0.70	7.6	0.66

c) As part of the Gas Supply Planning process, Enbridge Gas determines its in-franchise storage needs using the aggregate excess methodology (EB-2019-0137) and thus, the excess utility space.

d) The 2020 forecast level of excess utility short term peak storage for legacy Union is 2.3 PJ.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit E, Tab 1, Page 20-26, Tables1-3 and Page 27, Table 4

Question:

a) Please provide a discussion why the 2019 NAC is higher than forecast for each Rate Class.

b) Please provide for each class a graphical representation of the NAC for 2013-2019. Add the 2020 Forecast.

c) Did the models predict the increase in NAC for Rate 01 and Rate M1? Please provide the 2019 standard error for each class.

d) How is the Forecast for 2020 generated?

e) Please provide the 2019 forecasts.

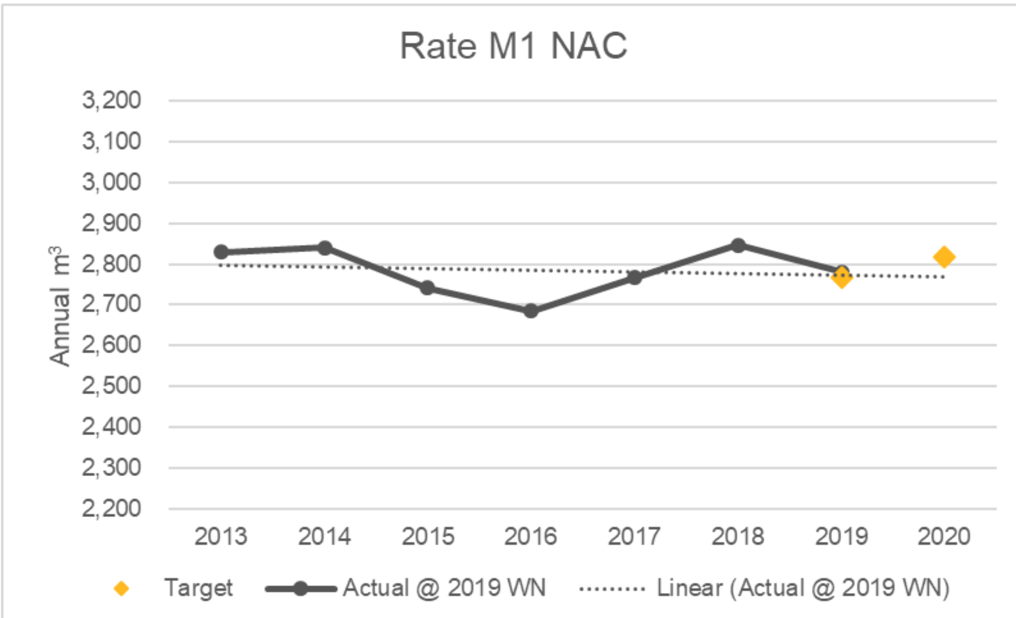
f) Please provide a Table that relates the changes in normalized average use per customer (NAC) 2013-2019 to the changes in Storage requirements in Table 4.

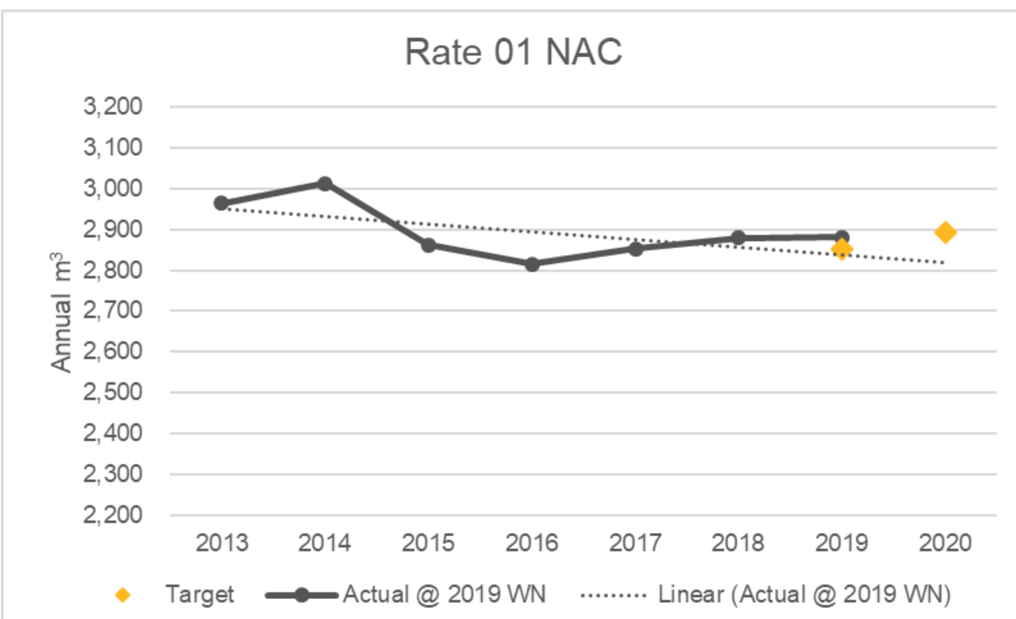
g) What is the relationship between NAC and storage requirement? Please discuss.

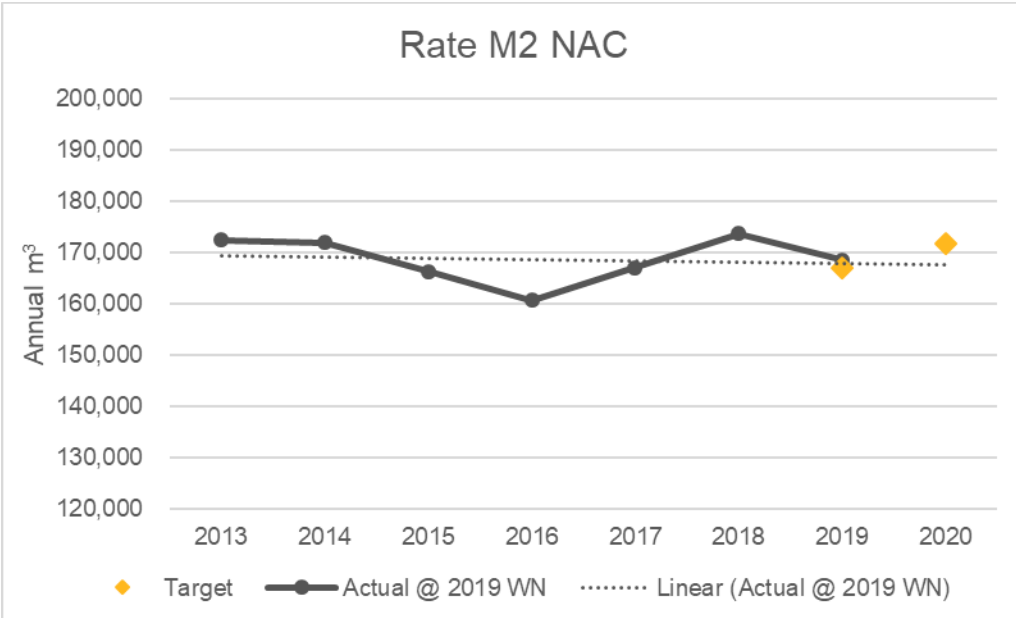
Response:

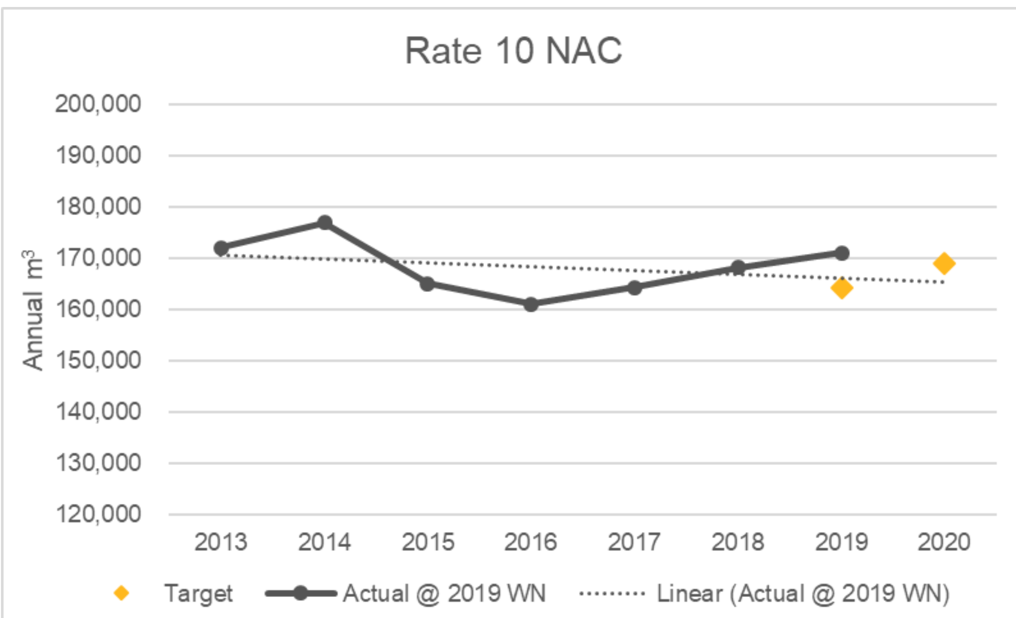
a) Prepared according to the Board-approved methodology, the 2019 target (forecast) NAC is based on the 2017 actual NAC calculated using the 2019 Board-approved weather normal, for each rate class. The 2019 actual NAC was higher than the 2019 target NAC for all rate classes, reflecting that 2019 actual NAC was higher than 2017 actual NAC. Higher NAC in 2019 than in 2017 is partly due to higher employment, higher GDP, lower vacancy rates and lower gas prices, and partly due to other customer behaviour.

b) The charts below illustrate the actual NAC for each rate class for 2013-2019, and the target NAC for 2019 and 2020. Note that the actual NAC figures and 2019 target NAC are weather normalized to the 2019 Board-approved weather normal for comparison. The 2020 target NAC is weather normalized to the 2020 Board-approved weather normal.









c) To determine the 2019 target NAC according to the Board-approved methodology, Enbridge Gas uses the 2017 actual NAC for each rate class, weather normalized using the 2019 weather normal. Regression models are not used to determine the target NAC. In all rate classes, the actual NAC increased from 2016 to 2017, and therefore the target NAC also increased from 2018 to 2019 for all rate classes.

However, actual NAC in 2019 is slightly higher than 2017 actual NAC, causing a positive variance in 2019 for all rate classes.

Calculating a standard error is not applicable. The percentage error for 2019 is shown below:

	Rate M1	Rate M2	Rate 01	Rate 10
2019 Target NAC (m^3)	2,767	167,039	2,853	164,301
2019 Actual NAC (m^3)	2,780	168,624	2,880	171,056
NAC Variance	14	1,586	27	6,755
% Error	0.5%	0.9%	1.0%	4.1%

d) and e)

The forecast for 2020 follows the same Board-approved methodology as applied previously in each year of the 2014-2018 IRM period and in 2019 rates. To determine the 2020 target NAC, Enbridge Gas uses the 2018 actual NAC for each rate class calculated using the Board-approved 2020 weather normal.

The 2020 target NAC was filed and approved as part of Enbridge Gas's 2020 Rates application (EB-2019-0194, Exhibit D, Tab 2, Rate Order, Working Papers, Schedule 13, Page 1).

f) The table below compares the 2019/20 volumes variance related to NAC from Board-approved 2013 volumes to the associated change in storage requirements:

	Rate M1	Rate M2	Rate 01	Rate 10
Change in Storage Requirement (PJ)	0.730	-1.240	0.080	0.200
Volume Variance Related to NAC	-3.4%	16.6%	1.3%	8.7%

g) The change in storage requirements due to NAC variance is calculated using the aggregate excess methodology, which considers monthly volume variances due to NAC between the Gas Supply Plan and 2013 Board-approved volumes. The required storage space is related to the profile of winter volumes compared to average daily volume over the year, and not necessarily the calendar year-over-year change in NAC.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Reference:

Exhibit G, Tab 1, Schedule 1

Preamble:

The Scorecard has no targets for 4 of the Operational Effectiveness Metrics and no Targets for Financial Performance metrics.

Question:

a) For the Operational Effectiveness metrics with no Target please provide the historic average or post merger actual values for lines 10-14.

b) For the Financial Performance metrics with no Target please provide the historic average or post-merger actual values for lines 15-20.

c) Please explain derivation of the metric Damages per 100 Locate Requests.

d) For the Current Ratio and Interest Coverage please provide the ranges expected by the Rating agencies.

Response:

a)

#	Performance Measure	2018	
		Legacy Union Gas	**Legacy Enbridge Gas**
10	**Compression Reliability** % reliable for transmission compression	99.8%	NA
11	**Damages per 1000 locate requests**	2.28	1.85

12	**Total Cost per Customer**	757	530
13	**Total Cost per km of Distribution Pipe**	15,769	15,016

#	Performance Measure	2015	
		Legacy Union Gas	Legacy Enbridge Gas
14	**Total Cumulative Cubic Meters of Natural Gas Saved (net)** (millions)	1750.8	826.2

b)

#	Performance Measure	2018	
		Legacy Union Gas	Legacy Enbridge Gas
15	**Current Ratio** (Current Assets / Current Liabilities)	0.69	0.93
16	**Debt Ratio** (Total Debt / Total Assets)	0.51	0.49
17	**Debt to Equity Ratio** (Total Debt / Shareholders' Equity)	2.12	1.67
18	**Interest Coverage** (EBIT / Interest Charges)	2.69	2.52
19	**Financial Statement Return on Assets** (Net Income / Total Assets)	3.20%	2.98%
20	**Financial Statement Return on Equity** (Net Income / Shareholders' Equity)	13.25%	10.20%

c) Damages per **1000** locate requests is an industry standard metric calculated by dividing the number of damages (including first, second, and third-party damages) by the number of locate requests.

d) At Enbridge Gas's current overall company ratings with DBRS and S&P, the following metrics and accompanying ranges are provided:
   i. DBRS (EBIT-to-Interest) 1.8x to 2.8x
   ii. S&P (EBITDA-to-Interest) 2.5x to 4.0x

No ranges are provided for the current ratio. These respective metrics and target ranges are one of numerous metrics that each agency calculates and reviews in determining an overall rating for Enbridge Gas, along with several other quantitative measures and calculations, and qualitative factors such as business risk, competitive position, and others. A company's overall rating does not imply that each of the factors have that same rating.

The Company also notes that the ratios provided as part of the OEB scorecard are calculated based on the categorization of information provided in the Company's reporting and record keeping requirements (RRRs), consistent with how the Board has calculated similar ratios in the past, but may not be calculated in a manner consistent with how rating agencies would calculate them.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit A, Tab 3, page 4

Preamble:

EGI evidence states: "In the 2016 deferral account proceeding, the OEB noted that "all parties agreed that the 2016 balance in the Parkway West Project Costs Account should be disposed of only on an interim basis to allow the OEB to perform a prudence review of the capital overspend prior to final disposition of the balance in the account."2 Consistent with this direction, Enbridge Gas will seek approval of the final disposition of this account as part of a subsequent proceeding when all the project costs have been incurred and the prudence of the project costs are assessed. "

We would like to understand better the nature of the delayed completion and on-going costs being accrued.

Question:

Please provide the in-service date for the Parkway West Project.

a) Please describe outstanding work at the end of 2019 that precluded completion of the project.

b) Please provide categories of costs and costs accrued for each category since the in-service date.

Response:

The in-service date for the Parkway West project was November 26, 2015.

a) The delay in mothballing of the two heritage homes has precluded the completion of the project.

b) The table below shows the capital costs incurred since 2016.

Table 1: Parkway West Capital Expenditures 2016 Onwards

Line No	Particulars ($000's)	Project Costs
1	Land and Easement	-
2	Station Infrastructure	7,268
3	Pipeline Replacement	8
4	Dawn-Parkway Valve Nest	630
5	Station Header	3,245
6	Enbridge Measurement	735
7	LCU Compressor	6,941
	Total Capital Expenditures	**18,827**

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1, page 5

Preamble:

EGI evidence states: "The calculation of utility earnings and any earnings sharing requirement starts with financial results contained within the Enbridge Gas corporate trial balance. The Company notes that corporate trial balance includes the elimination of transactions between each of the rate zones. This predominantly relates to the elimination of regulated and unregulated storage and transmission revenues that would have been reflected in the Union rate zones, offset by a corresponding elimination of gas costs that would have been reflected for the EGD rate zone. This reflects the fact that from a corporate perspective, EGD rate zone delivery revenues are contributing to the costs of Union rate zones regulated and unregulated storage and transmission services."

We would like to understand better the quantum of costs and unit costs associated with the eliminations.

Question:

Please provide the quantity cost eliminated for each of the identified categories and the number of units of service provided with each.

a) For categories such as regulated (utility) storage, please provide the specific type of service (e.g., short-term storage, park, loan, etc.) and the units and costs of each.

b) Please confirm that there are no unregulated (non-utility) transmission revenues that have been eliminated.

Response:

a) In 2019 Enbridge Gas eliminated the following within in its combined results:
   i. Regulated M12 and Other Transportation revenue of $132.0 million
   ii. Unregulated Storage Services revenue of $17.5 million (Long Term and Other Storage, and Dehydration services)
   iii. Rate 325 Transmission, Compression, & Storage (including Dow Moore Operating Charge) revenue of $2.1 million

   The revenues above were eliminated by way of offsetting impacts to Gas Costs.

   Refer to the response to Exhibit I.FRPO.10 for more details on the above noted revenues, as well as Exhibit D, Tab 1, Schedule 1 for details on Regulated Transportation units associated with i) above. Enbridge Gas is not able to provide the units related to Unregulated Storage Services noted above in ii) as these services relate to market based customer information. Units associated with Rate 325 and Dow Moore Operating Charge revenues noted above in iii) pertain to Dow Moore and Black Creek storage and transmission capacity.

b) Confirmed. No unregulated (non-utility) transmission revenues have been eliminated.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1, page 6

Preamble:

EGI evidence states: "This is accomplished by following and applying regulatory rules as prescribed by the Board and the standards associated with cost of service rate related accounting processes. Examples are:"

Question:

In addition to the examples provided, please provide if there were any additional regroupings or eliminations beyond the costs and revenues for storage and transportation services described above.

a) If so, please describe the calculation and the quantum of costs associated with each respective calculation.

Response:

As noted on page 5 of Exhibit B, Tab 1, the calculation of utility earnings and any earnings sharing requirement starts with financial results contained within the Enbridge Gas corporate trial balance. This does not include the results of the Company's wholly owned subsidiary, St. Lawrence Gas. As well, the Corporate trial balance already includes elimination of inter-entity transactions between the Union and EGD Rate Zones as referenced in pre-filed Exhibit B, Tab 1, page 5 (and the quantum as detailed in the response to Exhibit I.FRPO.2 with no resulting net earnings impact). From there, adjustments to arrive at Corporate results as noted in Exhibit B, Tab 1, Schedule 2 (Col. 1) included:

i. Elimination of corporate interest expense of $394 million;
ii. Elimination of corporate income taxes $64 million;

iii. Reclassification of pension related items from Other Income to Operation & Maintenance of approx. $19 million (no net earnings impact);
iv. Reclassification of property and other taxes from Operations & Maintenance to Municipal and other taxes of approx. $123 million (no net earnings impact);
v. Reclassification of EGD Rate Zone Open Bill program expenses from Operation & Maintenance to Other Operating Revenue of approx. $14 million (no net earnings impact).
vi. Reclassification of EGD Rate Zone ABC program expenses from Operations & Maintenance to Other Operating Revenue of approx. $0.9 million (no net earnings impact).

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1, page 6

Preamble:

EGI evidence states: "In addition, Enbridge Gas has made the appropriate adjustments in relation to non-standard legacy EGD and Union rate regulated items which the Board has either decided in the past or are required in order to determine an appropriate utility return on equity. Examples are:
…..,

- exclusion of non-utility or unregulated activities; "

Question:

Please specify all of the unregulated activities and the quantum of adjustments made for each.

Response:

With regard to the exclusion of non-utility and unregulated activities in order to derive utility results, please refer to pre-filed evidence Exhibit B, Tab 1, Schedule 2. Columns 2 and 3, which represent the excluded items as referenced above.

Column 2 represents the Unregulated quantum of results embedded within Corporate results that need to be removed in order to arrive at Utility Income. The amounts in Column 2 primarily include unregulated storage, but also includes other small amounts captured with unregulated activities (i.e. legacy EGD oil and gas and non-utility farm structure amounts). Column 3 represents all other activities that need to be removed from Corporate results to arrive at Utility Income for Return on Rate Base and Earnings Sharing purposes. The Column 3 notes provide the details and quantum of each adjustment made.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1, Schedule 2 and
EB-2019-0105, Exhibit C, Tab 2, Appendix A, Schedule 3

Preamble:

We would like to understand better the revenue, gas costs and adjustments allocated to the non-utility storage

Question:

Please provide the source of the revenue in Line 3 (i.e., legacy Union non-utility, legacy EI non-utility or combined).

a) If combined, please breakout the respective contributions of each legacy storage.
   i) In what year were the revenues combined?
      (1) Please provide the separate EI figures for 2017, 2018 and 2019.

b) If not combined, please confirm or clarify that these figures are for the legacy Union storage and the EI figures are found in Exhibit D, Tab 1, Schedule 2.

Response:

The schedule referred to represents the combined Enbridge Gas non-utility revenues

a) and b) Since amalgamating, the contributions from each legacy company are no longer tracked separately.

i) The management of Non-utility Storage and associated revenues were combined upon amalgamation as at January 1, 2019.

(1)

Non-Utility Storage Revenues

	2017	2018	2019
Legacy UG	114.4	128.3	-
Legacy EGD	13.8	15.3	-
Combined EGI	**128.2**	**143.6**	**137.0**

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1, Schedule 2 and
EB-2019-0105, Exhibit C, Tab 2, Appendix A, Schedule 3

Preamble:

We would like to understand better the revenue, gas costs and adjustments allocated to the non-utility storage

Question:

Please specifically describe the gas costs and adjustments in Line 7 of Schedule 2.

a) As above in 5), if these costs are for the combined operations, please breakout the respective legacy operations contributions for 2017, 2018 and 2019.

b) If not combined, please provide the comparable EI figures for 2017, 2018 and 2019 and a reference to where these figures are presented.

Response:

The costs included in non-utility results in Line 7 pertain primarily to costs incurred for third party storage capacity and services, as well as an allocation of UFG/LUF and fuels incurred in relation to providing non-utility storage services.

The adjustment in Line 7 pertains to the reclassification of Union Rate Zone Gas Supply Optimization Margin in rates. For external corporate reporting purposes these reductions are classified as part of gas sales and distribution revenue (in line 1). However, as directed in EB-2011-0210, Union is to recognize optimization revenues as an offset to gas costs, and therefore the reclassification for utility income presentation purposes.

	Union Rate Zones ($M)	**EGD Rate Zones ($M)**
Non-utility costs:		
2019	23.8	1.2
2018	21.2	1.2
2017	23.9	1.9
Utility Adjustments[1]:		
2019	17.5	-
2018	16.8	-
2017	15.6	-

1 Amounts pertain to the Gas Supply Optimization Margin in Rates, included in Gas Sales and Distribution revenue in Corporate results, reclassified as a Gas Cost reduction in Utility results.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1, Schedule 2, Tab 2 Schedule 2 and 3 and Tab 3 Schedule 1

Preamble:

We would like to understand better and we believe the Board will benefit from a disaggregation of the corporate entries into the legacy utility, EGD and UG, contributions to those line items in the above referenced schedule.

Question:

For each of the above schedules, please provide the respective EGD rate zone and UG rate zone figures for each line items ideally in separate schedules.

a) Where there has been a completed integration of all aspects pertaining to a cost category, please provide an estimate using the ratio of the legacy company's 2018 costs that have been included in the corporate total.

b) Please provide the 2017 and 2018 figures for each of the respective cost items.

c) Please provide the drivers for any and increases in costs greater than 10% from 2018 actual to 2019 actual or estimated.

Response:

Enbridge Gas is not able to provide disaggregation of many cost-related results between the legacy utilities for 2019, because the operation of the utility was combined in 2019 and costs were no longer recorded by or allocated to legacy utility operations. The Company does not believe that a presentation which allocates costs between the legacy utilities based on historic ratios will be meaningful to the determinations necessary for this proceeding. It would also become even less meaningful each successive year of the deferred rebasing term.

In terms of the request to disaggregate specific Schedules noted in this question, Enbridge Gas has the following responses.

- Exhibit B, Tab 1, Schedule 2: EGI Utility Income: some of the items in this presentation (such as Operation and Maintenance) cannot be disaggregated between the legacy utilities.

- Exhibit B, Tab 2, Schedule 2: Customer Meters, Volumes and Revenues by Rate Class – This Schedule breaks out revenues by Rate Class (and by rate zones).

- Exhibit B, Tab 2, Schedule 3: EGI Revenue from Regulated Storage and Transportation of Gas – It should be straightforward for a reader to determine to which legacy utility the various entries on this Schedule relate.

- Exhibit B, Tab 3, Schedule 1: Utility O&M 2019 Actual: All operating costs have been combined in 2019 and cannot be disaggregated into legacy utility components. Further, because of the integrated management of operations in 2019, it is not possible to determine how much of the legacy costs are resident in the combined utility as all operations and synergies are now tracked on a combined basis. In Table 3 of the response to Exhibit I.EP.3, Enbridge Gas has provided a comparison of overall O&M costs for 2018 and 2019.

a) See overall response, above.

b) See overall response, above. Information about 2017 and 2018 O&M costs is found at Tables 1 and 2 provided in the response to Exhibit I.EP.3 e).

c) See overall response, above. Information about the drivers for cost increases is found in the response to Exhibit I.EP.3 f).

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1, Schedule 2, Tab 2 Schedule 2 and 3 and Tab 3 Schedule 1

Preamble:

We would like to understand better and we believe the Board will benefit from a disaggregation of the corporate entries into the legacy utility, EGD and UG, contributions to those line items in the above referenced schedule.

Question:

Specifically, for transactions between former Enbridge Gas and Union Gas, please provide the 2019 transactions of costs and revenues.

a) Please provide the 2017 and 2018 figures for those transactions.

Response:

($M)	2019	2018	2017
M12 and Other Transmission Revenue from Union to EGD	132.0	138.7	121.7
Long Term and Other Storage Revenue from Union to EGD	17.5	16.5	14.0
Rate 325 – Transmission, Compression and Storage Revenue from EGD to Union (including Black Creek and Dow Moore)	2.1	2.1	1.8

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1, Schedule 2, Tab 2 Schedule 2 and 3 and Tab 3 Schedule 1

Preamble:

We would like to understand better and we believe the Board will benefit from a disaggregation of the corporate entries into the legacy utility, EGD and UG, contributions to those line items in the above referenced schedule.

Question:

For Tab 1, Schedule 2:

a) Please describe the Purchase Price Discrepancy in Note vi and breakout the underlying transactions resulting in the 22.3M figure.

b) Please detail the nature of interest income from affiliates in Note viii and describe the source of funds relied upon to generate the interest.

c) Please reconcile the $6.0M Storage Utility income in line 3, column 4 with the Ex. E, Tab 1, Schedule 2.

Response:

a) The $22.5 million Purchase Price Discrepancy amortization relates to the fair value adjustment recorded by Enbridge Inc. on the acquisition of EGD. See Note 2 of the EGI 2019 Annual Financial Statements (pages 7-8) for additional details. This amount has been included as an elimination in earnings sharing proceedings since Enbridge Gas adopted USGAAP (see, for example, EB-2019-0105, Exhibit B, Tab 2, Appendix D, Schedule 1, page 5).

b) The cash balances of Enbridge Gas are subject to a concentration banking arrangement with Enbridge Inc. Interest income from affiliates in Note vii) represents interest received from Enbridge Inc. related to this banking agreement paid at market rates.

c) Please refer to Exhibit B, Tab 2, Schedule 3 for the breakdown of the $6.0M million summarized in Exhibit B, Tab 1, Schedule 2. The reconciliation to Exhibit E, Tab 1, Schedule 2 is found below:

Particulars	($000s)
C1 Off-Peak Storage	418
Supplemental Balancing Services	869
Gas Loans	2
C1 Short term Firm Peak Storage	2,125
Subtotal – agrees to Exhibit B, Tab 2, Sch 3[1]	3,414
Short Term Storage and Balancing Services Deferral	2,630
Rate 325: Transmission, Compression, & Storage	2,114
Less: Elimination of charges between EGD and Union rate zones	(2,162)
Total Regulated Storage Revenue Net of Deferral	5,996

[1] Please note there is a sum error in Exhibit B, Tab 2, Sch 1, Lines 5 & 7 – should total to $3,414 in line 7 and the deferral balance on line 16 should equal $2,822 agreeing to the balance reported in Exhibit C, Tab 1, Schedule 1 as well as Exhibit E, Tab 1, Page 8 of 61

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1, Schedule 2, Tab 2 Schedule 2 and 3 and Tab 3 Schedule 1

Preamble:

We would like to understand better and we believe the Board will benefit from a disaggregation of the corporate entries into the legacy utility, EGD and UG, contributions to those line items in the above referenced schedule.

Question:

In Tab 2, Schedule 3:

a) For each of the individual category of services, please indicate for each, if the service can also be provided by the non-utility storage.

   i) For each, how does EGI determine which storage (i.e., utility or non-utility) is providing the short-term service?

   ii) Do all of the short-term transactions get booked to the utility's revenues until such time as all of the short-term storage is sold and then proportional to the percentage of utility/non-utility short-term space sold in that year after all of the short-term utility space is sold?
      (1) If not, please explain how the transactions are managed in the year and at year-end.

   iii) For line 7, please break-out the aggregate transactions between legacy EGD and UG into the respective lines 1 to 6 indicating which rate zone is paying the other.

   iv) For line 20, please break-out the aggregate transactions between legacy EGD and UG into the respective lines 9 to 19 indicating which rate zone is paying the other.

Response:

a)

i. As approved in EB-2011-0210 and explained in Exhibit E, Tab 1, paragraph 10,

> Enbridge Gas prioritizes the sale of its legacy Union utility storage ahead of the sale of its short-term non-utility storage and allocates short-term peak storage margins between utility and non-utility as directed by the Board in EB-2011-0210. Margins from short-term peak storage services are proportionately split between the utility and non-utility customers based on the utility and non-utility share of the total quantity of short-term peak storage sold each calendar year.

Only short-term peak storage can be provided by utility or non-utility storage assets using the Board approved method (EB-2011-0210) outlined in EB-2020-0134, Exhibit E, Tab 1, Schedule 4; off-peak storage, balancing and loans (excluding loans related to non-utility optimization) are provided using utility storage.

ii. Yes.

iii. Please see the table below.

Line No.	Particulars ($000s)		2019 Actual	Rate Zone
	Revenue from Regulated Storage Services:			
1.	C1 Off-Peak Storage			
2.	Supplemental Balancing Services		48	L-EGD to L-UG
3.	Gas Loans			
4.	C1 Short Term Firm Peak Storage			
5.	Short Term Storage and Balancing Services Deferral			
6.	Rate 325: Transmission, Compression, & Storage		2,114	L-UG to L-EGD
7.	Less: Elimination of charges between EGD and Union rate zones			
8.	Total Regulated Storage Revenue Net of Deferral	$	2,162	

iv. Please see the table below.

Line No.	Particulars ($000s)		2019 Actual	Rate Zone
	Revenue from Regulated Transportation Services:			
9.	M12 Transportation		119,850	L-EGD to L-UG
10.	M12-X Transportation		10,764	L-EGD to L-UG
11.	C1 Long Term Transportation		620	L-EGD to L-UG
12.	Rate 332: Gas Transmission			
13.	C1 Short Term Transportation		0	L-EGD to L-UG
14.	Gross Exchange Revenue		90	L-EGD to L-UG
15.	Rate 331: Gas Transmission			
16.	M13 Local Production			
17.	M16 Transportation		417	L-EGD to L-UG
18.	S&T:Transportation Carbon Facility Collection		259	L-EGD to L-UG
19.	Other S&T Revenue		9	L-EGD to L-UG
20.	Less: Elimination of charges between EGD and Union rate zones			
21.	Total Regulated Transportation Revenue Net of Deferral	$	132,009	

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1, Schedule 4, page 1 and
EB-2019-0105 Exhibit C, Tab 2, Appendix A, Schedule 18

Preamble:

We would like to understand better the contribution of balancing gas to rate base.

Question:

Please describe item referred to as balancing gas and separately the item base pressure gas for the Union Gas rate zone.

a) Using the 2017 and 2018 figures for balancing gas contained in the EB-2019-0105 reference and the figures for 2019, please provide the quantity and cost of balancing gas for each year.

b) Please provide the total balancing gas for the integrated storage operations in each of those years.
    i) Please provide the allocation methodology and amount transferred to the non-utility operations.

c) Please provide the amount of base pressure gas for each of the three years and the amount allocated to the non-utility storage operations.

Response:

Within the Union rate zones, Balancing Gas inventory is held in order to meet (load balance) the temporary negative inventory positions of Direct Purchase (DP) customers (also referred to as T-Service or Transportation Service customers) due to their consumption and delivery patterns. DP customers deliver daily quantities of gas to the utility evenly all year. However, their or their customer's consumption patterns do not occur evenly, due to seasonal weather, industrial cycles, etc. DP balancing gas allows

DP customers to consume gas as needed, by drafting the system (consume more gas than what they have injected) when necessary and replacing it later.

Within the Union rate zones, the Company has recorded DP Balancing Gas as a non-current asset, owned by the Company, and measured at its historical weighted average cost. DP customers “borrow” this gas from the Company and return in kind at different checkpoints during the year.

Base pressure gas, is natural gas that the Company holds as a fixed asset within its gas storage system to provide the base, or minimum pressure needed to meet operational requirements with the above ground assets currently in place. The working storage capacity of the facility is determined as the amount of storage space available over and above this base pressure, up to the maximum pressure the facilities have been qualified for.

a)

Balancing Gas – Union Rate Zones	**Cost ($M)**	**Quantity (MMcf)**
2017	65.7	13,454
2018	55.7	11,421
2019	56.2	11,569

b) Balancing Gas does not pertain to the integrated storage operations or non-utility operations as noted in the preamble above. Balancing Gas only pertains to balancing the needs of Direct Purchase/T-Service/Transportation Service customers.

c)

Base Pressure Gas – Union Rate Zones (Total)	**Cost ($M)**	**Quantity (MMcf)**
2017	66.8	57,146
2018	66.8	57,146
2019	66.8	57,146

Base Pressure Gas – Union Rate Zones (allocated to Non-Utility)	**Cost ($M)**	**Quantity (MMcf)**
2017	30.2	21,671
2018	30.2	21,671
2019	30.2	21,671

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1, Schedule 4, page 1 and
EB-2019-0105 Exhibit C, Tab 2, Appendix A, Schedule 18

Preamble:

We would like to understand better the contribution of balancing gas to rate base.

Question:

Please answer the above questions in 11) for the EGD rate zone and its legacy non-utility storage.

a) If the terminology is different, please describe the items and quantify the respective figures for each of the three years requested for Union Gas rate zone.

Response:

The definition or concept of balancing gas for the EGD rate zone is the same as that for the Union rate zones (See Exhibit I.FRPO.11) . However, unlike the Union rate zones, within the EGD rate zone there has been no separate identification of balancing gas apart from gas in storage inventory amounts. Balancing gas requirements within the EGD rate zone are accommodated through the Company's management of overall system requirements (demand, supply, storage injection/withdrawal capabilities and targets), which influences daily gas purchases and gas in storage injection and withdrawals. DP customers settle their balances in kind at different checkpoints during the year.

While the Union rate zones have historically included balancing gas as a distinct element within rate base working capital, the EGD rate zone has historically reflected balancing gas requirements as part of the gas in storage inventory component of rate base working capital.

As such, for the EGD rate zone the Company has not isolated balancing gas apart from gas in storage inventory. However, please find the details requested for Base Pressure Gas below.

Base Pressure Gas – EGD rate zone (Total)	**Cost ($M)**	**Quantity (MMcf)**
2017	39.0	30,961
2018	39.0	30,961
2019	39.0	30,961

Base Pressure Gas – EGD rate zone (allocated to Non-Utility)	**Cost ($M)**	**Quantity (MMcf)**
2017	5.6	4,427
2018	5.6	4,427
2019	5.6	4,427

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1 and
EB-2019-0105 Exhibit C Tab 2 Appendix C Schedule 1-2

Preamble:

Since its last rebasing, Union Gas Deferral Disposition Applications included the statement: "As directed by the Board in EB-2011-0210 Decision and Order, p. 79, Union has provided plant continuity schedules related to Union's non-utility storage business".

These schedules were included in last years filing at the above reference. We believe it important to continue to have transparency in the allocation of capital costs between the utility and non-utility storage accounts especially at this time of amalgamation.

Question:

Please provide the Plant Continuity Schedules for the Union Rate zone's non-utility storage.

Response:

See Plant Continuity Schedules for the Union rate zones non-utility storage below.

TABLE 1
UGL RATE ZONE UNREGULATED GAS PLANT
CONTINUITY OF PROPERTY, PLANT AND EQUIPMENT
2019 ACTUAL

Line No.		Col. 1 Opening Balance Dec.2018	Col. 2 Additions	Col. 3 Retirements	Col. 4 Closing Balance Dec.2019
		($Millions)	($Millions)	($Millions)	($Millions)
	Underground storage plant				
1.	Land	2.2	-	-	2.2
2.	Land rights	29.9	-	-	29.9
3.	Structures and improvements	25.7	0.2	-	25.9
4.	Wells and lines	146.7	1.1	-	147.8
5.	Compressor equipment	162.2	0.4	-	162.6
6.	Measuring and regulating equipment	27.4	(0.1)	-	27.3
7.	Base pressure gas	30.2	-	-	30.2
8.	Other equipment	-	-	-	-
9.	Sub-Total	424.4	1.5	-	425.9
	General plant				
10.	Land	0.0	-	-	0.0
11.	Structures & improvements	2.5	0.3	-	2.8
12.	Office furniture and equipment	0.4	0.2	-	0.6
13.	Office equipment - computers	4.2	0.2	-	4.4
14.	Transportation equipment	2.6	0.1	(0.2)	2.5
15.	Heavy work equipment	0.7	0.1	(0.0)	0.7
16.	Tools and work equipment	1.3	0.1	-	1.4
17.	NGV	0.1	0.0	-	0.1
18.	Communication equipment	0.5	0.1	-	0.5
19.	Other general equipment	-	-	-	-
20.	Sub-Total	12.2	1.1	(0.2)	13.0
21.	Total	436.6	2.6	(0.2)	438.9

TABLE 2
UGL RATE ZONE UNREGULATED GAS PLANT
CONTINUITY OF ACCUMULATED DEPRECIATION
YEAR END BALANCES
2019 ACTUAL

Line No.		Col. 1 Opening Balance Dec.2018	Col. 2 Additions	Col. 3 Retirements	Col. 4 Costs Net of Proceeds	Col. 5 Closing Balance Dec.2019
		($Millions)	($Millions)	($Millions)	($Millions)	($Millions)
	Underground storage plant					
1.	Land rights	(11.2)	(0.6)	-	-	(11.7)
2.	Structures and improvements	(12.0)	(0.7)	-	-	(12.7)
3.	Wells and lines	(41.8)	(3.2)	-	-	(45.0)
4.	Compressor equipment	(60.6)	(3.9)	-	-	(64.5)
5.	Measuring & regulating equipment	(13.6)	(0.5)	-	-	(14.1)
6.	Sub-Total	(139.2)	(8.9)	-	-	(148.1)
	General plant					
7.	Structures & improvements	(0.5)	(0.0)	-	-	(0.6)
8.	Office furniture and equipment	(0.2)	(0.0)	-	-	(0.2)
9.	Office equipment - computers	(2.6)	0.3	-	-	(2.4)
10.	Transportation equipment	(1.5)	(0.4)	0.2	(0.0)	(1.7)
11.	Heavy work equipment	(0.2)	(0.1)	0.0	-	(0.2)
12.	Tools and work equipment	(0.6)	(0.1)	-	-	(0.7)
13.	NGV	(0.1)	-	-	-	(0.1)
14.	Communication equipment	(0.3)	(0.0)	-	-	(0.3)
15.	Sub-Total	(6.1)	(0.3)	0.2	(0.0)	(6.1)
16.	Total	(145.3)	(9.2)	0.2	(0.0)	(154.2)

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 1 and
EB-2019-0105 Exhibit C Tab 2 Appendix C Schedule 1-2

Preamble:

Since its last rebasing, Union Gas Deferral Disposition Applications included the statement: "As directed by the Board in EB-2011-0210 Decision and Order, p. 79, Union has provided plant continuity schedules related to Union's non-utility storage business".

These schedules were included in last years filing at the above reference. We believe it important to continue to have transparency in the allocation of capital costs between the utility and non-utility storage accounts especially at this time of amalgamation.

Question:

Please provide the Plant Continuity Schedules for the EGD Rate zone's non-utility storage for 2017 to 2019.

Response:

See Plant Continuity Schedules for the EGD rate zone non-utility storage for 2017-2019 below.

TABLE 1
EGD RATE ZONE UNREGULATED GAS PLANT
CONTINUITY OF PROPERTY, PLANT AND EQUIPMENT
2017 ACTUAL

Line No.		Col. 1 Opening Balance Dec.2016	Col. 2 Additions	Col. 3 Retirements	Col. 4 Closing Balance Dec.2017
		($Millions)	($Millions)	($Millions)	($Millions)
1.	Production assets	8.7	-	-	8.7
2.	Land rights intangibles	8.2	-	-	8.2
3.	Storage	93.5	0.7	-	94.2
4.	ARO on oil assets	6.3	-	-	6.3
5.	Total	116.8	0.7	-	117.5

TABLE 2
EGD RATE ZONE UNREGULATED GAS PLANT
CONTINUITY OF ACCUMULATED DEPRECIATION
2017 ACTUAL

Line No.		Col. 1 Opening Balance Dec.2016	Col. 2 Additions	Col. 3 Retirements	Col. 4 Costs Net of Proceeds	Col. 5 Closing Balance Dec.2017
		($Millions)	($Millions)	($Millions)	($Millions)	($Millions)
	EGD Rate Zone Underground storage plant					
1.	Production assets	(2.2)	(0.5)	-	-	(2.7)
2.	Land rights intangibles	(7.5)	-	-	-	(7.5)
3.	Storage	(14.1)	(1.9)	-	-	(15.9)
4.	ARO Depeltion on Oil and Gas	0.4	(0.5)	-	-	(0.1)
5.	Total	(23.3)	(2.9)	-	-	(26.3)

TABLE 3
EGD RATE ZONE UNREGULATED GAS PLANT
CONTINUITY OF PROPERTY, PLANT AND EQUIPMENT
2018 ACTUAL

Line No.		Col. 1 Opening Balance Dec.2017	Col. 2 Additions	Col. 3 Retirements	Col. 4 Closing Balance Dec.2018
		($Millions)	($Millions)	($Millions)	($Millions)
1.	Production assets	8.7	-	-	8.7
2.	Land rights intangibles	8.2	-	-	8.2
3.	Storage	94.2	0.3	-	94.5
4.	ARO on oil assets	6.3	7.0	-	13.3
5.	Total	117.5	7.3	-	124.7

TABLE 4
EGD RATE ZONE UNREGULATED GAS PLANT
CONTINUITY OF ACCUMULATED DEPRECIATION
2018 ACTUAL

Line No.		Col. 1 Opening Balance Dec.2017	Col. 2 Additions	Col. 3 Retirements	Col. 4 Costs Net of Proceeds	Col. 5 Closing Balance Dec.2018
		($Millions)	($Millions)	($Millions)	($Millions)	($Millions)
	EGD Rate Zone Underground storage plant					
1.	Production assets	(2.7)	(0.9)	-	-	(3.7)
2.	Land rights intangibles	(7.5)	(0.0)	-	-	(7.5)
3.	Storage	(15.9)	(0.9)	-	0.2	(16.7)
4.	ARO Depeltion on Oil and Gas	(0.1)	-	-	-	(0.1)
5.	Total	(26.3)	(1.9)	-	0.2	(27.9)

TABLE 5
EGD RATE ZONE UNREGULATED GAS PLANT
CONTINUITY OF PROPERTY, PLANT AND EQUIPMENT
2019 ACTUAL

Line No.		Col. 1 Opening Balance Dec.2018	Col. 2 Additions	Col. 3 Retirements	Col. 4 Closing Balance Dec.2019
		($Millions)	($Millions)	($Millions)	($Millions)
1.	Production assets	8.7	-	-	8.7
2.	Land rights intangibles	8.2	-	-	8.2
3.	Storage	94.5	0.1	-	94.6
4.	ARO on oil assets	13.3	-	-	13.3
5.	Total	124.7	0.1	-	124.8

TABLE 6
EGD RATE ZONE UNREGULATED GAS PLANT
CONTINUITY OF ACCUMULATED DEPRECIATION
2019 ACTUAL

Line No.		Col. 1 Opening Balance Dec.2018	Col. 2 Additions	Col. 3 Retirements	Col. 4 Costs Net of Proceeds	Col. 5 Closing Balance Dec.2019
		($Millions)	($Millions)	($Millions)	($Millions)	($Millions)
	EGD Rate Zone Underground storage plant					
1.	Production assets	(3.7)	-	-	-	(3.7)
2.	Land rights intangibles	(7.5)	-	-	-	(7.5)
3.	Storage	(16.7)	(2.8)	-	-	(19.5)
4.	ARO Depeltion on Oil and Gas	(0.1)	(0.9)	-	-	(1.0)
5.	Total	(27.9)	(3.7)	-	-	(31.6)

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 4, page 1

Question:

Please provide a description of the transactions that occur in foreign currency losses to the utility in lines 1 to 6 that contribute to the loss shown in line 9.

Response:

Certain transactions occur in US Dollars (USD). As a result Enbridge Gas has a USD Bank Account, USD Accounts Receivable and USD Accounts Payable. For financial reporting purposes, these balance sheet accounts are converted to Canadian dollars using the exchange rate in effect at the reporting date, resulting in foreign exchange gains/losses.

ENBRIDGE GAS INC.

Answer to Interrogatory from Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 4, Table 2 and pages 7-8

Preamble:

EGI evidence states: "The overheads in the EGD rate zone include departmental labour costs, capitalized administrative and general, EA fixed overheads and interest during construction.

We would like to understand better the contributors to the regulatory overhead for the respective companies.

Question:

For each of the respective rate zones, please provide a breakdown of the quantity of the contributors identified in the above referenced statement and any other contributors such as specific project ICM capitalized overheads.

Response:

Please refer to Exhibit I.CCC 4 for a description of the contributors of overheads for each of the rate zones.

Please see the tables below for the breakdown of contributors by rate zone:

EGD Rate Zone	**2019 Actual Overheads ($M)**
Departmental Labour Costs (DLC)	89.94
Administrative and General (A&G)	44.14
Alliance Partner Overheads	14.64
Interest During Construction	2.12
Total	**150.85**

Union Gas Rate Zone	**2019 Actual Overheads ($M)**
Indirect Overheads	78.99
Alliance Partner Overheads	1.05
District Contractor Pre-Work Costs	2.30
Total	**82.34**

There are no ICM specific overheads identified. ICM projects will be allocated overheads based on the amount of total eligible core capital projects and the amount of overheads per rate zone.

Enbridge Gas will be harmonizing the overhead capitalization policies as part of overall integration and alignment activities.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit C, Tab 1, page 1

Preamble:

EGI evidence states: "The Company is no longer requesting clearance of the 2019 GSPCCDA, which has a balance of $3.9 million that would have been collected from ratepayers. The balance will not be carried forward, and Enbridge Gas will not maintain the account in future years."

Question:

Please describe the accounting treatment for the remaining balance and any consequence to the earnings sharing calculation.

Response:

Please see Exhibit I.STAFF.7, parts a) and b).

The accounting treatment reflects the approach as laid out in the evidence at Exhibit C, Tab 1, pages 1 to 3 and in Exhibit I.STAFF.7.

Upon foregoing the Gas Supply Plan Cost Consequences Deferral Account (GSPCCDA), Enbridge Gas reduced 2019 revenue by $3.9 million and reduced 2019 gas cost by $6.1 million, with corresponding cost adjustments to the 2019 Storage and Transportation Deferral Account (S&TDA) and the 2019 Unaccounted for Gas Variance account (UAFVA), for a net impact on 2019 earnings of $2.2 million before tax.

Note that there will also be a $4.9 million gas cost reduction in 2020 resulting from foregoing the GSPCCDA, because storage demand and injection costs are deferred and amortized over the heating season (which runs over two years, in this case 2019 and 2020). This will be reflected in the 2020 results.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit D, Tab 1, Schedule 1

Question:

For the incremental M12 capacity for the EGD rate zone, please provide a reference to the evidence previously presented to request approval for the cost consequences of the contract M12334.

Response:

The filed evidence can be found in Enbridge's 2019 rates application (EB-2018-0305) Exhibit E1, Tab 2, Schedule 1, page 17. As per Section 3.2.8, "Union Gas Transportation", it states

> The 2019 gas supply plan contains 75,000 GJ per day of new M12 service capacity with an expected in-service date of November 1, 2019. This capacity is required to utilize the same capacity of new short haul FT service on TCPL's system and allow for delivery to the Enbridge CDA…

This contract is listed in the Summary of January 1, 2020 Upstream Transportation Contracts provided in the EB-2019-0137 5 Year Gas Supply Plan review – see Appendix B, page 1, line 9.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit E, Tab 1, page 10 and Schedule 2

Preamble:

EGI evidence states: "Year-over-year, actual utility storage requirements for 2019 were 4.7 PJ higher than the requirement in 2018, resulting in a decrease in the C1 Short-Term Peak Storage available for sale (from 7.6 PJ in 2018 to 2.9 PJ in 2019). This is a result of an increase in the storage requirement for utility customers. The storage requirement for the general service market was calculated using the Board-approved aggregate excess methodology."

We would like to understand better the allocation of storage assets to in-franchise customers in the Union Gas rate zones and the ST Storage Deferral Account.

Question:

Please provide the daily and monthly figures used and derivation of the amount of the following in tabular form with accompanying Excel spreadsheets:

a) the determination of the storage space for each general service rate class

b) the determination of the amount of deliverability required by each general service rate class

Response:

Enbridge Gas does not prepare the above noted information on a daily or monthly basis. For storage and deliverability analysis on an annual basis for each general service rate class see response to Exhibit I.FRPO.20.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit E, Tab 1, page 10 and Schedule 2

Preamble:

EGI evidence states: "Year-over-year, actual utility storage requirements for 2019 were 4.7 PJ higher than the requirement in 2018, resulting in a decrease in the C1 Short-Term Peak Storage available for sale (from 7.6 PJ in 2018 to 2.9 PJ in 2019). This is a result of an increase in the storage requirement for utility customers. The storage requirement for the general service market was calculated using the Board-approved aggregate excess methodology."

We would like to understand better the allocation of storage assets to in-franchise customers in the Union Gas rate zones and the ST Storage Deferral Account.

Question:

Please provide a table that provides the amount of storage and deliverability for each and all Union Gas rate zone classes (additionally system integrity space) for:

a) 2019

b) The amount of storage and deliverability underpinning the 2013 base rates

c) Please provide a similar table for the EGI rate zone.

Response:

a) Please see Attachment 1, columns a) and b).

b) Please see Attachment 1, columns c) and d).

c) Please see Attachment 2 for the 2019 storage space and deliverability for Enbridge Gas.

Enbridge Gas Inc.
2019 & 2013 Storage Space & Deliverability
by Union Rate Zone Rate Class

		2019 (1)		2013 Board-approved	
Line No.	Particulars	Storage Space (2) (PJ)	Storage Deliverability (2) (GJ/d)	Storage Space (4) (PJ)	Storage Deliverability (5) (GJ/d)
		(a)	(b)	(c)	(d)
	Union North				
1	Rate 01	13.0	209,483	11.9	219,125
2	Rate 10	3.1	60,224	3.1	57,366
3	Rate 20	1.5	34,849	0.8	15,333
4	Rate 25	-	-	-	-
5	Rate 100	0.1	1,126	0.1	1,079
6	Total Union North	17.7	305,681	15.8	292,902
	Union South				
7	Rate M1	40.5	917,843	33.2	579,776
8	Rate M2	10.7	294,550	11.3	196,839
9	Rate M4	3.0	161,351	1.7	48,870
10	Rate M5	0.0	269	2.4	255
11	Rate M7	2.2	62,249	0.6	18,162
12	Rate M9	0.3	8,751	0.3	3,265
13	Rate M10	0.0	134	0.0	340
14	Rate T1	1.4	37,927	1.9	54,930
15	Rate T2	8.6	186,125	8.8	236,123
16	Rate T3	3.2	65,700	3.1	56,610
17	Total Union South	69.9	1,734,899	63.3	1,195,170
	Ex-Franchise				
18	Excess Utility Storage	2.9 (3)	34,224	11.3	137,585
19	Rate C1	-	-	-	-
20	Rate M12	-	-	-	-
21	Rate M13	-	-	-	-
22	Rate M16	-	-	-	-
23	Total Ex-Franchise	2.9	34,224	11.3	137,585
24	System Integrity Space	9.5	-	9.5	-
25	Total Union Rate Zone	100.0	2,074,803	100.0	1,625,658

Notes:
(1) Allocation to rate classes using Board-approved cost allocation methodologies.
(2) Storage space based on actual W19/20 usage and storage deliverability based on forecast W19/20 requirements.
(3) EB-2020-0134, Exhibit E, Tab 1, page 9.
(4) EB-2011-0210, Exhibit G3, Tab 5, Schedule 21, pages 10-12, Updated, converted to PJ.
(5) EB-2011-0210, Exhibit G3, Tab 5, Schedule 21, pages 10-12, Updated, converted to GJ/d.

Enbridge Gas Inc.
2019 Storage Space & Deliverability

Line No.	Particulars	2019 (1) Storage Space (2) (PJ)	Storage Deliverability (2) (GJ/d)
		(a)	(b)
	Union North		
1	Rate 01	13.0	209,483
2	Rate 10	3.1	60,224
3	Rate 20	1.5	34,849
4	Rate 25	-	-
5	Rate 100	0.1	1,126
6	Total Union North Rate Zone	17.7	305,681
	Union South		
7	Rate M1	40.5	917,843
8	Rate M2	10.7	294,550
9	Rate M4	3.0	161,351
10	Rate M5	0.0	269
11	Rate M7	2.2	62,249
12	Rate M9	0.3	8,751
13	Rate M10	0.0	134
14	Rate T1	1.4	37,927
15	Rate T2	8.6	186,125
16	Rate T3	3.2	65,700
17	Total Union South Rate Zone	69.9	1,734,899
	Ex-Franchise		
18	Excess Utility Storage	2.9 (3)	34,224
19	Rate C1	-	-
20	Rate M12	-	-
21	Rate M13	-	-
22	Rate M16	-	-
23	Total Ex-Franchise	2.9	34,224
24	System Integrity Space	9.5	-
25	Total Union Rate Zones	100.0	2,074,803
	EGD		
26	Rate 1	61.4	1,258,461
27	Rate 6	59.0	1,002,809
28	Rate 9	-	-
29	Rate 100	-	-
30	Rate 110	2.2	5,287
31	Rate 115	0.5	2,097
32	Rate 125	-	-
33	Rate 135	-	-
34	Rate 145	0.3	-
35	Rate 170	0.8	-
36	Rate 200	2.0	21,203
37	Total EGD Rate Zone	126.3	2,289,857
38	Total Enbridge Gas (line 25 + line 37)	226.3	4,364,660

Notes:
(1) Allocation to rate classes using Board-approved cost allocation methodologies.
(2) Union Rate Zone storage space based on actual W19/20 usage and storage deliverability based on forecast W19/20 requirements. EGD Rate Zone storage space and deliverability based on 2019 Gas Supply plan.
(3) EB-2020-0134, Exhibit E, Tab 1, Page 9.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit E, Tab 1, page 10 and Schedule 2

Preamble:

EGI evidence states: “Year-over-year, actual utility storage requirements for 2019 were 4.7 PJ higher than the requirement in 2018, resulting in a decrease in the C1 Short-Term Peak Storage available for sale (from 7.6 PJ in 2018 to 2.9 PJ in 2019). This is a result of an increase in the storage requirement for utility customers. The storage requirement for the general service market was calculated using the Board-approved aggregate excess methodology.”

We would like to understand better the allocation of storage assets to in-franchise customers in the Union Gas rate zones and the ST Storage Deferral Account.

Question:

Please provide EGI policy and practice regarding the handling of allocations of space and deliverability for in-franchise customers inside rate zones, between rate zones and non-utility operations.

Response:

As noted at Exhibit E, Tab 1, page 10, Enbridge Gas used the Board-approved methods of aggregate excess, 15 times obligated Daily Contract Quantity and 10 times Firm Contracted Demand to allocate storage. These methodologies are outlined in the policies titled Cost-Based Storage Space and Deliverability Allocation Methodology –

Union South[1] and in Cost-Based Storage Space and Deliverability Allocation Methodology – Union North[2]. These policies can be found on uniongas.com.

Maximum annual firm Injection/Withdrawal rights are can be found in the T1/T2 and T3 rate schedules[3]. A copy of those rate schedules can be found on uniongas.com.

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[1] https://www.uniongas.com/-/media/about-us/policies/StorageAllocation_South.pdf?la=en&hash=E140743168D576E66D95035C4048588AEC6432C2

[2] https://www.uniongas.com/-/media/about-us/policies/StorageAllocation_North.pdf?la=en&hash=D5C86516CEC901B53E56FEDABC7A430AD7E97FAE

[3] https://www.uniongas.com/-/media/about-us/rates/business/ratet2.pdf?la=en&hash=EA331FE08780574EB8CAC32937F0A47C4E370DBD

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit E, Tab 1, page 11 and Schedule 3

Preamble:

EGI evidence states: "In its EB-2011-0210 Decision, the Board directed Legacy Union to file a report similar to that ordered in EB-2011-0038 to monitor the inventory related to non-utility storage operations. Exhibit E, Tab 1, Schedule 3 shows the non-utility inventory balances for October and November of 2019 (for legacy Union storage)."

As the company limits inquiry regarding the non-utility storage space, we would like to understand better the storage fills for the respective Union Gas and EGD rate zones in-franchise storage.

Question:

Please provide a comparable schedule similar to Schedule 3 that shows the balances of the respective Union Gas and EGD rate zones in-franchise storage.

Response:

Please see Attachment 1.

ENBRIDGE GAS INC.
Summary of Union (Dawn) Utility Storage Balances

Date	Entitlement (PJ)	Balance (PJ)	% Full (%)	Date	Entitlement (PJ)	Balance (PJ)	% Full (%)
1-Oct-19	100.0	87.6	88%	1-Nov-19	100.0	94.0	94%
2-Oct-19	100.0	88.8	89%	2-Nov-19	100.0	93.6	94%
3-Oct-19	100.0	89.0	89%	3-Nov-19	100.0	93.1	93%
4-Oct-19	100.0	89.0	89%	4-Nov-19	100.0	92.8	93%
5-Oct-19	100.0	89.4	89%	5-Nov-19	100.0	92.5	92%
6-Oct-19	100.0	90.0	90%	6-Nov-19	100.0	91.8	92%
7-Oct-19	100.0	90.6	91%	7-Nov-19	100.0	90.9	91%
8-Oct-19	100.0	91.1	91%	8-Nov-19	100.0	90.0	90%
9-Oct-19	100.0	91.5	92%	9-Nov-19	100.0	89.6	90%
10-Oct-19	100.0	91.9	92%	10-Nov-19	100.0	89.3	89%
11-Oct-19	100.0	92.6	93%	11-Nov-19	100.0	87.6	88%
12-Oct-19	100.0	93.2	93%	12-Nov-19	100.0	86.3	86%
13-Oct-19	100.0	93.7	94%	13-Nov-19	100.0	85.7	86%
14-Oct-19	100.0	94.1	94%	14-Nov-19	100.0	85.2	85%
15-Oct-19	100.0	94.1	94%	15-Nov-19	100.0	85.0	85%
16-Oct-19	100.0	94.0	94%	16-Nov-19	100.0	84.5	85%
17-Oct-19	100.0	93.9	94%	17-Nov-19	100.0	84.4	84%
18-Oct-19	100.0	93.5	94%	18-Nov-19	100.0	84.5	84%
19-Oct-19	100.0	93.7	94%	19-Nov-19	100.0	84.3	84%
20-Oct-19	100.0	93.8	94%	20-Nov-19	100.0	84.4	84%
21-Oct-19	100.0	94.8	95%	21-Nov-19	100.0	84.8	85%
22-Oct-19	100.0	94.9	95%	22-Nov-19	100.0	84.5	84%
23-Oct-19	100.0	94.9	95%	23-Nov-19	100.0	84.8	85%
24-Oct-19	100.0	94.7	95%	24-Nov-19	100.0	85.2	85%
25-Oct-19	100.0	95.0	95%	25-Nov-19	100.0	85.6	86%
26-Oct-19	100.0	94.7	95%	26-Nov-19	100.0	85.7	86%
27-Oct-19	100.0	94.5	95%	27-Nov-19	100.0	85.9	86%
28-Oct-19	100.0	95.8	96%	28-Nov-19	100.0	85.4	85%
29-Oct-19	100.0	95.6	96%	29-Nov-19	100.0	85.2	85%
30-Oct-19	100.0	94.9	95%	30-Nov-19	100.0	84.5	84%
31-Oct-19	100.0	94.5	94%				

ENBRIDGE GAS INC.
Summary of EGD (Tecumseh) Utility Storage Balances

Date	Entitlement (PJ)	Balance (PJ)	% Full (%)	Date	Entitlement (PJ)	Balance (PJ)	% Full (%)
1-Oct-19	99.4	91.7	92%	1-Nov-19	99.4	97.6	98%
2-Oct-19	99.4	91.2	92%	2-Nov-19	99.4	97.6	98%
3-Oct-19	99.4	91.7	92%	3-Nov-19	99.4	97.6	98%
4-Oct-19	99.4	92.1	93%	4-Nov-19	99.4	97.5	98%
5-Oct-19	99.4	92.5	93%	5-Nov-19	99.4	97.2	98%
6-Oct-19	99.4	92.9	93%	6-Nov-19	99.4	96.8	97%
7-Oct-19	99.4	93.1	94%	7-Nov-19	99.4	96.4	97%
8-Oct-19	99.4	93.4	94%	8-Nov-19	99.4	95.9	96%
9-Oct-19	99.4	93.6	94%	9-Nov-19	99.4	95.4	96%
10-Oct-19	99.4	93.9	94%	10-Nov-19	99.4	94.9	95%
11-Oct-19	99.4	94.1	95%	11-Nov-19	99.4	94.3	95%
12-Oct-19	99.4	94.2	95%	12-Nov-19	99.4	93.3	94%
13-Oct-19	99.4	94.3	95%	13-Nov-19	99.4	92.3	93%
14-Oct-19	99.4	94.3	95%	14-Nov-19	99.4	91.2	92%
15-Oct-19	99.4	94.6	95%	15-Nov-19	99.4	90.0	91%
16-Oct-19	99.4	94.9	95%	16-Nov-19	99.4	89.0	90%
17-Oct-19	99.4	95.2	96%	17-Nov-19	99.4	88.0	89%
18-Oct-19	99.4	95.5	96%	18-Nov-19	99.4	87.2	88%
19-Oct-19	99.4	95.8	96%	19-Nov-19	99.4	86.7	87%
20-Oct-19	99.4	96.1	97%	20-Nov-19	99.4	86.5	87%
21-Oct-19	99.4	95.6	96%	21-Nov-19	99.4	86.5	87%
22-Oct-19	99.4	95.9	96%	22-Nov-19	99.4	86.4	87%
23-Oct-19	99.4	96.1	97%	23-Nov-19	99.4	86.4	87%
24-Oct-19	99.4	96.4	97%	24-Nov-19	99.4	86.4	87%
25-Oct-19	99.4	96.0	97%	25-Nov-19	99.4	86.4	87%
26-Oct-19	99.4	96.3	97%	26-Nov-19	99.4	86.4	87%
27-Oct-19	99.4	96.6	97%	27-Nov-19	99.4	86.4	87%
28-Oct-19	99.4	97.0	98%	28-Nov-19	99.4	86.4	87%
29-Oct-19	99.4	97.3	98%	29-Nov-19	99.4	86.4	87%
30-Oct-19	99.4	97.6	98%	30-Nov-19	99.4	86.4	87%
31-Oct-19	99.4	97.6	98%				

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit E, Tab 1, Schedule 1

Preamble:

While we understand the reduction in Base Exchange revenue due to the elimination of FT-RAM in 2013, we would like to understand better the factors contributing to the continued reductions specifically in Base Exchanges.

Question:

For line 1, please provide the actual revenue generated from transactions with EGD in 2014 and 2018 and with the EGD rate zone in 2019.

a) Please describe the most important drivers leading to the reduced transaction revenue for base exchanges.

Response:

	2014	2018	2019
Transactions with EGD	$0	$0	$90,000

a) Please refer to Exhibit E, Tab 1, page 7.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit E, Tab 1, Schedule 2

Question:

Please provide the specifics regarding note 5 about prior period adjustments including any eliminated or transferred transactions between Union and EGD rate zones and TransCanada Pipelines (TC Energy).

Response:

Note 5 refers to a true-up of Enbridge Gas LBA charges related to 2018. Per the MAADs decision, as of January 1, 2019, Enbridge LBA charges will no longer be charged, as the legacy utilities operate an integrated system for all rate zones.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit E, Tab 1, Schedule 5

Question:

When EGI uses funds from DSM budgets to buy capital equipment for which the company maintains ownership, does EGI put the value of the capital asset into rate base?

a) If so, how much capital has gone into rate base for each legacy rate zone during the current generic framework (i.e., since and including 2015)?

Response:

a) Neither Enbridge Gas, or legacy EGD or legacy Union, has utilized DSM funds to purchase capital assets for which it maintained ownership, and as such there have been no amounts capitalized and included as part of rate base during the current DSM generic framework.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (FRPO)

Interrogatory

Reference:

Exhibit A, Tab 2, page 2, paragraph 12

Preamble:

EGI's relief requested proposes a disposition of the balances with the January 1, 2021 QRAM. We would like to understand better the impact of the proposed dispositions with other EGI dispositions contemplated (e.g., QRAM for each quarter, FCPP, DSM, Annual Rate Increase, etc.).

Question:

Please provide a matrixed table showing all of the respective proposed, pending, and approved dispositions for each of rate classes by month starting with December 2020 through each month of 2021 to allow an understanding of wholistic bill impact.

a) Given that the Procedural Order does not allow for a January 1, 2021 disposition, please provide a second table showing the impact of all dispositions if the proposed balances are disposed starting April 1, 2021.

Response:

Please see Attachment 1.

a) Based on the current procedural timing and billing system limitations, Enbridge Gas forecasts disposing of balances from this application beginning July 1, 2021 and has reflected this timing in Attachment 1.[1]

[1] Enbridge Gas is only able to administer a single one-time billing adjustment at a time. Enbridge Gas expects to dispose of balances from the 2017 & 2018 DSM Deferral and Variance Account proceeding beginning April 1, 2021.

ENBRIDGE GAS INC.

Forecast Timing of 2021 Rate Changes and Deferral and Variance Account Disposition

Line No.		Residential Customer Impact (1) EGD	Union South	Union North West	Union North East	Forecast Effective Date (2)	Customer Type	Proposed Deferral and Variance Account Disposition Method	Period	2021 Timing Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)
	Approved Rate Changes																				
1	2021 Rates - Phase 1	1.99	9.06	10.44	10.76	Jan-21	All customers	N/A	N/A												
	Proposed Rate Changes																				
2	2021 Federal Carbon	47.08	43.23	43.23	43.23	Apr-21	All customers	N/A	N/A												
3	2021 Rates - Phase 2 (3)	0.11	2.71	-	-	Jul-21	All customers	N/A	N/A												
	Proposed Deferral and Variance Account Disposition																				
4	2017/2018 DSM Deferrals (7)	10.80				Apr-21	All other customers	One-time adjustment	One month												
5			26.62	(9.49)	(9.49)	Apr-21	Union general service	Prospective	Six months												
6	2019 Deferrals (3)	0.74				Jul-21	All other customers	One-time adjustment	One month												
7			4.97	(61.53)	(5.94)	Jul-21	Union general service	Prospective	Three months												
	Upcoming Applications																				
8	2021 QRAM (4)	---------------- TBD ----------------				Jan-21 (5)	All applicable customers	Prospective	12 months												
9	2019 DSM Deferrals	---------------- TBD ----------------				TBD	All customers (6)	One-time adjustment	TBD												

Notes:

(1) Based on annual consumption of 2,400 m³ for the EGD rate zone and 2,200 m³ for the Union rate zones. Customer impact for rate changes represent annual amounts, customer impact for deferral and variance account disposition represent temporary billing adjustment amounts.

(2) Forecast effective date may be updated from original application to reflect the current procedural timing.

(3) Residential customer impact reflects a January 1, 2021 effective date.

(4) Applicable to customers for which Enbridge Gas manages gas supply and/or transportation and storage needs.

(5) Effective January 1, 2021 and each subsequent QRAM (April 1, 2021, July 1, 2021 and October 1, 2021).

(6) Beginning with deferral dispositions effective October 1, 2021 at the earliest, Enbridge Gas expects it will be able to adopt a common disposition approach and disposition period between the EGD and Union rate zones once integrated systems and process are implemented.

(7) In its Reply Argument, Enbridge Gas supported the recommendations of certain intervenors to uniformly dispose of balances over a period of three months effective April 1, 2021 (as a one-time adjustment disposed of in three equal installments from April to June for EGD rate zone customers and contract class customers in the Union rate zones and prospectively from April to June for general service customers in the Union rate zones).

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit A, Tab 3, Paragraph 11 & EB-2020-0067, Exhibit I.LPMA.2

Question:

Paragraph 11 states that EGI is not able to introduce any further commonality to the disposition approaches at this time. The response to I.LPMA.2 in EB-2020-0067 states that there are no impediments to EGI disposing of the 2017/2018 DSM deferral and variance account balances over a three-month period. Given that the disposition proposed in both cases begins January 1, 2021, please reconcile these responses.

Response

The statement at Exhibit A, Tab 3, Paragraph 11 is referring to Enbridge Gas's current inability to adopt a common disposition approach between rate zones. Specifically, Enbridge Gas is unable to administer one-time adjustments for general service customers in the Union rate zones because of billing system limitations. The recovery of deferral account balances from all other customers can be administered through one-time billing adjustments.

The responses at EB-2020-0067, Exhibit I.LPMA.2 and Exhibit I.LPMA.4 indicate that it is possible to dispose of the deferral account balances to all customers over a common time period, such as a one-time adjustment through monthly installments for the EGD rate zone and Union rate zone contract customers and as a prospective disposition to Union rate zone general service customers.

Enbridge Gas's billing system changes will allow it to harmonize to a common one-time billing adjustment disposition approach beginning with the October 2021 QRAM at the earliest.[1] Harmonizing the one-time adjustment disposition with the Union general

[1] The billing system changes to harmonize to a common one-time billing adjustment disposition approach for all customers requires the use of 2020 customer volumes (or later years, when available).

service disposition to a common time period in the interim is not needed as the bill impacts in this application do not necessitate a longer disposition time period for EGD customers or Union contract customers.[2]

The OEB indicated a preference for a common disposition methodology as part of the EB-2019-0247 Decision and Order where it stated:

> a consistent approach to the disposition of balances for each rate zone is preferable, and Enbridge Gas should provide a proposal for aligning its approach for the EGD and Union rate zones as soon as practical, and no later than its next rebasing rate application.[3]

Enbridge Gas is making the necessary billing system changes to align to a common disposition approach within the expected timeline as set out by the OEB in the EB-2019-0247 Decision and Order. The common disposition approach is not complete and ready for the disposition of the balances in this application. Please also see the response at Exhibit I.STAFF.1.

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[2] Union bill impacts as a percentage of total annual bill is provided at Exhibit I.LPMA.16.
[3] EB-2019-0247 Decision and Order dated August 13, 2020, p. 16.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit A, Tab 3, Paragraph 11 & EB-2020-0067, Exhibit I.LPMA.4

Question:

Paragraph 11 states that EGI is not able to introduce any further commonality to the disposition approaches at this time. The response to I.LPMA.4 in EB-2020-0067 states that it is technically feasible to have different disposition periods for different general service rate classes in the Union rate zones. Given that the disposition proposed in both cases begins January 1, 2021, please reconcile these responses.

Response:

Please see the response at Exhibit I.LPMA.1.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit A, Tab 3, Paragraph 12

Question:

a) When does EGI expect that all of the Parkway West project costs will have been incurred?

b) What was the approved capital cost of the Parkway West project?

c) What is the most up-to-date projection of the actual capital cost of the Parkway West project?

Response

a) Please see Exhibit I.CCC.2.

b) The total capital cost reflected in Parkway West project capital pass-through amounts, included in rates over the 2019 – 2023 deferred rebasing period, is $233.1 million, as was approved in EB-2018-0305. The capital cost reflected in the EB-2018-0305 approved capital pass through amounts reflected the current forecast at that time. The total capital cost approved as part of the Decision in the EB-2012-0433 Leave to Construct proceeding was $219 million.

c) The most up-to-date projection of the actual capital cost of the Parkway West project is $233.1 million.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit C, Tab 1, pages 9-15

EGI is not proposing any change to the recovery of the pension expense that is included in the APCDA account and will continue to drawn down the regulatory asset balance throughout the deferred rebasing period. These costs will therefore be recovered over time, as currently approved by the OEB.

Question:

a) Is the recovery of these pension related expenses currently built into distribution rates? If no, please explain how these costs are being recovered.

b) Are the costs being recovered from both the EGD and Union rate zones or only one of the rate zones? If the latter, which rate zone?

c) If the costs are recovered only from one rate zone, please explain fully why these costs of the amalgamated utility are recovered from only one rate zone.

Response

The pension balance in the APCDA reflects the unamortized accumulated actuarial gains/losses and past service costs incurred by legacy Union Gas, in relation to the period up to the Enbridge/Spectra merger in 2017, which were previously recorded in Accumulated Other Comprehensive Income (AOCI). The amortization of accumulated actuarial gains/losses and past service costs, and corresponding draw down of the AOCI asset, is recognized as a component of accrual based pension expenses, which are included in OM&A and recovered in rates.

As a result of the January 1, 2019 amalgamation of Enbridge Gas Distribution and Union Gas Limited, U.S. GAAP push down accounting required the amalgamated entity to reclassify the pre-February 2017 unamortized actuarial gains/losses and past service costs to goodwill (which would not be subject to annual amortization), which the Company subsequently transferred to the APCDA.

The Company's proposal is to continue the annual amortization and inclusion as part of the accrual based pension costs recognized as part of OM&A expense (consistent with the amortization of actuarial gains/losses and past service costs incurred after the Enbridge/Spectra merger in 2017). This proposal will draw down the balance in the APCDA throughout the deferred rebasing period and will result in the recognition of annual pension expenses consistent with amounts that would have been recognized had the accounting change not been required (i.e. utility earnings are not impacted).

a) Yes, as noted above, the amortization of actuarial gains/losses and past service costs is a component of accrual based pension expense. Base rates for both the EGD and Union rate zones includes a provision for accrual based pension expenses as part of O&M.

b) As indicated in part a) above, rates in each of the EGD and Union rate zones include the recovery of accrual based pension expenses. Commencing in 2019, the amortization of the unamortized actuarial gains/losses and past service costs that are reflected in the APCDA would form part of Enbridge Gas's overall pension expense.

c) Please refer to the response to part b) above.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit C, Tab 1, pages 13-15

The OEB's July 25, 2019 letter indicates that unless the OEB orders otherwise, the balance in the tax variance deferral account would be disposed of in a manner designated by the OEB and that this would generally coincide with the utility's next cost-based rate application.

Question:

a) Other than this letter, does EGI have any other reasons for not requesting clearance of the balance in this account as part of the current proceeding?

b) Given the impact of numerous changes to rates expected to occur on January 1, 2021 or April 1, 2021 (including 2021 rate increases, DSM related account disposition, the increase in the federal carbon charges and the potential for higher gas commodity costs, as examples), does EGI agree that the disposition of the credit in this account to ratepayers would help offset these other increases at a time when many residential and small business customers are suffering from the economic impacts associated with COVID-19? If not, why not?

Response

a) At this time the Company is following the direction of the Board and the Company plans on requesting disposition of this account as part of its next rebasing application.

b) While the Company agrees that the disposition of the credit in this account to ratepayers could potentially help offset other increases, these other accounts and items have not been requested for clearance as part of this Application and are likely to be addressed in other proceedings with other clearance/implementation dates. EGI would like to note that the sharing of accelerated CCA impacts, between ratepayers and shareholders, is an issue that is still to be determined by the Board upon proposed or directed disposition of the account. Also, it should be noted that, Enbridge Gas expects to clear the account balances from this Application beginning July 1, 2021, to avoid having two sets of clearances beginning April 1, 2021 (when clearance of 2017/2018 DSM Deferral and Variance Account Disposition is expected).

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit C, Tab 1, pages 13-15

Question:

a) If the OEB were to determine that the portion of the balance in this account that is to the credit of ratepayers should be disposed of as part of this application, does EGI agree that the ratepayer portion should be split between the EGD and Union rate zones in proportion to the 2018 actual rate base for each zone and that within each zone these balances would be allocated to rate classes in each rate zone in proportion to the 2018 rate base for the EGD rate zone and the 2013 rate base for the Union rate zone (i.e. the last fully allocated cost study prepared for each rate zone), as is proposed for the APCDA account? If not, please provide an alternative allocation and fully explain why it would be preferable to that noted above.

b) Based on the response above and any proposed allocation methodology, please show the amounts that would be allocated to each rate class in each of the EGD and Union rate zones.

Response:

a) Enbridge Gas agrees that if the OEB were to determine that the portion of the balance in the Tax Variance Deferral Account (TVDA) that is to the credit of ratepayers should be disposed of as part of this application, the ratepayer portion should be split between EGD and Union rate zones in proportion to the 2018 actual rate base for each legacy entity.

   The Company further agrees that the split balance to each rate zone should be allocated to rate classes within each rate zone in proportion to 2018 rate base for the EGD rate zone and 2013 rate base for the Union rate zones. The rate base allocation for each rate zone is taken from the last fully allocated cost study prepared for each rate zone.

b) Please see Exhibit I.STAFF.8 b).

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit C, Tab 1, Schedule 2

Question:

a) Please show the calculations used to arrive at the cost of capital figures shown in line 2 for each of columns 1, 2 and 3 and how they relate to the figures shown in the footnote.

b) Please show the calculations/derivations used to arrive at the rate base figures shown in line for each of columns 1, 2 and 3 and how they relate to the accounting changes shown.

c) Please confirm that the tax rate used in the schedule is 26.5%.

d) Please show the calculations/assumptions that result in the Excluding tax shield figures shown on line 8 for columns 1 and 2 and how they correspond to the accounting changes shown.

Response

a) The table in Attachment 1 is a copy of the schedule provided in Exhibit C, Tab 1, Schedule 2 allocating each component by rate zone. Cost of capital amounts are calculated by multiplying rate base impacts by Board Approved rates of return. Union rate zones cost of capital amounts use the 2013 Board-approved rate of return of 7.3%, and EGD rate zone amounts use the 2018 Board-approved rate of return of 6.2%. The calculation of each approved rate of return is shown in the table footnote.

b) See Attachment 2.

c) Correct the tax rate used was 26.5%.

d) The schedule in Attachment 3 shows the calculation of income taxes excluding and including the interest tax shield, in relation to Capitalization and IDC Policy Alignment impacts as requested.

ENBRIDGE GAS
SUMMARY OF ACCOUNTING POLICY CHANGES DEFERRAL ACCOUNT (NO. 179-381)
UTILITY REVENUE REQUIREMENT

		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10
	Rate Zone:	EGD	UGL	Combined	UGL	EGD	Combined	UGL	Combined	EGD	UGL
Line No.	($000's)	Change from Capital to O&M	Change from O&M to Capital	Total Capitalization Policy Alignment	Elimination of IDC Threshold	Change IDC rate from WACD to Board Prescribed	Total IDC Policy Alignment	Depreciation Expense Policy Alignment	APCDA Total	APCDA Subtotal	APCDA Subtotal
	Cost of capital										
1.	Rate base	(239.4)	57.7	(181.7)	98.0	(84.3)	13.7	3,281.2	3,113.2	(323.7)	3,436.9
2.	Cost of capital*	(14.8)	4.2	(10.6)	7.2	(5.2)	2.0	239.6	231.0	(20.0)	251.0
	Cost of service										
3.	Gas costs	-	-	-	-	-	-	-	-	-	-
4.	Operation and Maintenance	5,744.9	(1,385.8)	4,359.2	-	-	-	-	4,359.2	5,744.9	(1,385.8)
5.	Depreciation and amortization	-	-	-	1.8	(2.5)	(0.7)	(4,675.4)	(4,676.1)	(2.5)	(4,673.6)
6.	Municipal and other taxes	-	-	-	-	-	-	-	-	-	-
7.	Cost of service	5,744.9	(1,385.8)	4,359.2	1.8	(2.5)	(0.7)	(4,675.4)	(316.9)	5,742.4	(6,059.3)
	Income taxes on earnings										
8.	Excluding tax shield	(1,470.3)	356.2	(1,114.1)	(455.1)	403.0	(52.1)	-	(1,166.2)	(1,067.3)	(98.9)
9.	Tax shield provided by interest expense	1.9	(0.6)	1.3	(1.0)	0.7	(0.3)	(34.8)	(33.8)	2.6	(36.4)
10.	Income taxes on earnings	(1,468.4)	355.6	(1,112.8)	(456.1)	403.7	(52.4)	(34.8)	(1,200.0)	(1,064.7)	(135.3)
	Taxes on (def) / suff.										
11.	Gross (def.) / suff.	(5,798.2)	1,395.9	(4,402.3)	608.3	(538.8)	69.5	6,082.4	1,749.6	(6,337.0)	8,086.6
12.	Net (def.) / suff.	(4,261.7)	1,026.0	(3,235.7)	447.1	(396.0)	51.1	4,470.6	1,286.0	(4,657.7)	5,943.7
13.	Taxes on (def.) / suff.	1,536.5	(369.9)	1,166.6	(161.2)	142.8	(18.4)	(1,611.8)	(463.6)	1,679.3	(2,142.9)
14.	Revenue requirement	5,798.2	(1,395.9)	4,402.4	(608.3)	538.8	(69.5)	(6,082.4)	(1,749.5)	6,337.0	(8,086.5)
15.	Gross revenue (def.) / suff.	(5,798.2)	1,395.9	(4,402.4)	608.3	(538.8)	69.5	6,082.4	1,749.5	(6,337.0)	8,086.5

*Cost of Capital = Rate Base impact (line 1) multiplied by Board Approved Rate of Return
Union rate zones 2013 Board-approved rate of return is 7.3% and EGD rate zone 2018 Board-approved rate of return is 6.2% as shown in the tables below.

UGL 2013 Board Approved Cap Structure	Component %	Cost Rate	Return Component
Long-Term Debt	61.30%	6.53%	4.00%
Short-Term Debt	-0.03%	1.31%	0.00%
Preference Shares	2.74%	3.05%	0.08%
Equity	36.00%	8.93%	3.21%
Total	**100.00%**		**7.30%**

EGD 2018 Board Approved Cap Structure	Component %	Cost Rate	Return Component
Long-Term Debt	61.84%	4.70%	2.91%
Short-Term Debt	0.56%	1.60%	0.01%
Preference Shares	1.60%	2.72%	0.04%
Equity	36.00%	9.00%	3.24%
Total	**100.00%**		**6.20%**

ENBRIDGE GAS
SUMMARY OF ACCOUNTING POLICY CHANGES DEFERRAL ACCOUNT (NO. 179-381)
UTILITY REVENUE REQUIREMENT

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10
Rate Zone:	**EGD**	**UGL**	**Combined**	**UGL**	**EGD**	**Combined**	**UGL**	**Combined**	**EGD**	**UGL**
($000's)	Change from Capital to O&M	Change from O&M to Capital	**Total Capitalization Policy Alignment**	Elimination of IDC Threshold	Change from IDC rate at WACD to Board Prescribed	**Total IDC Policy Alignment**	**Depreciation Expense Policy Alignment**	**APCDA Total**	**APCDA Subtotal**	**APCDA Subtotal**
Gross PP&E	(239.4)	57.7	**(181.7)**	98.0	(85.1)	**12.9**	**-**	**(168.8)**	**(324.5)**	**155.7**
Accumulated Depreciation	-	-	**-**	-	0.8	**0.8**	**3,281.2**	**3,282.0**	**0.8**	**3,281.2**
Net PP&E	(239.4)	57.7	**(181.7)**	98.0	(84.3)	**13.7**	**3,281.2**	**3,113.2**	**(323.7)**	**3,436.9**
Allowance for Working Capital	-	-	**-**	-	-	**-**	**-**	**-**	**-**	**-**
Rate base	(239.4)	57.7	**(181.7)**	98.0	(84.3)	**13.7**	**3,281.2**	**3,113.2**	**(323.7)**	**3,436.9**

Line No.	($000's) Rate Zone:	Col. 1 EGD Change from Capital to O&M	Col. 2 UGL Change from O&M to Capital	Col. 3 Combined **Total Capitalization Policy Alignment**	Col. 4 UGL Elimination of IDC Threshold	Col. 5 EGD Change IDC rate from WACD to Board Prescribed	Col. 6 Combined **Total IDC Policy Alignment**
1.	Utility income before income taxes	(5,744.9)	1,385.8	**(4,359.2)**	(1.8)	2.5	**0.7**
	Add Backs						
2.	Depreciation and amortization	-	-	**-**	1.8	(2.5)	**(0.7)**
3.	Large corporation tax	-	-	**-**	-	-	**-**
4.	Other non-deductible items	-	-	**-**	-	-	**-**
5.	Any other add back(s)	-	-	**-**	-	-	**-**
6.	Total added back	-	-	**-**	1.8	(2.5)	**(0.7)**
7.	Sub total - pre-tax income plus add backs	(5,744.9)	1,385.8	**(4,359.2)**	-	-	**-**
	Deductions						
8.	Capital cost allowance - Federal	(196.6)	41.6	**(155.0)**	-	-	**-**
9.	Capital cost allowance - Provincial	(196.6)	41.6	**(155.0)**	-	-	**-**
10.	Items capitalized for regulatory purposes	-	-	**-**	1,717.4	(1,520.9)	**196.5**
11.	Deduction for "grossed up" Part V1.1 tax	-	-	**-**	-	-	**-**
12.	Amortization of share and debt issue expense	-	-	**-**	-	-	**-**
13.	Amortization of cumulative eligible capital	-	-	**-**	-	-	**-**
14.	Amortization of C.D.E. & C.O.G.P.E.	-	-	**-**	-	-	**-**
15.	Any other deduction(s)	-	-	**-**	-	-	**-**
16.	Total Deductions - Federal	(196.6)	41.6	**(155.0)**	1,717.4	(1,520.9)	**196.5**
17.	Total Deductions - Provincial	(196.6)	41.6	**(155.0)**	1,717.4	(1,520.9)	**196.5**
18.	Taxable income - Federal	(5,548.3)	1,344.2	**(4,204.2)**	(1,717.4)	1,520.9	**(196.5)**
19.	Taxable income - Provincial	(5,548.3)	1,344.2	**(4,204.2)**	(1,717.4)	1,520.9	**(196.5)**
20.	Income tax provision - Federal	(832.2)	201.6	**(630.6)**	(257.6)	228.1	**(29.5)**
21.	Income tax provision - Provincial	(638.1)	154.6	**(483.5)**	(197.5)	174.9	**(22.6)**
22.	Income tax provision - combined	(1,470.3)	356.2	**(1,114.1)**	(455.1)	403.0	**(52.1)**
23.	Part V1.1 tax	-	-	**-**	-	-	**-**
24.	Investment tax credit	-	-	**-**	-	-	**-**
25.	Total taxes excl. tax shield on interest expense	(1,470.3)	356.2	**(1,114.1)**	(455.1)	403.0	**(52.1)**
	Tax shield on interest expense						
26.	Rate base as adjusted	(239.4)	57.7	**(181.7)**	98.0	(84.3)	**13.7**
27.	Return component of debt	2.92%	4.00%		4.00%	2.92%	
28.	Interest expense	(7.0)	2.3	**(4.7)**	3.9	(2.5)	**1.4**
29.	Combined tax rate	26.500%	26.500%	**26.500%**	26.500%	26.500%	**26.500%**
30.	Income tax credit	1.9	(0.6)	**1.3**	(1.0)	0.7	**(0.3)**
31.	Total income taxes	(1,468.4)	355.6	**(1,112.8)**	(456.1)	403.7	**(52.4)**

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit C, Tab 1, Schedules 1 and 2

Question:

Please explain why the Accounting Policy Changes D/A shown on lines 43 and 48 of Schedule 1 are shown as account 179-120 while in Schedule 2 it is shown as account 179-381.

Response

The reference to OEB account number 179-120, in relation to the Accounting Policy Changes Deferral Account, shown in Exhibit C, Tab 1, Schedule 1 at lines 43 and 48 is an error. The correct OEB account number for the Accounting Policy Changes Deferral Account is 179-381, as shown in Exhibit C, Tab 1, Schedule 2.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit E, Tab 1

Question:

Please show the relationship between the actual 2019 UFG costs shown on page 28 of $15.748 million with the prices shown on page 37 and the volumes shown in Table 1 on page 38.

Response

UFG Volume (179-131) and Price (179-141) deferral accounts should be treated independently and not combined as these are two separate and distinct deferral accounts with separate and distinct purposes.

The UFG Volume deferral pertains to volumetric UFG collected in rates and actual volumetric UFG incurred (volume) as a percentage of throughput. The UFG Price deferral is used to track the variance in costs between the average cost of gas purchased for UFG requirements, and the approved reference price charged to customers (price).

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit E, Tab 1, pages 35 & 40 & 51

Question:

Please explain why, in each of the tables on the above noted pages, the required return (line 8) is higher for the 2019 actuals than the Board-approved figures despite the average investment (line 3) being lower for 2019 actuals than the Board-approved figures.

Response

The required returns for each of the referenced capital pass-through projects (line 8) are higher for the 2019 actuals than the Board-approved figures, despite the average investment for each project (line 3) being lower for 2019 actuals than the Board-approved, because of a difference in rounding. The calculations of the required return for each of the 2019 actuals utilized a required rate of return that was rounded to two decimal places, whereas the Board-approved required return utilized an unrounded rate of return percentage. The following table illustrates the difference utilizing the Brantford-Kirkwall Parkway D Project required returns.

Brantford-Kirkwall Parkway D Project

Required rate of return =
64% LTD at 3.82% and 36% Equity at 8.93% = 5.6596% or 5.66% rounded to two decimal places

($000's)	Approved	Actual as filed (req. return at 2 decimal places)	Revised actual (unrounded req. return)	Variance in required return revised actual vs. actual as filed
Average Investment	177,699.8	177,698.8	177,698.8	
Required rate of return	5.6596%	5.6600%	5.6596%	
Required return	10,057.1	10,057.8	10,057.0	(0.7)

The Company notes that the same inconsistency occurred in the derivation of all the capital pass-through deferral account balances. The table below summarizes the impact by project, and in total. As can been seen in the table, updating the actual capital pass-through revenue requirements to utilize an unrounded required rate of return caused some of the actual project revenue requirements to decrease (including those referenced in this question), while others increased. Overall, the impact was a reduction to the total actual revenue requirement of $17.5 thousand, which in turn results in a corresponding increase to the combined total variance to be returned through the capital pass-through variance accounts. Attachment #1 to this interrogatory provides updated actual versus Board-approved revenue requirement calculations for each of the capital pass-through variance accounts.

	2019 Capital Passthrough Project Revenue Requirement					
Capital Pass-Through Project	2019 Board-approved	2019 Actuals as filed	Deferral Calculation Variance	2019 Actuals Revised	Deferral Calculation Variance	Discrepancy
($000's)	(a)	(b)	(c) = (b - a)	(d)	(e) = (d - a)	(f) = (e - c)
Parkway West	19,226.9	18,734.4	(492.5)	18,733.6	(493.3)	(0.8)
Brantford-Kirkwall/Parkway D	14,873.6	14,835.0	(38.6)	14,834.3	(39.3)	(0.7)
Lobo C Compressor/Hamilton-Milton Pipeline	25,059.1	25,336.4	277.4	25,320.9	261.9	(15.5)
Lobo D/Bright C/Dawn H Compressor	40,915.8	40,671.2	(244.6)	40,673.6	(242.2)	2.4
Burlington Oakville	5,447.4	5,397.2	(50.2)	5,393.5	(53.9)	(3.8)
Panhandle Reinforcement	11,715.1	10,535.3	(1,179.8)	10,536.2	(1,179.0)	0.9
Total			(1,728.3)		(1,745.8)	(17.5)

2019 Parkway West Project Rate Base and Revenue Requirement

Line No.	Particulars ($000's)	2019 Board-approved (a)	2019 Actuals Revised (b)	Difference (c) = (b - a)
	Rate Base Investment			
1	Capital Expenditures	1,504.0	(23.0)	(1,527.0)
2	Cumulative Capital Expenditures	233,147.0	231,670.0	(1,477.0)
3	Average Investment	210,033.2	209,308.1	(725.1)
	Revenue Requirement Calculation:			
	Operating Expenses:			
4	Operating and Maintenance Expenses	2,120.5	1,827.0	(293.5)
5	Depreciation Expense (1)	5,507.8	5,490.6	(17.2)
6	Property Taxes	556.6	386.0	(171.0)
7	Total Operating Expenses	8,185.0	7,703.6	(481.3)
8	Required Return (2)	11,887.0	11,846.0	(41.0)
9	Total Operating Expense and Return	20,072.0	19,549.6	(522.4)
	Income Taxes:			
10	Income Taxes - Equity Return (3)	2,434.8	2,426.3	(8.4)
11	Income Taxes - Utility Timing Differences (4)	(3,279.8)	(3,242.4)	37.5
12	Total Income Taxes	(845.1)	(816.0)	29.1
13	Total Revenue Requirement	19,226.9	18,733.6	(494.3)

Notes:

(1) Depreciation expense at 2013 Board-approved depreciation rates.

(2) The required return assumes a capital structure of 64% long-term debt at 3.82% and 36% common equity at the 2013 Board-approved return of 8.93%. The 2019 required return calculation is as follows:
$209.308 million * 64% * 3.82% = $5.117 million plus
$209.308 million * 36% * 8.93% = $6.729 million for a total of $11.846 million.

(3) Taxes related to the equity component of the return at a tax rate of 26.5%.

(4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

2019 Brantford-Kirkwall Pipeline/Parkway D Project Rate Base and Revenue Requirement

Line No.	Particulars ($000's)	2019 Board-approved (a)	2019 Actuals Revised (b)	Difference (c) = (b - a)
	Rate Base Investment			
1	Capital Expenditures	-	(26.0)	(26.0)
2	Cumulative Capital Expenditures	197,404.0	197,378.0	(26.0)
3	Average Investment	177,699.8	177,698.8	(1.0)
	Revenue Requirement Calculation:			
	Operating Expenses:			
4	Operating and Maintenance Expenses	-	-	-
5	Depreciation Expense (1)	4,995.5	4,995.2	(0.3)
6	Property Taxes	995.0	955.8	(39.0)
7	Total Operating Expenses	5,990.5	5,951.1	(40.0)
8	Required Return (2)	10,057.1	10,057.0	(0.1)
9	Total Operating Expense and Return	16,048.6	16,008.1	(40.5)
	Income Taxes:			
10	Income Taxes - Equity Return (3)	2,059.9	2,059.9	(0.0)
11	Income Taxes - Utility Timing Differences (4)	(3,234.0)	(3,233.7)	0.2
12	Total Income Taxes	(1,174.0)	(1,173.8)	0.2
13	Total Revenue Requirement	14,873.6	14,834.3	(39.3)

Notes:

(1) Depreciation expense at 2013 Board-approved depreciation rates.

(2) The required return assumes a capital structure of 64% long-term debt at 3.82% and 36% common equity at the 2013 Board-approved return of 8.93%. The 2019 required return calculation is as follows:
$177.699 million * 64% * 3.82% = $4.344 million plus
$177.699 million * 36% * 8.93% = $5.713 million for a total of $10.057 million.

(3) Taxes related to the equity component of the return at a tax rate of 26.5%.

(4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

2019 Lobo C Compressor/Hamilton-Milton Pipeline Project Rate Base and Revenue Requirement

Line No.	Particulars ($000's)	2019 Board-approved (a)	2019 Actuals Revised (b)	Difference (c) = (b - a)
	Rate Base Investment			
1	Capital Expenditures	-	(762.2)	(762.2)
2	Cumulative Capital Expenditures	347,980.0	347,061.8	(918.2)
3	Average Investment	323,388.1	323,161.6	(226.5)
	Revenue Requirement Calculation:			
	Operating Expenses:			
4	Operating and Maintenance Expenses	825.0	1,052.9	227.9
5	Depreciation Expense (1)	8,260.7	8,264.7	3.9
6	Property Taxes	1,162.6	1,099.7	(63.0)
7	Total Operating Expenses	10,248.3	10,417.3	169.0
8	Required Return (2)	17,350.4	17,338.3	(12.2)
9	Total Operating Expense and Return	27,598.7	27,755.5	156.8
	Income Taxes:			
10	Income Taxes - Equity Return (3)	3,753.9	3,751.3	(2.6)
11	Income Taxes - Utility Timing Differences (4)	(6,293.6)	(6,185.9)	107.7
12	Total Income Taxes	(2,539.7)	(2,434.6)	105.1
13	Total Revenue Requirement	25,059.1	25,320.9	260.9

Notes:

(1) Depreciation expense at 2013 Board-approved depreciation rates.

(2) The required return assumes a capital structure of 64% long-term debt at 3.29% and 36% common equity at the 2013 Board-approved return of 8.93%. The 2019 required return calculation is as follows:
$323.162 million * 64% * 3.36% = $6.949 million plus
$323.162 million * 36% * 8.93% = $10.389 million for a total of $17.338 million.

(3) Taxes related to the equity component of the return at a tax rate of 26.5%.

(4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

2019 Dawn H/Lobo D/Bright C Compressor Project Rate Base and Revenue Requirement

Line No.	Particulars ($000's)	2019 Board-approved (a)	2019 Actuals Revised (b)	Difference (c) = (b - a)
	Rate Base Investment			
1	Capital Expenditures	6,960.0	6,108.0	(852.0)
2	Cumulative Capital Expenditures	622,505.0	619,947.0	(2,558.0)
3	Average Investment	583,664.3	581,453.0	(2,211.3)
	Revenue Requirement Calculation:			
	Operating Expenses:			
4	Operating and Maintenance Expenses	1,626.7	2,401.0	774.3
5	Depreciation Expense (1)	17,305.9	16,524.0	(781.9)
6	Property Taxes	1,089.0	1,121.0	32.0
7	Total Operating Expenses	20,021.6	20,046.0	24.4
8	Required Return (2)	31,053.3	30,935.6	(117.6)
9	Total Operating Expense and Return	51,074.9	50,981.6	(93.3)
	Income Taxes:			
10	Income Taxes - Equity Return (3)	6,764.3	6,738.0	(26.3)
11	Income Taxes - Utility Timing Differences (4)	(16,923.4)	(17,046.0)	(122.6)
12	Total Income Taxes	(10,159.1)	(10,308.0)	(148.9)
13	Total Revenue Requirement	40,915.8	40,673.6	(242.2)

Notes:

(1) Depreciation expense at 2013 Board-approved depreciation rates.

(2) The required return assumes a capital structure of 64% long-term debt at 3.29% and 36% common equity at the 2013 Board-approved return of 8.93%. The 2019 required return calculation is as follows:
$581.453 million * 64% * 3.29% = $12.243 million plus
$581.453 million * 36% * 8.93% = $18.693 million for a total of $30.936 million.

(3) Taxes related to the equity component of the return at a tax rate of 26.5%.

(4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

2019 Burlington Oakville Pipeline Project Rate Base and Revenue Requirement

Line No.	Particulars ($000's)	2019 Board-approved (a)	2019 Actuals Revised (b)	Difference (c) = (b - a)
	Rate Base Investment			
1	Capital Expenditures	-	(41.0)	(41.0)
2	Cumulative Capital Expenditures	83,349.0	83,262.0	(87.0)
3	Average Investment	78,276.7	78,218.9	(57.9)
	Revenue Requirement Calculation:			
	Operating Expenses:			
4	Operating and Maintenance Expenses	16.4	-	(16.4)
5	Depreciation Expense (1)	1,731.6	1,737.5	5.9
6	Property Taxes	130.6	123.1	(8.0)
7	Total Operating Expenses	1,878.5	1,860.5	(18.0)
8	Required Return (2)	4,199.7	4,196.6	(3.1)
9	Total Operating Expense and Return	6,078.2	6,057.1	(21.1)
	Income Taxes:			
10	Income Taxes - Equity Return (3)	908.6	908.0	(0.7)
11	Income Taxes - Utility Timing Differences (4)	(1,539.5)	(1,571.6)	(32.2)
12	Total Income Taxes	(630.8)	(663.7)	(32.8)
13	Total Revenue Requirement	5,447.4	5,393.5	(52.9)

Notes:

(1) Depreciation expense at 2013 Board-approved depreciation rates.

(2) The required return assumes a capital structure of 64% long-term debt at 3.36% and 36% common equity at the 2013 Board-approved return of 8.93%.
The 2019 required return calculation is as follows:
$78.219 million * 64% * 3.36% = $1.682 million plus
$78.219 million * 36% * 8.93% = $2.515 million for a total of $4.197 million.

(3) Taxes related to the equity component of the return at a tax rate of 26.5%.

(4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

2019 Panhandle Reinforcement Project Rate Base and Revenue Requirement

Line No.	Particulars ($000's)	2019 Board-approved (a)	2019 Actuals Revised (b)	Difference (c) = (b - a)
	Rate Base Investment			
1	Capital Expenditures	500.0	1,840.0	1,340.0
2	Cumulative Capital Expenditures	232,844.0	228,137.4	(4,706.6)
3	Average Investment	223,843.6	218,490.9	(5,352.7)
	Revenue Requirement Calculation:			
	Operating Expenses:			
4	Operating and Maintenance Expenses	15.6	-	(15.6)
5	Depreciation Expense (1)	4,939.4	4,894.2	(45.2)
6	Property Taxes	1,741.6	1,712.0	(30.0)
7	Total Operating Expenses	6,696.6	6,606.2	(90.4)
8	Required Return (2)	11,909.4	11,624.6	(284.8)
9	Total Operating Expense and Return	18,606.0	18,230.7	(375.2)
	Income Taxes:			
10	Income Taxes - Equity Return (3)	2,594.2	2,532.2	(62.0)
11	Income Taxes - Utility Timing Differences (4)	(5,144.6)	(5,271.7)	(127.2)
12	Total Income Taxes	(2,550.4)	(2,738.6)	(188.2)
13	Total Revenue Requirement	16,055.6	15,491.2	(564.4)
14	Incremental Project Revenue	4,340.5	4,955.0	614.5
15	Net Revenue Requirement	11,715.1	10,536.2	(1,179.0)

Notes:

(1) Depreciation expense at 2013 Board-approved depreciation rates.

(2) The required return assumes a capital structure of 64% long-term debt at 3.29% and 36% common equity at the 2013 Board-approved return of 8.93%. The 2019 required return calculation is as follows:
$218.491 million * 64% * 3.29% = $4.601 million plus
$218.491 million * 36% * 8.93% = $7.024 million for a total of $11.625 million.

(3) Taxes related to the equity component of the return at a tax rate of 26.5%.

(4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 1, pages 3-5

Question:

In relation to EGI's proposal to split the account balance between the EGD and Union rate zones, in proportion to the 2018 actual rate base for each rate zone:

a) Would the split in future years continue to be based on the 2018 actual rate base for each zone, or would the split be updated each year to reflect the most recent year of actual rate base for each zone – for example, would the balance for 2021 use the 2020 actual rate base for each rate zone?

b) How does EGI propose to deal with rate base that is not rate zone specific (for example, some general plant, software, etc.) in determining the actual rate base for 2018 or subsequent years?

Response

a) Enbridge Gas will continue to use the 2018 actual rate base to split the APCDA balance between EGD and Union rate zones in future years.

   Effective January 1, 2019, Enbridge Gas Distribution Inc. and Union Gas Limited amalgamated to become Enbridge Gas Inc. As a result, actual rate base for each legacy utility is no longer available.

   The proposal to split the APCDA balance between the EGD and Union rate zones in proportion to the 2018 actual rate base for each legacy utility is appropriate for the remainder of the deferred rebasing period because it represents a reasonable allocation of total rate base by rate zone until rebasing.

b) Please refer to response at part a).

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 1, pages 4-5

Question:

EGI proposed to allocate the split balance to rate classes in each rate zone in proportion to rate base from the last fully allocated cost study for each of EGD (2018) and Union (2013). Is this because the three components proposed in this account proposed for disposition in this proceeding (capitalization policy, interest during construction and depreciation) are all capital related and closed related to rate base? If not, please explain fully.

Response

Yes, in addition to the components of the APCDA being capital in nature, rate base is the most comprehensive representation of how costs are incurred in providing gas distribution and transmission service among all rate classes. Thus, using rate base to allocate and recover the APCDA balance is appropriate.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 1, pages 5-6

Question:

a) Is EGI requesting Board approval of the proposed allocation of the earnings sharing mechanism deferral account ("ESMDA") as part of this proceeding, despite having no earnings sharing for 2019? If so, please explain why.

b) The evidence states that consistent with the proposed allocation of the APCDA, EGI would propose a disposition methodology for an ESMDA account balance that splits the account balance between the EGD and Union rate zones.

   i. If there was a balance in the 2019 ESMDA to be split between the EGD and Union rate zones, would the proposed split be based on the proportion of 2018 actual rate base, as is proposed for the APCDA? If not, please explain any difference in the proposal for the ESMDA and the rationale for the difference.

   ii. If the proposal is to use the proportion of the actual rate base does the actual rate base get updated each year to reflect the most recent actual information available? For example, if there is an ESMDA balance to split for 2020, would the split be updated to reflect actual 2019 rate base for the EGD and Union rate zones? If not, please explain fully.

Response

a) No, Enbridge Gas is not requesting approval of allocation methodology without a balance in the ESMDA. The methodology was provided for informational purposes and would be subject to Board approval should there be a balance in the ESMDA.

b)

i. Yes, Enbridge Gas would propose to split a balance in the ESMDA between the EGD and Union rate zones in proportion to 2018 actual rate base.

ii. No, Enbridge Gas would continue to use the 2018 actual rate base to split the ESMDA in future years. Please see the response at Exhibit I.LPMA.11.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 3, Schedule 4

Question:

Are the billing units shown on pages 2 and 3 annual billing units or billing units for the three-month recovery period? If they are annual billing units please explain why theses figures are being used rather than the forecast volumes for the January 1, 2021 through March 31, 2021 period shown on page 1 for the general service rate customers.

Response

The billing units at Exhibit F, Tab 3, Schedule 4, page 2-3 are annual billing units consistent with the proposed one-time billing adjustment disposition methodology for Union contract customers using the customer's actual consumption volume for the period January 1, 2019 to December 31, 2019.

The billing units at Exhibit F, Tab 3, Schedule 4, page 1 are forecast volumes for the period January 1, 2021 to March 31, 2021 consistent with the proposed prospective disposition methodology for Union general service customers.

Enbridge Gas notes the commodity impacts for Union South contract customers at Exhibit F, Tab 3, Schedule 4, page 2-3 assumed annual volumes. The gas supply commodity disposition will occur prospectively due to the common commodity rate for all Union South sales service customers. An updated version of Exhibit F, Tab 3, Schedule 4 using prospective volumes for the commodity disposition is provided with Exhibit I.LPMA.15.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 3, Schedule 4 & Exhibit F, Tab 3, Schedule 3, page 3

Question:

Please explain each of the following:

a) The gas supply commodity balance for recovery from the M5 rate class is $11,000 but the one-time adjustment for a large M5 customer for commodity is $35,523;

b) The gas supply commodity balance for recovery from the M7 rate class is $69,000 but the one-time adjustment for a large M7 customer for commodity is $284,180;

c) The gas supply commodity balance for recovery from the M9 rate class is $66,000 but the one-time adjustment for a large M9 customer for commodity is $110,273.

d) Please explain why the billing volume for large volume customers in these rate classes (Schedule 4) is more than the volume shown on Schedule 3 for the entire rate class. For example, the billing units shown in Schedule 4 for a large M9 customer is 20,178,000 m3, while the forecast volume shown in Schedule 3 is 12,173,000 m3.

Response

a - d)

The forecast volumes provided at Exhibit F, Tab 3, Schedule 3, page 3 used to derive the gas supply commodity unit rates for the Union South rate zone are for the forecast period of January 1, 2021 to March 31, 2021. The billing units provided at Exhibit F, Tab 3, Schedule 4, page 2-3 used to derive the estimated bill impacts of Union contract customers are based on annual volumes.

Enbridge Gas notes the bill impacts calculations were derived assuming an annual disposition of the gas supply commodity unit rates for Union contract customers. To correctly illustrate the bill impacts, the gas supply commodity impacts should be based on the forecast volumes for the period of January 1, 2021 to March 31, 2021, consistent with the derivation of the unit rates for disposition provided at Exhibit F, Tab 3, Schedule 3, page 3. The unit rates for disposition are set to prospectively recover gas supply commodity-related balances as a common rate from all Union South sales service customers over the period of January 1, 2021 to March 31, 2021.

An updated version of the bill impacts for typical small and large customers for the Union rate zones is provided at Attachment 1 which in part resolves the differences noted in parts a) to d) of the question.

The remaining differences, based on the bill impacts provided at Attachment 1, relate to the customer assumptions used to derive the bill impacts and the actual forecast volumes for the rate class. The bill impacts are based on a potential small and large customer and do not reflect any specific customer within the rate class. The bill impacts also assume that the illustrative customer elects to take sales service, when in fact a portion of the actual customers source their gas through direct purchase arrangements.

ENBRIDGE GAS INC.
Union Rate Zones
Calculation of One-Time Adjustments for Typical Small and Large Customers

Line No.	Particulars	Deferral Unit Rate (1) (cents/m³)	Billing Units (m³)	Annual Bill Impact ($) (2)
		(a)	(b)	(c)
	Union North			
	Small Rate 20 - Union North West			
1	Delivery	0.0039	3,000,000	116
2	Transportation (3)	(11.0414)	14,000	(18,550)
3		(11.0375)		(18,433)
4	Sales Service Impact			(18,433)
5	Bundled-T (Direct Purchase) Impact			(18,433)
	Large Rate 20 - Union North West			
6	Delivery	0.0039	15,000,000	581
7	Transportation (3)	(11.0414)	60,000	(79,498)
8		(11.0375)		(78,917)
9	Sales Service Impact			(78,917)
10	Bundled-T (Direct Purchase) Impact			(78,917)
	Small Rate 20 - Union North East			
11	Delivery	0.0039	3,000,000	116
12	Transportation (3)	0.0114	14,000	19
13		0.0153		135
14	Sales Service Impact			135
15	Bundled-T (Direct Purchase) Impact			135
	Large Rate 20 - Union North East			
16	Delivery	0.0039	15,000,000	581
17	Transportation (3)	0.0114	60,000	82
18		0.0153		663
19	Sales Service Impact			663
20	Bundled-T (Direct Purchase) Impact			663
	Average Rate 25 - Union North West			
28	Delivery	(0.0046)	2,275,000	(105)
29	Transportation	0.2581	2,275,000	5,872
30		0.2535		5,767
31	Sales Service Impact			5,767
32	Bundled-T (Direct Purchase) Impact			5,767
	Average Rate 25 - Union North East			
33	Delivery	(0.0046)	2,275,000	(105)
34	Transportation	0.0228	2,275,000	520
		0.0182		415
35	Sales Service Impact			415
36	Bundled-T (Direct Purchase) Impact			415
	Small Rate 100			
37	T-Service (Direct Purchase) Impact	(0.0022)	27,000,000	(602)
	Large Rate 100			
38	T-Service (Direct Purchase) Impact	(0.0022)	240,000,000	(5,354)
	Union South			
	Small Rate M4			
39	Delivery	0.0134	875,000	118
40	Commodity (3)	0.5465	215,753	1,179
41		0.5599		1,297
42	Sales Service Impact			1,297
43	Direct Purchase Impact			118
	Large Rate M4			
44	Delivery	0.0134	12,000,000	1,612
45	Commodity (3)	0.5465	2,958,904	16,170
46		0.5599		17,782

47	Sales Service Impact	17,782
48	Direct Purchase Impact	1,612

Notes:
(1) Exhibit F, Tab 3, Schedule 3, pp. 4-5, column (e)
(2) Transportation bill impacts based on monthly demand (m^3/d).
(3) Forecast volumes for the period January 1, 2021 to March 31, 2021 based on 90 days of annual consumption.

ENBRIDGE GAS INC.
Union Rate Zones
Calculation of One-Time Adjustments for Typical Small and Large Customers

Line No.	Particulars	Deferral Unit Rate (1) (cents/m^3)	Billing Units (m^3)	Annual Bill Impact ($)
		(b)	(c)	(d)
	Union South (continued)			
	Small Rate M5 Interruptible			
1	Delivery	(0.0169)	825,000	(140)
2	Commodity (2)	0.5465	203,425	1,112
3		0.5296		972
4	Sales Service Impact			972
5	Direct Purchase Impact			(140)
	Large Rate M5 Interruptible			
6	Delivery	(0.0169)	6,500,000	(1,101)
7	Commodity (2)	0.5465	1,602,740	8,759
8		0.5296		7,658
9	Sales Service Impact			7,658
10	Direct Purchase Impact			(1,101)
	Small Rate M7			
11	Delivery	0.0158	36,000,000	5,681
12	Commodity (2)	0.5465	8,876,712	48,511
13		0.5623		54,192
14	Sales Service Impact			54,192
15	Direct Purchase Impact			5,681
	Large Rate M7			
16	Delivery	0.0158	52,000,000	8,206
17	Commodity (2)	0.5465	12,821,918	70,072
18		0.5623		78,278
19	Sales Service Impact			78,278
20	Direct Purchase Impact			8,206
	Small Rate M9			
21	Delivery	0.0190	6,950,000	1,323
22	Commodity (2)	0.5465	1,713,699	9,365
23		0.5655		10,688
24	Sales Service Impact			10,688
25	Direct Purchase Impact			1,323
	Large Rate M9			
26	Delivery	0.0190	20,178,000	3,840
27	Commodity (2)	0.5465	4,975,397	27,191
28		0.5655		31,031
29	Sales Service Impact			31,031
30	Direct Purchase Impact			3,840
	Rate M10			
31	Delivery	0.0188	94,500	18
32	Commodity (2)	0.5465	23,301	127
33		0.5653		145
34	Sales Service Impact			145
35	Direct Purchase Impact			18
	Small Rate T1			
36	Direct Purchase Impact	(0.0017)	7,537,000	(129)
	Average Rate T1			
37	Direct Purchase Impact	(0.0017)	11,565,938	(197)
	Large Rate T1			
38	Direct Purchase Impact	(0.0017)	25,624,080	(438)
	Small Rate T2			
39	Direct Purchase Impact	0.0048	59,256,000	2,820
	Average Rate T2			
40	Direct Purchase Impact	0.0048	197,789,850	9,412

	Large Rate T2			
41	Direct Purchase Impact	0.0048	370,089,000	17,610
	Large Rate T3			
42	Direct Purchase Impact	0.0244	272,712,000	66,642

Notes:
(1) Exhibit F, Tab 3, Schedule 3, pp. 4-5, column (e)
(2) Forecast volumes for the period January 1, 2021 to March 31, 2021 based on 90 days of annual consumption.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 3, Schedule 4

Question:

Given the magnitude of the one-time adjustments shown for some of the rate classes has EGI considered the need to mitigate the one-time impact on a customer bill of this recovery by spreading the adjustment out over a number of months? If not, why not?

Response

Enbridge Gas is not proposing to mitigate the one-time adjustments for Union South contract customers because the estimated bill impacts are approximately 1% or less of the total bill, as illustrated at Attachment 1.

ENBRIDGE GAS INC.
Estimated Bill Impacts - Union Rate Zones

Line No.	Particulars	Total Bill (1) ($)	Application Bill Impact (2) ($)	Application Bill Impact (2) (%)
		(a)	(b)	(c) = (b / a)
	Union North			
1	Small Rate 20 (3)	638,610	135	0.0%
2	Large Rate 20 (3)	3,045,058	663	0.0%
3	Average Rate 25 (3)	-	415	0.0%
4	Small Rate 100	6,205,567	(602)	0.0%
5	Large Rate 100	54,319,799	(5,354)	0.0%
	Union South			
6	Small Rate M4	191,926	1,297	0.7%
7	Large Rate M4	2,326,906	17,782	0.8%
8	Small Rate M5 Interruptible	167,160	972	0.6%
9	Large Rate M5 Interruptible	1,242,216	7,658	0.6%
10	Small Rate M7	6,541,357	54,192	0.8%
11	Large Rate M7	6,541,357	54,192	0.8%
12	Small Rate M9	888,897	10,688	1.2%
13	Large Rate M9	2,593,617	31,031	1.2%
14	Rate M10	16,944	145	0.9%
15	Small Rate T1	1,376,944	(129)	0.0%
16	Average Rate T1	2,116,139	(197)	0.0%
17	Large Rate T1	4,697,225	(438)	0.0%
18	Small Rate T2	10,265,340	2,820	0.0%
19	Average Rate T2	33,585,406	9,412	0.0%
20	Large Rate T2	62,453,717	17,610	0.0%
21	Large Rate T3	33,530,852	66,642	0.2%

Notes:
(1) EB-2020-0095 (2021 Rates, Phase 1), Exhibit D, Tab 2, Rate Order, Working Papers,
(2) Sales service impact, as per Exhibit I.LPMA.15, Attachment 1, column (c).
(3) Based on Union North East rate zone.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 3, Schedule 2

Question:

Please provide a version of Exhibit F, Tab 2, Schedule 3 for the Union rate zone that shows the classification and allocation of the Union deferral and variance account balances that result in the allocations shown in Exhibit F, Tab 3, Schedule 2.

Response

Please see Attachment 1. The deferral account balances for the Union rate zones are not classified in a comparable manner to the EGD rate zone. To provide the information in a similar format, Enbridge Gas has categorized the deferral account balances according to the allocation factor or methodology. The categorization and allocation of the deferral account balances to rate classes is provided on page 1 and 2, respectively.

ENBRIDGE GAS INC.
Allocation of Union Rate Zone Deferral and Variance Account Balances

Line No.	Particulars ($000's)	Account No.	Account Total	Based on 2013 Cost Study: Rate Base	A&G O&M Expense	Employee Benefit Costs	CPT Project Allocation (1)	Updated for 2019: Direct (2)	DSM Budget	Excess Peak & Average	Union South Design Day	UFG Volumes (3)	UFG Price Volumes (4)
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Gas Supply Related Deferrals:												
1	Upstream Transportation Optimization	179-131	12,288	-	-	-	-	12,288	-	-	-	-	-
2	Unabsorbed Demand Cost (UDC) Variance Account	179-108	(12,269)	-	-	-	-	(12,269)	-	-	-	-	-
3	Deferral Clearing Variance Account - Supply	179-132	(1,124)	-	-	-	-	(1,124)	-	-	-	-	-
4	Deferral Clearing Variance Account - Transport	179-132	71	-	-	-	-	71	-	-	-	-	-
5	Total Gas Supply Related Deferrals		(1,033)	-	-	-	-	(1,033)	-	-	-	-	-
	Storage Related Deferrals:												
6	Short-Term Storage and Other Balancing Services (5)	179-70	2,855	-	-	-	-	-	-	561	2,294	-	-
	Delivery Related Deferrals:												
7	Normalized Average Consumption (NAC)	179-133	(4,796)	-	-	-	-	(4,796)	-	-	-	-	-
8	Deferral Clearing Variance Account - Delivery	179-132	(740)	-	-	-	-	(740)	-	-	-	-	-
9	OEB Cost Assessment Variance Account	179-151	1,599	-	1,599	-	-	-	-	-	-	-	-
10	Conservation Demand Management	179-123	(142)	-	-	-	-	-	(142)	-	-	-	-
11	Parkway West Project Costs	179-136	(505)	-	-	-	(505)	-	-	-	-	-	-
12	Brantford-Kirkwall/Parkway D Project Costs	179-137	(39)	-	-	-	(39)	-	-	-	-	-	-
13	Lobo C Compressor/Hamilton-Milton Pipeline Project Costs	179-142	279	-	-	-	279	-	-	-	-	-	-
14	Lobo D/Bright C/ Dawn H Compressor Project Costs	179-144	(1,599)	-	-	-	(1,599)	-	-	-	-	-	-
15	Burlington-Oakville Project Costs	179-149	(50)	-	-	-	(50)	-	-	-	-	-	-
16	Panhandle Reinforcement Project Costs	179-156	(1,198)	-	-	-	(1,198)	-	-	-	-	-	-
17	Unauthorized Overrun Non-Compliance Account	179-143	(447)	-	-	-	-	-	-	-	(447)	-	-
18	Pension & OPEB Forecast Accrual vs Actual Cash Payment Differential Variance Accoun	179-157	(961)	-	-	(961)	-	-	-	-	-	-	-
19	Unaccounted for Gas (UFG) Volume Variance Account	179-135	1,580	-	-	-	-	-	-	-	-	1,580	-
20	Unaccounted for Gas (UFG) Price Variance Account	179-141	465	-	-	-	-	-	-	-	-	-	465
21	Accounting Policy Changes DA - Pension - EGI	179-381	(839)	(839)	-	-	-	-	-	-	-	-	-
22	Total Delivery-Related Deferrals		(7,393)	(839)	1,599	(961)	(3,112)	(5,536)	(142)	-	(447)	1,580	465
23	Grand Total		(5,571)	(839)	1,599	(961)	(3,112)	(6,569)	(142)	561	1,847	1,580	465

Notes:
(1) Capital pass-through project deferral amounts are allocated to rate classes in proportion to the difference between the actual Project net delivery revenue requirement and the forecasted Project net delivery requirement included in 2019 Rates.
(2) Allocation based on variance in forecast and actual recovery by rate class.
(3) Allocation based on the Board-approved allocation of UFG volumes, updated for 2019 activity.
(4) Allocation based on the Board-approved allocation of UFG volumes, updated for 2019 activity, applied to the UFG price variance balance split of utility supplied fuel and customer supplied fuel.
(5) The Short-Term Storage and Other Balancing Services deferral account is split between Union North and Union South based on Storage Space requirements. The allocation is based on Excess Peak over Average Day demands in Union North and firm Design Day demands in Union South.

ENBRIDGE GAS INC.
Allocation of Union Rate Zone Deferral and Variance Account Balances

			Based on 2013 Cost Study				Updated for 2019					
Line No.	Particulars ($000's)	Rate Class Total	Rate Base	A&G O&M Expense	Employee Benefit Costs	CPT Project Allocation	Direct	DSM Budget	Excess Peak & Average	Union South Design Day	UFG Volumes	UFG Price Volumes
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Union North											
1	Rate 01	(9,437)	(149)	321	(193)	(186)	(9,661)	(14)	389	-	35	22
2	Rate 10	(2,693)	(23)	28	(18)	(21)	(2,783)	(7)	110	-	12	8
3	Rate 20	(143)	(16)	24	(17)	(16)	(181)	(4)	60	-	5	3
4	Rate 25	54	(4)	10	(7)	(6)	60	-	-	-	1	1
5	Rate 100	(21)	(13)	21	(15)	(14)	-	(2)	2	-	-	-
6	Total Union North	(12,239)	(205)	403	(250)	(243)	(12,565)	(27)	561	-	54	33
	Union South											
7	Rate M1	5,824	(326)	808	(473)	(730)	5,551	(61)	-	731	200	123
8	Rate M2	358	(49)	76	(46)	(148)	168	(24)	-	249	82	51
9	Rate M4	217	(12)	28	(19)	(102)	126	(10)	-	137	42	26
10	Rate M5	(1)	(10)	32	(22)	(19)	11	(1)	-	1	5	3
11	Rate M7	155	(4)	8	(5)	(27)	69	(5)	-	63	34	21
12	Rate M9	86	(1)	1	(1)	(1)	66	-	-	11	7	4
13	Rate M10	4	(0)	0	(0)	(0)	4	-	-	0	0	0
14	Rate T1	(7)	(9)	21	(13)	(81)	-	(3)	-	51	22	4
15	Rate T2	197	(38)	57	(33)	(546)	-	(10)	-	545	194	28
16	Rate T3	69	(5)	6	(4)	(7)	-	-	-	59	17	2
17	Total Union South	6,901	(454)	1,036	(615)	(1,660)	5,996	(115)	-	1,847	603	263
	Ex-Franchise											
18	Excess Utility Storage Space	(11)	(5)	6	(3)	(10)	-	-	-	-	-	-
19	Rate C1	127	(2)	3	(2)	(143)	-	-	-	-	207	62
20	Rate M12	(337)	(173)	150	(91)	(1,027)	-	-	-	-	701	102
21	Rate M13	3	(0)	0	(0)	(0)	-	-	-	-	2	1
22	Rate M16	(14)	(0)	0	(0)	(29)	-	-	-	-	12	3
23	Total Ex-franchise	(233)	(180)	160	(96)	(1,208)	-	-	-	-	923	169
24	Grand Total (Line 6+17+23)	(5,571)	(839)	1,599	(961)	(3,112)	(6,569)	(142)	561	1,847	1,580	465

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 1, pages 3-5 & Exhibit C, Tab 1, pages 4-8

Question:

a) Has EGI harmonized the depreciation rates across the EGD and Union rate zones by asset class or do some classes of assets still have different depreciation rates between the EGD and Union rate zones?

b) Is the only change made with respect to the depreciation expense is a change in Union rate zone to match that of the EGD rate zone? If not, what other changes have been made. Please identify the impact of any such changes on each rate zone.

c) The evidence states that since many projects go into service late in the year the EGD/EGI policy would typically result in a lower first year depreciation expense than following the Union policy. Since there does not appear to be any change in the EGD policy, does this mean that the reduction in the gross revenue requirement associated with the depreciation policy change is all associated with the Union rate zone? If not, please explain fully.

d) Please confirm that the previous Union policy of using half year depreciation in the first and last year of service, regardless of the month that the asset went into service, results in a higher depreciation expense relative to the EGD/EGI policy and that this higher amount was built in the Union zone base rates at the last rebasing application. If this cannot be confirmed, please explain fully.

Response

a) Enbridge Gas has not harmonized depreciation rates across rate zones. Enbridge Gas continues to track and record capital assets to the approved asset classes for each legacy rate zone, and depreciates those asset classes utilizing the depreciation rates previously approved for each rate zone.

b) Yes, the only change made with respect to the calculation of depreciation expense was in regards to the method used to calculate depreciation expense on capital assets in the Union rate zones. Union's former methodology, in which a half year of depreciation was calculated in the first and last year of service, was replaced with the legacy EGD policy where depreciation begins the month following the asset being placed into service, and stops the month after retirement.

c) Yes, the gross revenue requirement reduction associated with the depreciation policy change, is entirely related to assets in the Union rate zones.

d) The Company confirms that typically, the previous Union policy of calculating a half year of depreciation in the first and last year of service, regardless of the month that the asset went into service, results in a higher depreciation expense relative to the EGD/EGI policy, and that Union rate zone base rates, established at the last rebasing application, utilized that methodology. However, while unlikely, it is possible that in any given year, the Company could place more assets into service in the first half of the year, as compared to the second half of the year, which would result in less depreciation expense calculated under the half year methodology, relative to the EGD/EGI policy. The deferral entries through the APCDA effectively mitigate these impacts (no impact to earnings) in 2019 and throughout the deferred rebasing period.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 1, pages 3-5 & Exhibit C, Tab 1, pages 4-8

Question:

Two changes have been made with respect to the interest during construction policy, which result in a net small gross revenue requirement decrease.

a) Does the replacement of the Union policy where IDC was only calculated on projects with a capital spend of $1 million or more and that had a duration of greater than 12 months in favour of the EGD policy result in an increase or decrease in the gross revenue requirement?

b) Does the replacement of the EGD policy of using the weighted average cost of debt in favour of the Union policy of using the OEB prescribed interest rate for CWIP result in an increase or decrease in the gross revenue requirement?

c) If the results of (a) and (b) above result in one increase and one decrease in the gross revenue requirement, please break out the net gross revenue requirement into its two components. If both policy changes in (a) and (b) result in reductions to the gross revenue requirement, no breakdown is required.

Response

a) The replacement of the Legacy Union policy where IDC was only calculated on projects with a capital spend of $1 million or more and that had a duration of greater than 12 months in favour of the Legacy EGD policy resulted in a revenue sufficiency of $608.3 thousand.

b) The replacement of the Legacy EGD policy of using the weighted average cost of debt in favour of the Legacy Union policy of using the OEB prescribed interest rate for CWIP resulted in a revenue deficiency of $538 thousand.

c) Please refer to the table provided in Exhibit I.LPMA.7 a) for a breakdown of revenue requirement into its separate legacy rate zone components.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 1, pages 3-5 & Exhibit C, Tab 1, pages 4-8

Question:

a) Please confirm that with respect to non-integrity digs changes in policy, there is no change in the expenses incurred in the Union rate zone while in the EGD rate zone there is an increase in expenses and a reduction in capital expenditures/rate base. If this cannot be confirmed, please explain fully.

b) Please confirm that with respect to the integrity digs change in policy, there is no change in the expenses or capital expenditures incurred in the EGD rate zone while in the Union rate zone there is a decrease in expenses and an increase in capital/expenditures/rate base. If this cannot be confirmed, please explain fully.

c) Please split the gross revenue requirement associated with the capitalization policy changes based on the two changes (non-integrity digs and integrity digs) into amounts for each of the EGD and Union rate zones.

d) Please confirm that the increase in expenses and reduction in capital in the EGD rate zone and the decrease in expenses and increase in capital in the Union rate zone were not built into base rates in the last rebasing application of either EGD or Union. If this cannot be confirmed, please explain fully.

Response

a) Confirmed, however the revenue requirement impact that results from this change has been mitigated through the APCDA deferral entry. This treatment is in accordance with the direction of the Board and the establishment of the APCDA deferral account and Accounting Order 179-381.

b) Confirmed, however the revenue requirement impact that results from this change has been mitigated through the APCDA deferral entry. This treatment is in accordance with the direction of the Board and the establishment of the APCDA Accounting Order 179-381.

c) Please refer to the response in Exhibit I.LPMA.7 a) for the split.

d) Confirmed. The increase in expenses and reduction in capital in the EGD rate zone and the decrease in expenses and increase in capital in the Union rate zone **were not** built into base rates in the last rebasing application of either EGD or Union. Again, as noted in a) and b) the revenue requirement impact that results from this change has been mitigated through the APCDA deferral entry. This treatment is in accordance with the direction of the Board and the establishment of the APCDA Accounting Order 179-381.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit C, Tab 1, Schedule 2 & Exhibit F, Tab 1, Schedule 1

Question:

a) Based on the responses provided above in interrogatories 18, 19 and 20, please split columns 1, 2 and 3 into the separate impacts related to the each of the EGD and Union rate zones.

b) Based on the above split of the gross revenue requirement into the EGD and Union rate zones, please provide a version of Exhibit F1, Tab 1, Schedule 1 that shows the allocation of the APCDA to the EGD and Union rate zones.

Response:

a) The breakdowns of these impacts by their respective rate zones has been provided in Exhibit I.LPMA.7 a).

b) Enbridge Gas does not agree with the splitting the APCDA balance between rate zones based on the accounting change impact of each legacy utility as suggested in the question. The APCDA was established in the MAADs Decision (EB-2017-0306/EB-2017-0307) approving the amalgamation of Enbridge Gas Distribution Inc. and Union Gas Limited. The accounting policy change impacts recorded in the APCDA result directly from the amalgamation and would not come about if the two legacy utilities remained stand alone utilities. Splitting the APCDA balance between legacy utility in proportion to 2018 rate base as proposed attributes the balance in an equitable manner to all customers impacted by the amalgamation. Please also see the response to Exhibit I.LPMA.23.

   For illustrative purposes only, Enbridge Gas has provided updated schedule as requested in the question. Please see Attachment 1.

ENBRIDGE GAS INC.
Split of EGI Accounting Policy Changes Deferral Account Balance to Rate Zones
Updated for Exhibit I.LPMA.21

Line No.	Particulars ($000's)	Account Balance Principal	Interest (1)	Total
		(a)	(b)	(c) = (a+b)
	Accounting Policy Changes Deferral Account			
1	EGD	6,337	98	6,435
2	Union	(8,087)	(125)	(8,211)
3	Total	(1,750)	(27)	(1,776)

Note:
(1) Allocated in proportion to column (a).

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 2 & Exhibit F, Tab 3

Question:

Please provide revised versions of all schedules in Tabs 2 and 3 of Exhibit F that would be impacted by the change in the split of the APCDA between the EGD and Union rate zones based on the rate zone attribution requested in the above interrogatories. Please continue to allocate the split balance to rate classes in each rate zone in proportion to 2018 rate base for the EGD rate zone and 2013 rate base for the Union rate zone, as currently proposed by EGI.

Response:

As noted at Exhibit I.LPMA.21, Enbridge Gas does not agree with the splitting the APCDA balance between rate zones based on the accounting change impact of each legacy utility as suggested in the question. The APCDA was established in the MAADs Decision (EB-2017-0306/EB-2017-0307) approving the amalgamation of Enbridge Gas Distribution Inc. and Union Gas Limited. The accounting policy change impacts recorded in the APCDA result directly from the amalgamation and would not come about if the two legacy utilities remained stand alone utilities. Splitting the APCDA balance between legacy utility in proportion to 2018 rate base as proposed attributes the balance in an equitable manner to all customers impacted by the amalgamation. Please also see the response to Exhibit I.LPMA.23.

For illustrative purposes only, Enbridge Gas has provided updated schedules as requested in the question. Please see Attachment 1 for updated schedules for the EGD rate zone and Attachments 2 to 5 for updated schedules for the Union rate zones.

UNIT RATE AND TYPE OF SERVICE: CLEARING IN JAN 2021

Updated for Exhibit I.LPMA.22

		COL.1
		Unit Rate (¢/m³)
Bundled Services:		
RATE 1	- SYSTEM SALES	0.1213
	- BUY/SELL	0.0000
	- ONTARIO T-SERVICE	0.1198
	- DAWN T-SERVICE	0.1198
	- WESTERN T-SERVICE	0.1213
RATE 6	- SYSTEM SALES	0.1362
	- BUY/SELL	0.0000
	- ONTARIO T-SERVICE	0.1347
	- DAWN T-SERVICE	0.1347
	- WESTERN T-SERVICE	0.1362
RATE 9	- SYSTEM SALES	0.0000
	- BUY/SELL	0.0000
	- ONTARIO T-SERVICE	0.0000
	- DAWN T-SERVICE	0.0000
	- WESTERN T-SERVICE	0.0000
RATE 100	- SYSTEM SALES	0.0648
	- BUY/SELL	0.0000
	- ONTARIO T-SERVICE	0.0633
	- DAWN T-SERVICE	0.0633
	- WESTERN T-SERVICE	0.0000
RATE 110	- SYSTEM SALES	0.0875
	- BUY/SELL	0.0000
	- ONTARIO T-SERVICE	0.0860
	- DAWN T-SERVICE	0.0860
	- WESTERN T-SERVICE	0.0875
RATE 115	- SYSTEM SALES	0.0830
	- BUY/SELL	0.0000
	- ONTARIO T-SERVICE	0.0815
	- DAWN T-SERVICE	0.0815
	- WESTERN T-SERVICE	0.0000
RATE 135	- SYSTEM SALES	0.0803
	- BUY/SELL	0.0000
	- ONTARIO T-SERVICE	0.0000
	- DAWN T-SERVICE	0.0788
	- WESTERN T-SERVICE	0.0803
RATE 145	- SYSTEM SALES	0.1268
	- BUY/SELL	0.0000
	- ONTARIO T-SERVICE	0.0000
	- DAWN T-SERVICE	0.1253
	- WESTERN T-SERVICE	0.0000
RATE 170	- SYSTEM SALES	0.0796
	- BUY/SELL	0.0000
	- ONTARIO T-SERVICE	0.0781
	- DAWN T-SERVICE	0.0781
	- WESTERN T-SERVICE	0.0000
RATE 200	- SYSTEM SALES	0.0965
	- BUY/SELL	0.0000
	- ONTARIO T-SERVICE	0.0000
	- DAWN T-SERVICE	0.0950
	- WESTERN T-SERVICE	0.0000
Unbundled Services (Billing based on CD):		
RATE 125	- All	1.4575
RATE 300	- All	6.8846
RATE 332	- All	1.4584

DETERMINATION OF BALANCES TO BE CLEARED
FROM THE 2019 DEFERRAL AND VARIANCE ACCOUNTS
Updated for Exhibit I.LPMA.22

		COL. 1	COL. 2	COL. 3
ITEM NO.		PRINCIPAL For CLEARING ($000)	INTEREST ($000)	TOTAL For CLEARING ($000)
EGD RATE ZONE				
1.	TRANSACTIONAL SERVICES D/A	134.3	1.8	136.1
2.	UNACCOUNTED FOR GAS V/A	4,879.7	70.6	4,950.3
3.	STORAGE AND TRANSPORTATION D/A	2,472.3	34.5	2,506.9
4.	DEFERRED REBATE ACCOUNT	991.2	27.1	1,018.3
5.	OEB COST ASSESSMENT VARIANCE ACCOUNT	3,233.1	77.5	3,310.6
6.	AVERAGE USE TRUE-UP V/A	(8,768.8)	(120.6)	(8,889.4)
7.	ELECTRIC PROGRAM EARNINGS SHARING D/A	(174.7)	(5.1)	(179.8)
8.	TRANSITION IMPACT OF ACCT CHANGE D/A	4,435.8	-	4,435.8
9.	DAWN ACCESS COSTS D/A	2,152.7	29.6	2,182.3
10.	GAS SUPPLY PLAN COST CONSEQUENCES D/A	-	-	-
11.	EGD RATE ZONE SUB-TOTAL	9,355.6	115.4	9,471.1
EGI ACCOUNTS				
12.	ACCOUNTING POLICY CHANGES D/A - PENSION - EGI	6,337.0	97.6	6,434.6
13.	EGI SUB-TOTAL	6,337.0	97.6	6,434.6
14.	TOTAL	15,692.7	213.1	15,905.7

Classification and Allocation of Deferral and Variance Account Balances

Classification and Allocation of Deferral and Variance Account Balances

Updated for Exhibit I.LPMA.22

ITEM NO.		COL.1 TOTAL ($000)	COL. 2 SALES AND WBT ($000)	COL. 3 TOTAL SALES ($000)	COL. 4 TOTAL DELIVERIES ($000)	COL. 5 SPACE ($000)	COL. 6 DELIVE-RABILITY ($000)	COL. 7 DIRECT ($000)	COL. 8 NUMBER OF CUSTOMERS ($000)	COL. 9 RATE BASE ($000)	COL. 10 BUNDLED ANNUAL DELIVERIES ($000)
	CLASSIFICATION										
1.	TRANSACTIONAL SERVICES D/A	136.1	135.1			0.3	0.7				
2.	UNACCOUNTED FOR GAS V/A	4,950.3			4,950.3						
3.	STORAGE AND TRANSPORTATION D/A	2,506.9				837.1	1,669.8				
4.	DEFERRED REBATE ACCOUNT	1,018.3			1,018.3						
5.	OEB COST ASSESSMENT VARIANCE ACCOUNT	3,310.6								3,310.6	
6.	ACCOUNTING POLICY CHANGES D/A - PENSION - EGI	6,434.6								6,434.6	
8.	AVERAGE USE TRUE-UP V/A	(8,889.4)						(8,889.4)			
10.	GAS SUPPLY PLAN COST CONSEQUENCES D/A	0.0			0.0			0.0			
11.	ELECTRIC PROGRAM EARNINGS SHARING D/A	(179.8)								(179.8)	
12.	TRANSITION IMPACT OF ACCT CHANGE D/A	4,435.8								4,435.8	
21.	DAWN ACCESS COSTS D/A	2,182.3									2,182.3
	TOTAL	15,905.7	135.1	0.0	5,968.6	837.4	1,670.5	(8,889.4)	0.0	14,001.2	2,182.3
	ALLOCATION										
1.1	RATE 1	6,500.8	79.0	0.0	2,544.9	410.4	933.7	(7,567.6)	0.0	9,186.2	914.2
1.2	RATE 6	7,189.1	51.9	0.0	2,517.1	391.5	718.9	(1,321.7)	0.0	3,919.2	912.3
1.3	RATE 9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.4	RATE 100	9.9	0.2	0.0	7.3	0.3	2.1	0.0	0.0	0.0	0.0
1.5	RATE 110	754.4	1.2	0.0	415.7	12.6	0.0	0.0	0.0	168.0	156.8
1.6	RATE 115	360.1	0.0	0.0	209.7	0.0	2.3	0.0	0.0	61.6	86.5
1.7	RATE 125	135.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	135.0	0.0
1.8	RATE 135	49.8	0.1	0.0	29.9	0.0	0.0	0.0	0.0	7.7	12.0
1.9	RATE 145	38.2	0.0	0.0	14.5	1.4	0.0	0.0	0.0	13.8	8.5
1.10	RATE 170	223.9	0.3	0.0	136.0	8.6	0.0	0.0	0.0	19.4	59.7
1.11	RATE 200	189.3	2.3	0.0	93.5	12.5	13.6	0.0	0.0	35.1	32.4
1.12	RATE 300	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.1	0.0
1.13	RATE 332	454.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	454.2	0.0
1.		15,905.7	135.1	0.0	5,968.6	837.4	1,670.5	(8,889.4)	0.0	14,001.2	2,182.3

ALLOCATION BY TYPE OF SERVICE

Updated for Exhibit I.LPMA.22

		COL.1	COL. 2	COL. 3	COL. 4	COL. 5	COL. 6	COL. 7	COL. 8	COL. 9	COL. 10
		TOTAL	SALES AND WBT	TOTAL SALES	TOTAL DELIVERIES	SPACE	DELIVE-RABILITY	DIRECT	NUMBER OF CUSTOMERS	RATE BASE	BUNDLED ANNUAL DELIVERIES
		($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)
Bundled Services:											
RATE 1	- SYSTEM SALES	6,326.1	78.5	-	2,475.9	399.3	908.4	(7,362.5)	-	8,937.1	889.4
	- BUY/SELL	-	-	-	-	-	-	-	-	-	-
	- T-SERVICE EXCL WBT	0.4	-	-	0.2	0.0	0.1	(0.5)	-	0.6	0.1
	- DAWN T-SERVICE	130.5	-	-	51.7	8.3	19.0	(153.7)	-	186.6	18.6
	- WBT	43.8	0.5	-	17.2	2.8	6.3	(51.0)	-	61.9	6.2
RATE 6	- SYSTEM SALES	4,403.3	48.7	-	1,535.7	238.9	438.6	(806.4)	-	2,391.2	556.6
	- BUY/SELL	-	-	-	-	-	-	-	-	-	-
	- T-SERVICE EXCL WBT	88.7	-	-	31.3	4.9	8.9	(16.4)	-	48.7	11.3
	- DAWN T-SERVICE	2,403.4	-	-	847.6	131.8	242.1	(445.1)	-	1,319.7	307.2
	- WBT	293.7	3.2	-	102.4	15.9	29.3	(53.8)	-	159.5	37.1
RATE 9	- SYSTEM SALES	-	-	-	-	-	-	-	-	-	-
	- BUY/SELL	-	-	-	-	-	-	-	-	-	-
	- T-SERVICE EXCL WBT	-	-	-	-	-	-	-	-	-	-
	- DAWN T-SERVICE	-	-	-	-	-	-	-	-	-	-
	- WBT	-	-	-	-	-	-	-	-	-	-
RATE 100	- SYSTEM SALES	8.1	0.2	-	6.0	0.3	1.7	-	-	0.0	-
	- BUY/SELL	-	-	-	-	-	-	-	-	-	-
	- T-SERVICE EXCL WBT	0.2	-	-	0.2	0.0	0.1	-	-	0.0	-
	- DAWN T-SERVICE	1.5	-	-	1.2	0.1	0.3	-	-	0.0	-
	- WBT	-	-	-	-	-	-	-	-	-	-
RATE 110	- SYSTEM SALES	60.2	1.0	-	32.7	1.0	-	-	-	13.2	12.3
	- BUY/SELL	-	-	-	-	-	-	-	-	-	-
	- T-SERVICE EXCL WBT	27.2	-	-	15.0	0.5	-	-	-	6.1	5.7
	- DAWN T-SERVICE	657.0	-	-	362.7	11.0	-	-	-	146.5	136.8
	- WBT	9.9	0.2	-	5.4	0.2	-	-	-	2.2	2.0
RATE 115	- SYSTEM SALES	0.6	0.0	-	0.4	0.0	0.0	-	-	0.1	0.1
	- BUY/SELL	-	-	-	-	-	-	-	-	-	-
	- T-SERVICE EXCL WBT	148.2	-	-	86.3	0.0	0.9	-	-	25.4	35.6
	- DAWN T-SERVICE	211.3	-	-	123.1	0.0	1.3	-	-	36.2	50.7
	- WBT	-	-	-	-	-	-	-	-	-	-
RATE 135	- SYSTEM SALES	1.3	0.0	-	0.8	-	-	-	-	0.2	0.3
	- BUY/SELL	-	-	-	-	-	-	-	-	-	-
	- T-SERVICE EXCL WBT	-	-	-	-	-	-	-	-	-	-
	- DAWN T-SERVICE	43.6	-	-	26.3	-	-	-	-	6.8	10.5
	- WBT	4.9	0.1	-	2.9	-	-	-	-	0.7	1.2
RATE 145	- SYSTEM SALES	2.0	0.0	-	0.8	0.1	-	-	-	0.7	0.4
	- BUY/SELL	-	-	-	-	-	-	-	-	-	-
	- T-SERVICE EXCL WBT	-	-	-	-	-	-	-	-	-	-
	- DAWN T-SERVICE	36.1	-	-	13.7	1.3	-	-	-	13.1	8.0
	- WBT	-	-	-	-	-	-	-	-	-	-
RATE 170	- SYSTEM SALES	14.5	0.3	-	8.7	0.5	-	-	-	1.2	3.8
	- BUY/SELL	-	-	-	-	-	-	-	-	-	-
	- T-SERVICE EXCL WBT	110.5	-	-	67.2	4.2	-	-	-	9.6	29.5
	- DAWN T-SERVICE	98.9	-	-	60.1	3.8	-	-	-	8.6	26.4
	- WBT	-	-	-	-	-	-	-	-	-	-
RATE 200	- SYSTEM SALES	147.2	2.3	-	72.4	9.7	10.5	-	-	27.2	25.1
	- BUY/SELL	-	-	-	-	-	-	-	-	-	-
	- T-SERVICE EXCL WBT	-	-	-	-	-	-	-	-	-	-
	- DAWN T-SERVICE	42.2	-	-	21.1	2.8	3.1	-	-	7.9	7.3
	- WBT	-	-	-	-	-	-	-	-	-	-
Unbundled Services: (Billing based on CD)											
RATE 125		135.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	135.0	
RATE 300		1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.1	
RATE 332		454.2						0.0		454.2	
		15,905.7	135.1	0.0	5,968.6	837.4	1,670.5	(8,889.4)	0.0	14,001.2	2,182.3

UNIT RATE AND TYPE OF SERVICE

Updated for Exhibit I.LPMA.22

		COL.1	COL. 2	COL. 3	COL. 4	COL. 5	COL. 6	COL. 7	COL. 8	COL. 9	COL. 10
		TOTAL	SALES AND WBT	TOTAL SALES	TOTAL DELIVERIES	SPACE	DELIVE-RABILITY	DIRECT	NUMBER OF CUSTOMERS	RATE BASE	BUNDLED ANNUAL DELIVERIES
		(¢/m³)	(¢/m³)	(¢/m³)	(¢/m³)	(¢/m³)	(¢/m³)	(¢/m³)	(¢/m³)	(¢/m³)	(¢/m³)
Bundled Services:											
RATE 1	- SYSTEM SALES	0.1213	0.0015	0.0000	0.0475	0.0077	0.0174	(0.1412)	0.0000	0.1714	0.0171
	- BUY/SELL	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- ONTARIO T-SERVICE	0.1198	0.0000	0.0000	0.0475	0.0077	0.0174	(0.1412)	0.0000	0.1714	0.0171
	- DAWN T-SERVICE	0.1198	0.0000	0.0000	0.0475	0.0077	0.0174	(0.1412)	0.0000	0.1714	0.0171
	- WESTERN T-SERVICE	0.1213	0.0015	0.0000	0.0475	0.0077	0.0174	(0.1412)	0.0000	0.1714	0.0171
RATE 6	- SYSTEM SALES	0.1362	0.0015	0.0000	0.0475	0.0074	0.0136	(0.0249)	0.0000	0.0739	0.0172
	- BUY/SELL	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- ONTARIO T-SERVICE	0.1347	0.0000	0.0000	0.0475	0.0074	0.0136	(0.0249)	0.0000	0.0739	0.0172
	- DAWN T-SERVICE	0.1347	0.0000	0.0000	0.0475	0.0074	0.0136	(0.0249)	0.0000	0.0739	0.0172
	- WESTERN T-SERVICE	0.1362	0.0015	0.0000	0.0475	0.0074	0.0136	(0.0249)	0.0000	0.0739	0.0172
RATE 9	- SYSTEM SALES	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- BUY/SELL	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- ONTARIO T-SERVICE	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- DAWN T-SERVICE	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- WESTERN T-SERVICE	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
RATE 100	- SYSTEM SALES	0.0648	0.0015	0.0000	0.0475	0.0022	0.0136	0.0000	0.0000	0.0000	0.0000
	- BUY/SELL	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- ONTARIO T-SERVICE	0.0633	0.0000	0.0000	0.0475	0.0022	0.0136	0.0000	0.0000	0.0000	0.0000
	- DAWN T-SERVICE	0.0633	0.0000	0.0000	0.0475	0.0022	0.0136	0.0000	0.0000	0.0000	0.0000
	- WESTERN T-SERVICE	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
RATE 110	- SYSTEM SALES	0.0875	0.0015	0.0000	0.0475	0.0014	0.0000	0.0000	0.0000	0.0192	0.0179
	- BUY/SELL	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- ONTARIO T-SERVICE	0.0860	0.0000	0.0000	0.0475	0.0014	0.0000	0.0000	0.0000	0.0192	0.0179
	- DAWN T-SERVICE	0.0860	0.0000	0.0000	0.0475	0.0014	0.0000	0.0000	0.0000	0.0192	0.0179
	- WESTERN T-SERVICE	0.0875	0.0015	0.0000	0.0475	0.0014	0.0000	0.0000	0.0000	0.0192	0.0179
RATE 115	- SYSTEM SALES	0.0830	0.0015	0.0000	0.0475	0.0000	0.0005	0.0000	0.0000	0.0140	0.0196
	- BUY/SELL	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- ONTARIO T-SERVICE	0.0815	0.0000	0.0000	0.0475	0.0000	0.0005	0.0000	0.0000	0.0140	0.0196
	- DAWN T-SERVICE	0.0815	0.0000	0.0000	0.0475	0.0000	0.0005	0.0000	0.0000	0.0140	0.0196
	- WESTERN T-SERVICE	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
RATE 135	- SYSTEM SALES	0.0803	0.0015	0.0000	0.0475	0.0000	0.0000	0.0000	0.0000	0.0122	0.0190
	- BUY/SELL	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- ONTARIO T-SERVICE	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- DAWN T-SERVICE	0.0788	0.0000	0.0000	0.0475	0.0000	0.0000	0.0000	0.0000	0.0122	0.0190
	- WESTERN T-SERVICE	0.0803	0.0015	0.0000	0.0475	0.0000	0.0000	0.0000	0.0000	0.0122	0.0190
RATE 145	- SYSTEM SALES	0.1268	0.0015	0.0000	0.0475	0.0046	0.0000	0.0000	0.0000	0.0454	0.0278
	- BUY/SELL	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- ONTARIO T-SERVICE	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- DAWN T-SERVICE	0.1253	0.0000	0.0000	0.0475	0.0046	0.0000	0.0000	0.0000	0.0454	0.0278
	- WESTERN T-SERVICE	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
RATE 170	- SYSTEM SALES	0.0796	0.0015	0.0000	0.0475	0.0030	0.0000	0.0000	0.0000	0.0068	0.0209
	- BUY/SELL	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- ONTARIO T-SERVICE	0.0781	0.0000	0.0000	0.0475	0.0030	0.0000	0.0000	0.0000	0.0068	0.0209
	- DAWN T-SERVICE	0.0781	0.0000	0.0000	0.0475	0.0030	0.0000	0.0000	0.0000	0.0068	0.0209
	- WESTERN T-SERVICE	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
RATE 200	- SYSTEM SALES	0.0965	0.0015	0.0000	0.0475	0.0064	0.0069	0.0000	0.0000	0.0178	0.0165
	- BUY/SELL	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- ONTARIO T-SERVICE	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	- DAWN T-SERVICE	0.0950	0.0000	0.0000	0.0475	0.0064	0.0069	0.0000	0.0000	0.0178	0.0165
	- WESTERN T-SERVICE	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Unbundled Services (Billing based on CD, ¢/m3):											
RATE 125	- All	1.4575	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	1.4575	0.0000
	- Customer-specific **										
RATE 300	- All	6.8846	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	6.8846	0.0000
	- Customer-specific **										
RATE 332	- All	1.4584	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	1.4584	0.0000

Notes:

* Unit Rates derived based on 2019 actual volumes

Enbridge Gas Distribution Inc.
2019 Deferral and Variance Account Clearing
Bill Adjustment in Jan 2021 for Typical Customers
Updated for Exhibit I.LPMA.22

Item No.	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10
			Unit Rates				Bill Adjustment			
	GENERAL SERVICE	Annual Volume m3	Sales cents/m3	Ontario TS cents/m3	Dawn TS cents/m3	Western TS cents/m3	Sales Customers $	Ontario TS Customers $	Dawn TS Customers $	Western TS Customers $
1.1	**RATE 1 RESIDENTIAL**									
1.2	Heating & Water Heating	2,400	0.1213	0.1198	0.1198	0.1213	2.9	2.9	2.9	2.9
2.1	**RATE 6 COMMERCIAL**									
2.2	General Use	43,285	0.1362	0.1347	0.1347	0.1362	58.9	58.3	58.3	58.9
	CONTRACT SERVICE									
3.1	**RATE 100**									
3.2	Industrial - small size	339,188	0.0648	0.0633	0.0633	0.0000	219.7	214.6	214.6	-
4.1	**RATE 110**									
4.2	Industrial - small size, 50% LF	598,568	0.0875	0.0860	0.0860	0.0875	524.0	515.0	515.0	524.0
4.3	Industrial - avg. size, 75% LF	9,976,121	0.0875	0.0860	0.0860	0.0875	8,733.2	8,583.0	8,583.0	8,733.2
5.1	**RATE 115**									
5.2	Industrial - small size, 80% LF	4,471,609	0.0830	0.0815	0.0815	0.0000	3,713.4	3,646.1	3,646.1	-
6.1	**RATE 135**									
6.2	Industrial - Seasonal Firm	598,567	0.0803	0.0000	0.0788	0.0803	480.5	-	471.5	480.5
7.1	**RATE 145**									
7.2	Commercial - avg. size	598,568	0.1268	0.0000	0.1253	0.0000	759.0	-	750.0	-
8.1	**RATE 170**									
8.2	Industrial - avg. size, 75% LF	9,976,121	0.0796	0.0781	0.0781	0.0000	7,941.9	7,791.7	7,791.7	-

Notes:
Col. 7 = Col. 2 x Col. 3
Col. 8 = Col. 2 x Col. 4
Col. 9 = Col. 2 x Col. 5
Col. 10 = Col. 2 x Col. 6

ENBRIDGE GAS INC.
Union Rate Zones
2019 Deferral Account Balances
Year Ending December 31, 2019
Updated for Exhibit I.LPMA.22

Line No.	Account Number	Account Name ($000's)	Balance	Interest	Total
			(a)	(b)	(c)
1	179-131	Upstream Transportation Optimization	12,122	166	12,288
2	179-107	Spot Gas Variance Account	-	-	-
3	179-108	Unabsorbed Demand Costs Variance Account	(11,958)	(311)	(12,269)
4	179-132	Deferral Clearing Variance Account - Supply	(1,096)	(28)	(1,124)
5	179-132	Deferral Clearing Variance Account - Transport	69	2	71
6	179-070	Short-Term Storage and Other Balancing Services	2,822	33	2,855
7	179-133	Normalized Average Consumption	(4,676)	(120)	(4,796)
8	179-132	Deferral Clearing Variance Account	(722)	(18)	(740)
9	179-151	OEB Cost Assessment Variance Account	1,563	36	1,599
10	179-103	Unbundled Services Unauthorized Storage Overrun	-	-	-
11	179-112	Gas Distribution Access Rule Costs	-	-	-
12	179-123	Conservation Demand Management	(138)	(4)	(142)
13	179-136	Parkway West Project Costs	(493)	(12)	(505)
14	179-137	Brantford-Kirkwall/Parkway D Project Costs	(39)	(0)	(39)
15	179-142	Lobo C Compressor/Hamilton-Milton Pipeline Project Costs	277	2	279
16	179-144	Lobo D/Bright C/Dawn H Compressor Project Costs	(1,569)	(30)	(1,599)
17	179-149	Burlington-Oakville Project Costs	(49)	(1)	(50)
18	179-156	Panhandle Reinforcement Project Costs	(1,180)	(18)	(1,198)
19	179-162	Sudbury Replacement Project	-	-	-
20	179-138	Parkway Obligation Rate Variance	-	-	-
21	179-143	Unauthorized Overrun Non-Compliance Account	(432)	(14)	(447)
22	179-153	Base Service North T-Service TransCanada Capacity	-	-	-
23	179-157	Pension and OPEB Forecast Accrual vs. Actual Cash Payment Differential V/A	-	(961)	(961)
24	179-135	Unaccounted for Gas Volume Variance Account	1,561	19	1,580
25	179-141	Unaccounted for Gas Price Variance Account	458	7	465
26	**Total for Union Rate Zone Specific Accounts (Lines 1 through 25)**		(3,479)	(1,254)	(4,732)
27	179-381	Accounting Policy Changes D/A - Pension - EGI (Union Rate Zone Portion)	(8,087)	(125)	(8,211)
28	179-382	Earnings Sharing (Union Rate Zone Portion)	-	-	-
29	179-380	Expansion of Natural Gas Distribution Systems V/A (Union Rate Zone Portion)	-	-	-
30	**Total for EGI Accounts allocated to Union Rate Zone**		(8,087)	(125)	(8,211)
31	**Total Union Rate Zone Deferral Account Balances (Line 26 + Line 30)**		(11,565)	(1,378)	(12,943)

ENBRIDGE GAS INC.
Union Rate Zones
Allocation of Deferral Account Balances
Updated for Exhibit I.LPMA.22

			Union North					Union South															
Line No.	Particulars ($000's)	Acct No.	Rate 01	Rate 10	Rate 20	Rate 100	Rate 25	M1	M2	M4	M5A	M7	M9	M10	T1	T2	T3	M12	M13	Excess Utility	C1	M16	Total (1)
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)
	Gas Supply Related Deferrals:																						
1	Upstream Transportation Optimization	179-131	1,457	409	138	-	60	8,146	1,774	143	16	70	75	1	-	-	-	-	-	-	-	-	12,288
2	Spot Gas Variance Account	179-107	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Unabsorbed Demand Cost (UDC) Variance Account	179-108	(9,824)	(2,126)	(319)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(12,269)
4	Deferral Clearing Variance Account - Supply (2)	179-132	-	-	-	-	-	(812)	(284)	(17)	(4)	(1)	(8)	3	-	-	-	-	-	-	-	-	(1,124)
5	Deferral Clearing Variance Account - Transport (2)	179-132	77	(6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	71
6	Total Gas Supply Related Deferrals		(8,289)	(1,723)	(181)	-	60	7,333	1,490	126	11	69	66	4	-	-	-	-	-	-	-	-	(1,033)
	Storage Related Deferrals:																						
7	Short-Term Storage and Other Balancing Services	179-70	389	110	60	2	-	908	309	171	1	78	13	0	64	676	74	-	-	-	-	-	2,855
	Delivery Related Deferrals:																						
8	Normalized Average Consumption (NAC)	179-133	(1,238)	(1,054)	-	-	-	(1,048)	(1,456)	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,796)
9	Deferral Clearing Variance Account - Delivery (2)	179-132	(134)	(6)	-	-	-	(734)	134	-	-	-	-	-	-	-	-	-	-	-	-	-	(740)
10	OEB Cost Assessment Variance Account	179-151	321	28	24	21	10	808	76	28	32	8	1	0	21	57	6	150	0	6	3	0	1,599
11	Unbundled Services Unauthorized Storage Overrun	179-103	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Gas Distribution Access Rule (GDAR) Costs	179-112	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Conservation Demand Management	179-123	(14)	(7)	(4)	(2)	-	(61)	(24)	(10)	(1)	(5)	-	-	(3)	(10)	-	-	-	-	-	-	(142)
14	Parkway West Project Costs	179-136	3	(7)	(1)	2	1	90	4	2	3	0	(0)	0	3	17	(1)	(626)	0	1	3	0	(505)
15	Brantford-Kirkwall/Parkway D Project Costs	179-137	(6)	(1)	(1)	(1)	(0)	(15)	(3)	(1)	(1)	(0)	(0)	(0)	(1)	(2)	(0)	(8)	(0)	(0)	(0)	(0)	(39)
16	Lobo C Compressor/Hamilton-Milton Pipeline Project Costs	179-142	(12)	3	(1)	(2)	(1)	(91)	(9)	(4)	(3)	(1)	0	(0)	(4)	(21)	0	424	(0)	(0)	0	(0)	279
17	Lobo D/Bright C/ Dawn H Compressor Project Costs	179-144	(145)	(12)	(11)	(11)	(4)	(420)	(49)	(16)	(14)	(4)	(1)	(0)	(15)	(72)	(4)	(803)	(0)	(9)	(7)	(1)	(1,599)
18	Burlington-Oakville Project Costs	179-149	(4)	(1)	(1)	(0)	(0)	(24)	(7)	(2)	(0)	(1)	(0)	(0)	(2)	(11)	(1)	4	0	(0)	0	0	(50)
19	Panhandle Reinforcement Project Costs	179-156	(22)	(4)	(3)	(2)	(1)	(271)	(85)	(81)	(3)	(21)	(0)	(0)	(62)	(457)	(0)	(18)	(0)	(1)	(139)	(29)	(1,198)
20	Sudbury Replacement Project	179-162	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Parkway Obligation Rate Variance	179-138	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Unauthorized Overrun Non-Compliance Account	179-143	-	-	-	-	-	(177)	(60)	(33)	(0)	(15)	(3)	(0)	(12)	(132)	(14)	-	-	-	-	-	(447)
23	Base Service North T-Service TransCanada Capacity Account	179-153	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Pension & OPEB Forecast Accrual vs Actual Cash Payment Differential Variance	179-157	(193)	(18)	(17)	(15)	(7)	(473)	(46)	(19)	(22)	(5)	(1)	(0)	(13)	(33)	(4)	(91)	(0)	(3)	(2)	(0)	(961)
25	Unaccounted for Gas (UFG) Volume Variance Account	179-135	35	12	5	-	1	200	82	42	5	34	7	0	22	194	17	701	2	-	207	12	1,580
26	Unaccounted for Gas (UFG) Price Variance Account	179-141	22	8	3	-	1	123	51	26	3	21	4	0	4	28	2	102	1	-	62	3	465
27	Accounting Policy Changes DA - Pension - EGI	179-381	(1,459)	(225)	(159)	(123)	(44)	(3,187)	(483)	(120)	(102)	(42)	(8)	(0)	(83)	(368)	(49)	(1,694)	(1)	(47)	(15)	(2)	(8,211)
28	Total Delivery-Related Deferrals		(2,847)	(1,282)	(164)	(133)	(45)	(5,279)	(1,875)	(188)	(105)	(30)	(0)	(0)	(146)	(810)	(48)	(1,858)	2	(54)	113	(16)	(14,765)
29	Total 2019 Storage and Delivery Disposition (Line 7 + Line 28)		(2,458)	(1,172)	(105)	(131)	(45)	(4,371)	(1,566)	(17)	(104)	48	13	(0)	(82)	(134)	26	(1,858)	2	(54)	113	(16)	(11,910)
30	Total 2019 Deferral Account Disposition (Line 6 + Line 29)		(10,747)	(2,895)	(286)	(131)	15	2,962	(76)	109	(93)	117	79	4	(82)	(134)	26	(1,858)	2	(54)	113	(16)	(12,943)
31	Earnings Sharing Deferral Account	179-382	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Grand Total (Line 30 + Line 31)		(10,747)	(2,895)	(286)	(131)	15	2,962	(76)	109	(93)	117	79	4	(82)	(134)	26	(1,858)	2	(54)	113	(16)	(12,943)

Notes:
(1) Exhibit F, Tab 3, Schedule 1.
(2) Exhibit E, Tab 1, Schedule 6.

ENBRIDGE GAS INC.
Union Rate Zones
Allocation of 2019 Gas Supply Related Deferral Accounts by Union North East and Union North West

Line No.	Particulars ($000's)	Acct No.	Rate 01	Rate 10	Rate 20	Rate 100	Rate 25	Total (1)
		(a)	(b)	(c)	(d)	(e)	(f)	(g) = (sum b:f)
	Union North West							
	Gas Supply Related Deferrals:							
1	Spot Gas Variance Account	179-107	-	-	-	-	-	-
2	Unabsorbed Demand Cost (UDC) Variance Account	179-108	(8,631)	(1,820)	(289)	-	-	(10,739)
3	Upstream Transportation Optimization	179-131	1,188	316	107	-	55	1,666
4	Deferral Clearing Variance Account - Supply	179-132	-	-	-	-	-	-
5	Deferral Clearing Variance Account - Transport	179-132	165	29	-	-	-	194
6	Total Gas Supply Related Deferrals		(7,278)	(1,475)	(182)	-	55	(8,879)
	Storage Related Deferrals:							
7	Short-Term Storage and Other Balancing Services (2)	179-70	111	28	6	-	-	144
8	Total North West Deferral Account Disposition (Line 6 + Line 7)		(7,167)	(1,447)	(176)	-	55	(8,735)
	Union North East							
	Gas Supply Related Deferrals:							
9	Spot Gas Variance Account	179-107	-	-	-	-	-	-
10	Unabsorbed Demand Cost (UDC) Variance Account	179-108	(1,193)	(307)	(30)	-	-	(1,529)
11	Upstream Transportation Optimization	179-131	269	93	31	-	5	398
12	Deferral Clearing Variance Account - Supply	179-132	-	-	-	-	-	-
13	Deferral Clearing Variance Account - Transport	179-132	(88)	(35)	-	-	-	(123)
14	Total Gas Supply Related Deferrals		(1,011)	(249)	0	-	5	(1,255)
	Storage Related Deferrals:							
15	Short-Term Storage and Other Balancing Services (2)	179-70	278	82	36	-	-	396
16	Total North East Deferral Account Disposition (Line 14 + Line 15)		(733)	(166)	37	-	5	(858)
	Total North							
	Gas Supply Related Deferrals:							
17	Spot Gas Variance Account	179-107	-	-	-	-	-	-
18	Unabsorbed Demand Cost (UDC) Variance Account	179-108	(9,824)	(2,126)	(319)	-	-	(12,269)
19	Upstream Transportation Optimization	179-131	1,457	409	138	-	60	2,064
20	Deferral Clearing Variance Account - Supply	179-132	-	-	-	-	-	-
21	Deferral Clearing Variance Account - Transport	179-132	77	(6)	-	-	-	71
22	Total North Gas Supply Related Deferrals		(8,289)	(1,723)	(181)	-	60	(10,134)
	Storage Related Deferrals:							
23	Short-Term Storage and Other Balancing Services (2)	179-70	389	110	42	-	-	541
24	Total North Deferral Account Disposition (Line 22 + Line 23)		(7,900)	(1,613)	(139)	-	60	(9,593)

Notes:
(1) Exhibit F, Tab 3, Schedule 2, p.1.
(2) Excludes allocation to Rate 20/100 bundled storage service.

ENBRIDGE GAS INC.
Union Rate Zones
General Service Unit Rates for Prospective Recovery/(Refund) - Delivery
2019 Deferral Account Disposition
Updated for Exhibit I.LPMA.22

Line No.	Particulars	Rate Class	2019 Deferral Balances ($000's)	2019 Earnings Sharing Mechanism ($000's)	Deferral Balance for Disposition ($000's)	Forecast Volume (10^3m^3) (1)	Unit Rate for Prospective Recovery/(Refund) (cents/m^3)
			(a)	(b)	(c) = (a + b)	(d)	(e) = (c / d) * 100
1	Small Volume General Service	01	(2,458)	-	(2,458)	483,387	(0.5084)
2	Large Volume General Service	10	(1,172)	-	(1,172)	151,357	(0.7742)
3	Small Volume General Service	M1	(4,371)	-	(4,371)	1,472,365	(0.2969)
4	Large Volume General Service	M2	(1,566)	-	(1,566)	534,753	(0.2928)

Notes:
(1) Forecast volume for the period January 1, 2021 to March 31, 2021.

ENBRIDGE GAS INC.
Union Rate Zones
General Service Unit Rates for Prospective Recovery/(Refund) - Gas Supply Transportation
2019 Deferral Account Disposition
Updated for Exhibit I.LPMA.22

Line No.	Particulars	Rate Class	2019 Deferral Balances ($000's)	2019 Earnings Sharing Mechanism ($000's)	Deferral Balance for Disposition ($000's)	Forecast Volume (10^3m^3) (1)	Unit Rate for Prospective Recovery/(Refund) (cents/m^3)
			(a)	(b)	(c) = (a + b)	(d)	(e) = (c / d) * 100
	Union North West						
1	Small Volume General Service	01	(7,278)	-	(7,278)	138,453	(5.2569)
2	Large Volume General Service	10	(1,475)	-	(1,475)	35,427	(4.1624)
	Union North East						
3	Small Volume General Service	01	(1,011)	-	(1,011)	344,935	(0.2931)
4	Large Volume General Service	10	(249)	-	(249)	114,673	(0.2169)

Notes:
(1) Forecast volume for the period January 1, 2021 to March 31, 2021.

ENBRIDGE GAS INC.
Union Rate Zones
Unit Rates for Prospective Recovery/(Refund) - Gas Supply Commodity
2019 Deferral Account Disposition
Updated for Exhibit I.LPMA.22

Line No.	Particulars	Rate Class	2019 Deferral Balances ($000's)	2019 Earnings Sharing Mechanism ($000's)	Deferral Balance for Disposition ($000's)	Forecast Volume (10^3m^3) (1)	Unit Rate for Prospective Recovery/(Refund) (cents/m^3) (2)
			(a)	(b)	(c) = (a + b)	(d)	(e) = (c / d) * 100
1	Small Volume General Service	M1	7,333	-	7,333	1,367,498	0.5465
2	Large Volume General Service	M2	1,490	-	1,490	257,822	0.5465
3	Firm Com/Ind Contract	M4	126	-	126	19,253	0.5465
4	Interruptible Com/Ind Contract	M5	11	-	11	2,528	0.5465
5	Special Large Volume Contract	M7	69	-	69	5,411	0.5465
6	Large Wholesale	M9	66	-	66	12,173	0.5465
7	Small Wholesale	M10	4	-	4	631	0.5465
8	Total				9,100	1,665,315	0.5465

Notes:
(1) Forecast sales service volumes for the period January 1, 2021 to March 31, 2021.
(2) Unit rate for prospective recovery/refund for each rate class equal to the gas supply commodity weighted-average unit rate.

ENBRIDGE GAS INC.
Union Rate Zones
Contract Unit Rates for One-Time Adjustment - Delivery
2019 Deferral Account Disposition
Updated for Exhibit I.LPMA.22

Line No.	Particulars	Rate Class	2019 Deferral Balances ($000's)	2019 Earnings Sharing Mechanism ($000's)	Deferral Balance for Disposition ($000's)	2019 Actual Volume ($10^3 m^3$)	Unit Rate (cents/m^3)
			(a)	(b)	(c) = (a + b)	(d)	(e) = (c / d) * 100
	Union North						
1	Medium Volume Firm Service (1)	20	(123)	-	(123)	519,819	(0.0236)
2	Large Volume High Load Factor (2)	100	(133)	-	(133)	1,019,749	(0.0130)
3	Large Volume Interruptible	25	(45)	-	(45)	118,440	(0.0377)
	Union South						
4	Firm Com/Ind Contract	M4	(17)	-	(17)	673,776	(0.0026)
5	Interruptible Com/Ind Contract	M5	(104)	-	(104)	73,541	(0.1412)
6	Special Large Volume Contract	M7	48	-	48	541,821	0.0089
7	Large Wholesale	M9	13	-	13	103,774	0.0122
8	Small Wholesale	M10	(0)	-	(0)	391	(0.0511)
9	Contract Carriage Service	T1	(82)	-	(82)	437,245	(0.0188)
10	Contract Carriage Service	T2	(134)	-	(134)	4,136,946	(0.0032)
11	Contract Carriage- Wholesale	T3	26	-	26	283,374	0.0090

ENBRIDGE GAS INC.
Union Rate Zones
Contract Unit Rates for One-Time Adjustment - Gas Supply Transportation and Bundled Storage
2019 Deferral Account Disposition
Updated for Exhibit I.LPMA.22

Line No.	Particulars	Rate Class	2019 Deferral Balances ($000's)	2019 Earnings Sharing Mechanism ($000's)	Deferral Balance for Disposition ($000's)	2019 Actual Volume/ Demand	Billing Units	Unit Volumetric/ Demand Rate (cents/m3)
			(a)	(b)	(c) = (a + b)	(d)		(e) = (c / d) * 100
	Gas Supply Charges							
	Union North West							
1	Medium Volume Firm Service	20	(182)	-	(182)	1,644	$10^3m^3/d$	(11.0414)
2	Large Volume Interruptible	25	55	-	55	21,431	10^3m^3	0.2581
	Union North East							
3	Medium Volume Firm Service	20	0	-	0	4,241	$10^3m^3/d$	0.0114
4	Large Volume Interruptible	25	5	-	5	20,210	10^3m^3	0.0228
	Storage ($/GJ)							
5	Bundled-T Storage Service	20T/100T	20	-	20	141,504	GJ/d	0.141

ENBRIDGE GAS INC.
Union Rate Zones
Storage and Transportation Service Amounts for Disposition
2019 Deferral Account Disposition
Updated for Exhibit I.LPMA.22

Line No.	Particulars ($000's) (1)	Rate Class	2019 Deferral Balances	2019 Earnings Sharing Mechanism	Deferral Balance for Disposition
			(a)	(b)	(c)
1	Transportation	M12	(1,858)	-	(1,858)
2	Transportation of Locally Produced Gas	M13	2	-	2
3	Cross Franchise Transportation	C1	113	-	113
4	Storage and Transportation Services	M16	(16)	-	(16)

Notes:
(1) Ex-franchise Rate M12, Rate M13, Rate M16 and Rate C1 customer specific amounts determined using approved deferral account allocation methodologies.

ENBRIDGE GAS INC.
Union Rate Zones
General Service Customer Bill Impacts
Updated for Exhibit I.LPMA.22

Line No.	Particulars	Unit Rate for Prospective Recovery/(Refund) (cents/m^3) (1)	Volume (m^3) (2)	Bill Impact ($)
		(a)	(b)	(c) = (a x b) / 100
	Small Volume General Service			
	Rate M1 - Union South			
1	Delivery	(0.2969)	1,120	(3.32)
2	Commodity	0.5465	1,120	6.12
3		0.2496		2.80
4	Sales Service			2.80
5	Direct Purchase			(3.32)
	Rate 01 - Union North West			
6	Delivery	(0.5084)	1,120	(5.69)
7	Commodity	-	1,120	-
8	Transportation	(5.2569)	1,120	(58.87)
9		(5.7653)		(64.56)
10	Sales Service			(64.56)
11	Direct Purchase Bundled T			(64.56)
	Rate 01 - Union North East			
12	Delivery	(0.5084)	1,120	(5.69)
13	Commodity	-	1,120	-
14	Transportation	(0.2931)	1,120	(3.28)
15		(0.8015)		(8.97)
16	Sales Service			(8.97)
17	Direct Purchase Bundled T			(8.97)
	Large Volume General Service			
	Rate M2 - Union South			
18	Delivery	(0.2928)	36,281	(106.23)
19	Commodity	0.5465	36,281	198.28
20		0.2537		92.05
21	Sales Service			92.05
22	Direct Purchase			(106.23)
	Rate 10 - Union North West			
23	Delivery	(0.7742)	38,640	(299.15)
24	Commodity	-	38,640	-
25	Transportation	(4.1624)	38,640	(1,608.35)
26		(4.9366)		(1,907.50)
27	Sales Service			(1,907.50)
28	Direct Purchase Bundled T			(1,907.50)
	Rate 10 - Union North East			
29	Delivery	(0.7742)	38,640	(299.15)
30	Commodity	-	38,640	-
31	Transportation	(0.2169)	38,640	(83.81)
32		(0.9911)		(382.96)
33	Sales Service			(382.96)
34	Direct Purchase Bundled T			(382.96)

Notes:
(1) Attachment 2, pp. 1-3, column (e).
(2) Average consumption, per customer, for the period January 1, 2021 to March 31, 2021.
Rate 01 volume based on annual consumption of 1,498 m^3.
Rate 10 volume based on annual consumption of 54,302 m^3.
Rate M1 volume based on annual consumption of 1,498 m^3.
Rate M2 volume based on annual consumption of 49,129 m^3.

ENBRIDGE GAS INC.
Union Rate Zones
Calculation of One-Time Adjustments for Typical Small and Large Customers
Updated for Exhibit I.LPMA.22

Line No.	Particulars	Deferral Unit Rate (1) (cents/m^3)	Billing Units (2) (m^3)	Annual Bill Impact ($) (3)
		(a)	(b)	(c)
	Union North			
	Small Rate 20 - Union North West			
1	Delivery	(0.0236)	3,000,000	(709)
2	Transportation (3)	(11.0414)	14,000	(18,550)
3		(11.0650)		(19,259)
4	Sales Service Impact			(19,259)
5	Bundled-T (Direct Purchase) Impact			(19,259)
	Large Rate 20 - Union North West			
6	Delivery	(0.0236)	15,000,000	(3,546)
7	Transportation (3)	(11.0414)	60,000	(79,498)
8		(11.0650)		(83,044)
9	Sales Service Impact			(83,044)
10	Bundled-T (Direct Purchase) Impact			(83,044)
	Small Rate 20 - Union North East			
11	Delivery	(0.0236)	3,000,000	(709)
12	Transportation (3)	0.0114	14,000	19
13		(0.0122)		(690)
14	Sales Service Impact			(690)
15	Bundled-T (Direct Purchase) Impact			(690)
	Large Rate 20 - Union North East			
16	Delivery	(0.0236)	15,000,000	(3,546)
17	Transportation (3)	0.0114	60,000	82
18		(0.0122)		(3,464)
19	Sales Service Impact			(3,464)
20	Bundled-T (Direct Purchase) Impact			(3,464)
	Average Rate 25 - Union North West			
28	Delivery	(0.0377)	2,275,000	(857)
29	Transportation	0.2581	2,275,000	5,872
30		0.2205		5,016
31	Sales Service Impact			5,016
32	Bundled-T (Direct Purchase) Impact			5,016
	Average Rate 25 - Union North East			
33	Delivery	(0.0377)	2,275,000	(857)
34	Transportation	0.0228	2,275,000	520
		(0.0148)		(337)
35	Sales Service Impact			(337)
36	Bundled-T (Direct Purchase) Impact			(337)
	Small Rate 100			
37	T-Service (Direct Purchase) Impact	(0.0130)	27,000,000	(3,520)
	Large Rate 100			
38	T-Service (Direct Purchase) Impact	(0.0130)	240,000,000	(31,289)
	Union South			
	Small Rate M4			
39	Delivery	(0.0026)	875,000	(22)
40	Commodity	0.5465	215,753	1,179
41		0.5439		1,157
42	Sales Service Impact			1,157
43	Direct Purchase Impact			(22)
	Large Rate M4			
44	Delivery	(0.0026)	12,000,000	(308)
45	Commodity	0.5465	2,958,904	16,170
46		0.5439		15,863
47	Sales Service Impact			15,863
48	Direct Purchase Impact			(308)

Notes:
(1) Attachment 2, pp. 4-5, column (e).
(2) Commodity billing units updated per Exhibit I.LPMA.15.
(3) Transportation bill impacts based on monthly demand (m^3/d).

ENBRIDGE GAS INC.
Union Rate Zones
Calculation of One-Time Adjustments for Typical Small and Large Customers
Updated for Exhibit I.LPMA.22

Line No.	Particulars	Deferral Unit Rate (1) (cents/m³)	Billing Units (2) (m³)	Annual Bill Impact ($)
		(b)	(c)	(d)
	Union South (continued)			
	Small Rate M5 Interruptible			
1	Delivery	(0.1412)	825,000	(1,165)
2	Commodity	0.5465	203,425	1,112
3		0.4053		(53)
4	Sales Service Impact			(53)
5	Direct Purchase Impact			(1,165)
	Large Rate M5 Interruptible			
6	Delivery	(0.1412)	6,500,000	(9,180)
7	Commodity	0.5465	1,602,740	8,759
8		0.4053		(421)
9	Sales Service Impact			(421)
10	Direct Purchase Impact			(9,180)
	Small Rate M7			
11	Delivery	0.0089	36,000,000	3,187
12	Commodity	0.5465	8,876,712	48,511
13		0.5554		51,698
14	Sales Service Impact			51,698
15	Direct Purchase Impact			3,187
	Large Rate M7			
16	Delivery	0.0089	52,000,000	4,603
17	Commodity	0.5465	12,821,918	70,072
18		0.5554		74,675
19	Sales Service Impact			74,675
20	Direct Purchase Impact			4,603
	Small Rate M9			
21	Delivery	0.0122	6,950,000	846
22	Commodity	0.5465	1,713,699	9,365
23		0.5587		10,212
24	Sales Service Impact			10,212
25	Direct Purchase Impact			846
	Large Rate M9			
26	Delivery	0.0122	20,178,000	2,457
27	Commodity	0.5465	4,975,397	27,191
28		0.5587		29,647
29	Sales Service Impact			29,647
30	Direct Purchase Impact			2,457
	Rate M10			
31	Delivery	(0.0511)	94,500	(48)
32	Commodity	0.5465	23,301	127
33		0.4954		79
34	Sales Service Impact			79
35	Direct Purchase Impact			(48)
	Small Rate T1			
36	Direct Purchase Impact	(0.0188)	7,537,000	(1,417)
	Average Rate T1			
37	Direct Purchase Impact	(0.0188)	11,565,938	(2,175)
	Large Rate T1			
38	Direct Purchase Impact	(0.0188)	25,624,080	(4,818)
	Small Rate T2			
39	Direct Purchase Impact	(0.0032)	59,256,000	(1,913)
	Average Rate T2			
40	Direct Purchase Impact	(0.0032)	197,789,850	(6,384)
	Large Rate T2			
41	Direct Purchase Impact	(0.0032)	370,089,000	(11,945)
	Large Rate T3			
42	Direct Purchase Impact	0.0090	272,712,000	24,646

Notes:
(1) Attachment 2, pp. 4-5, column (e).
(2) Commodity billing units updated per Exhibit I.LPMA.15.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association ("LPMA")

Interrogatory

Reference:

Exhibit F, Tab 1, pages 3-5

Question:

EGI proposes to split the balance in the APCDA account between the EGD and Union rate zones in proportion to the 2018 actual rate base. Interrogatories 18 through 21 above provide another potential methodology to split the balance in the three components of the APCDA account between the EGD and Union rat zones based on cost incurrence by rate zone.

a) Does EGI believe its proposed approach is fairer and more equitable than the methodology that would result from the interrogatory responses? Please explain fully.

b) Please explain how the split of the balance in the APCDA account based on the EGI proposal is just and reasonable when some expense and gross revenue requirement reductions are allocated to both rate zones but only included in base rates in one zone and some expense and gross revenue requirement increases are allocated to both rate zones while none of the increase is included in base rates for one zone.

c) Is there any reason, regulatory or otherwise, that the APCDA account could not be split into two sub-accounts, one for each rate zone, and cleared separately to each rate zone, as is proposed for the majority of the EGD and Union specific deferral and variance accounts? Please explain fully.

Response

a) – c)

Enbridge Gas's proposal to split the APCDA balance between rate zones using 2018 actual rate base is more equitable / appropriate to all rate payers than the proposed alternative described at Exhibit I.LPMA.18-21 that bases the allocation on the accounting change impact of each legacy utility.

Enbridge Gas's proposal recognizes that the decision by the Company on accounting policies of the amalgamated utility should not unduly benefit or harm customers in one rate zone over another. The accounting policy changes are a direct result of the amalgamation and the accounting changes would not have otherwise occurred if the two legacy utilities remained stand alone utilities.

Enbridge Gas's proposal to split the APCDA balance using 2018 actual rate base also reflects the impact of amalgamation on all customers in a fair and reasonable manner and more closely represents the allocation of the impact upon rebasing. In the MAADs Decision, the Board directed Enbridge Gas to file a rate harmonization proposal with its rebasing application. At rebasing, rate harmonization will result in the impact of accounting policy changes during the deferred rebasing period being allocated to all rate payers regardless of the legacy rate zone.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Ontario Greenhouse Vegetable Growers (OGVG)

Interrogatory

Reference:

Exhibit E / Tab 1 / p. 43

Preamble:

In Union's 2016 Rates Decision and Order (EB-2015-0116), the Board ordered the Company to establish the Unauthorized Overrun Non-Compliance Deferral Account to record any unauthorized overrun non-compliance charges incurred by interruptible distribution customers for not complying with a distribution interruption.

In 2019, three interruptions were called for a total of five days impacting 44 customers. Three customers did not comply, primarily because of technical issues. As a result, the balance in this deferral account is a credit to ratepayers of $0.432 million, plus interest of $0.014 million, for a total credit to ratepayers of $0.446 million.

Question:

a) Please confirm that all three customers mentioned in the evidence as not having complied with interruption requirements were charged the unauthorized overrun non-compliance charge rate for the duration of the interruption(s) they did not comply with.

b) Please provide more details with respect to the behaviour of the three customers that did not comply with interruption requirements, i.e. how many of the three interruption requirements in 2019 applied to each of the three customers; did the three customers fail to comply with all interruption requirements that applied to them or did they comply during some interruption requirements and not others; when failing to comply with an interruption requirement did the three customers fail to comply for the duration of the interruption or only for part of an interruption?

c) Please provide more detail with respect to the technical issues noted in the evidence, i.e. what was the nature of the issue in each case, and is it EGI's opinion that each customer had intended to comply with all interruption requests that applied to them but for the technical issues they experienced?

d) Please quantify the actual cost of providing service to the three customers during the interruptions.

e) Please explain whether it is feasible that the actual cost to provide service to interruptible customers that fail to comply with interruption requirements could be in excess of the unauthorized overrun charge, or whether in practice that charge will almost always if not always exceed the actual costs incurred to provide service during the interruption period.

f) What is EGI's view with respect to the appropriateness of EGI having the discretion to waive the unauthorized overrun charge for customers who, despite having prepared to comply with interruption requirements and, possibly, a history of compliance (assuming they have been connected as an interruptible client during previous interruption periods) experience technical issues that temporarily prevent them from complying as it appears was the case in 2019, and instead charge them only the actual costs incurred to provide distribution service to them during the interruption?

g) Please explain the specifics and rationale behind the proposed allocation of the credit in the Unauthorized Overrun Non-Compliance Deferral Account to customers; please also provide a reference for any previous OEB approval of the proposed allocation methodology.

<u>Response:</u>

a) The unauthorized overrun non-compliance charge is not applied for the entire duration of an interruption. The customers who did not comply with a notice of interruption were charged the unauthorized overrun non-compliance charge for the quantity of gas consumed beyond their firm entitlements during the interruption period. For example: if a customer does not comply on the first day of an interruption but complies for the remainder of the interruption period, the unauthorized overrun non-compliance charge is only applied to the quantity of gas consumed beyond their firm entitlements on the first day of the interruption.

b) The only requirement of an interruption is that customers reduce consumption to below their firm entitlements.

Please refer to the table below. The table provides the number of customers that were non-compliant in 2019 and the specific days where they were (“Y”) or were not (“N”) compliant. Interruptions that did not apply to a customer that was non-compliant in a different interruption are marked as “N/A”. The customer count provided in evidence was not correct. There are three customers that are primarily accountable for the deferral balance (97% of the total balance) but six other customers also incurred relatively small unauthorized overrun non-compliance charges.

	Interruption #1		Interruption #2	Interruption #3	
	20-Jan-19	21-Jan-19	27-Jan-19	30-Jan-19	31-Jan-19
Customer 1	N	N	N/A	N	N
Customer 2	Y	Y	N	N/A	N/A
Customer 3	N/A	N/A	N/A	N	N
Customer 4	N/A	N/A	N/A	N	N
Customer 5	N/A	N/A	N/A	Y	N
Customer 6	N/A	N/A	N/A	N	Y
Customer 7	N/A	N/A	N/A	N	N
Customer 8	N/A	N/A	N/A	N	N
Customer 9	N/A	N/A	N/A	N	N

c) and f) Enbridge Gas does not enforce compliance based on the intentions of customers or differentiate based on the nature of non-compliance.

d) and e) It is not practical to quantify the cost of providing service to specific customers during an interruption (that would require review and allocation of all the Company’s costs during the relevant hours/days). The unauthorized overrun non-compliance charge is not intended to recover the cost to serve interruptible customers during an interruption, it is intended to incent compliance to ensure Enbridge Gas can satisfy its firm obligations to customers.

g) Enbridge Gas allocates the Unauthorized Overrun Non-Compliance Deferral Account balance to rate classes in proportion to 2013 Board-approved Union South firm in-franchise demands per EB-2011-0210, Exhibit G3, Tab 5, Schedule 21, updated for the Board Decision. The allocation of the credit balance in the deferral account results in a benefit to firm customers.

This allocation methodology recognizes the distribution system is designed to meet firm peak demands and when an interruption is called, the Company needs to be able to satisfy its firm contractual obligations. Non-compliance during an interruption notice by interruptible customers puts the system operations at risk to service the firm peak demands.

The OEB has approved the disposition of balances in the Unauthorized Overrun Non-Compliance Deferral Account as part of the 2016, 2017 and 2018 Deferral and Variance Account Disposition proceedings using the same allocation methodology as the Company has proposed for the 2019 balance.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Ontario Greenhouse Vegetable Growers (OGVG)

Interrogatory

Reference:

Exhibit A / Tab 3 / p. 3

Preamble:

Consistent with the 2018 Deferral and Variance Account clearance proceeding (EB-2019-0105), Enbridge Gas proposes to dispose of the deferral and variance accounts consistent with the practices of legacy EGD and Union.

- For the EGD rate zone, Enbridge Gas disposes of deferral balances as a one-time adjustment for both general service and contract rate classes.

- For the Union rate zones, Enbridge Gas disposes of deferral balances prospectively for general service customers and as a one-time adjustment for in-franchise contract and ex-franchise rate classes.

Question:

a) Please confirm that, consistent with EGI's evidence in EB-2018-0300 at Exhibit C.OGVG.Union.1 part b) that for in-franchise contract customers for whom the proposed one time billing adjustment is unsuitable, that "Customers may contact their Account Manager to request alternative payment arrangements, for a maximum period of 6 months. These requests will be considered depending on the customers unique circumstances on a case by case basis."

Response:

a) Confirmed.

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Reference:

[B-1-2, p.1]

Question:

Please confirm that Enbridge has made no changes to the methodology used to calculate utility income, net earnings, and any other aspect of the earning sharing calculation compared to its 2018 application (EB-2018-0105). If not confirmed, please provide details of the changes.

Response:

Please refer to Exhibit I.STAFF.2.

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Reference:

[B-1-2, p.1]

Question:

Please provide a breakdown of all EGD and Union Gas related merger costs and savings included in the utility's income calculation.

Response:

2019 was the first year of combined operation for the amalgamated utility, where synergies were realized through the start of a multi-year integration effort to harmonize the workforce structure, systems, processes, practices and polices across the utility. These efforts were carried out across the organization and necessitated the dedication of both internal and external resources to facilitate integration as well as rationalize the new organization structure and develop new tools and processes.

Table 1 lists the categories of 2019 integration-related or merger costs. Severance is the largest component followed by integration work predominantly in Operations and Engineering which included consultant costs to support integration planning and policy and procedure harmonization. CIS Initial Scoping and Project Launch included costs relating to the initial scope of the CIS Consolidation project, including consultant, software licensing, hosting and maintenance costs. Total merger costs were reported at $48 million.

Table 1:	
	Merger Costs
	($M)
Severance	41
Policy & Process Alignment	5
CIS Initial Scoping & Project Launch	2
Total 2019 Merger Costs	48

Table 2 lists the functional areas where integration synergies were achieved in 2019. The categories and nature of initiatives are aligned with evidence provided at the MAADs proceeding (EB-2017-0306 Exhibit C.BOMA.16 Attachment 1).

Table 2:	
	Synergy Savings
	($M)
Customer Care	(6)
Distribution Work Management	(9)
Utility Shared Services	(4)
Storage and Transmission Ops, Gas Supply and Co	(6)
Management	(2)
Other	(8)
Total 2019 Savings	(33)

Generally, synergies were largely achieved in the following areas:

- **Organization Structure:** The bulk of organizational restructuring starting with the executive level, extended throughout the organization and was completed by the first half of the year, resulting in a reduction of 317 FTEs by the end of 2019. These savings are presented in all categories.
- **Process and Policy Alignment:** The Company delivered on integration initiatives related to process and policy alignment. Examples included consolidating to a single meter reading vendor in Customer Care, alignment to a common emergency response process, and an aligned approach for the targeted inspection program resulting in cost savings. The utility demonstrated progress on integration efforts while delivering safe and reliable operations.

- **Technology Alignment:** The SCADA initiative delivered a single solution for Enbridge Gas to manage its gas control system. It consolidated the Edmonton and Chatham Gas Control Centres in Chatham resulting in cost savings from operating one location as well as alignment and standardization efficiencies.

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Reference:

[C-1, p.1]

Question:

Will Enbridge be transferring the balance of the 2019 Gas Supply Plan Cost Consequences Deferral Account? If so, please provide details.

Response:

Please see responses to Exhibit I.STAFF.7, parts a) and b).

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Reference:

[C-1, p.6]

Question:

For each of the activities listed in the table, please explain the rationale for EGI's decision in its harmonized accounting policy to either capitalize or expense the activity.

Response:

Upon amalgamation, where either Legacy Enbridge Gas Distribution or Legacy Union Gas had different capitalization practices, the Company chose whichever practice aligned with the Corporate EI Capitalization Policy to be the Enbridge Gas policy going forward as of January 1, 2019.

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Reference:

[D-1, p.4]

Question:

Please explain the drivers of the significant reduction in the 2019 storage optimization revenues.

Response:

Please see Exhibit I.Staff.11 a).

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Exhibit A / Tab 3 / pp. 3-4 and Exhibit F / Tab 1 / p.8

Consistent with the 2018 Deferral and Variance Account (DVA) clearance proceeding (EB-2019-0105), Enbridge Gas proposes to dispose of the balances in the DVAs consistent with the past practices of legacy Enbridge Gas Distribution (EGD) and Union Gas Limited (Union Gas)

- For the EGD rate zone, Enbridge Gas proposes to dispose of the DVA balances as a one-time adjustment for both general service and contract rate classes.
- For the Union rate zones, Enbridge Gas proposes to dispose of the DVA balances prospectively over three months for general service customers and as a one-time adjustment for in-franchise contract and ex-franchise rate classes.

Enbridge Gas has indicated that it is currently not able to administer one-time adjustments for general service customers in the Union rate zones because of limitations in the system used to bill this group of customers. Enbridge Gas has further stated that mid-2021 is the earliest it will be able to adopt a common disposition approach across the legacy EGD and Union rate zones.

Question:

a) Please advise if Enbridge Gas will be able to adopt a common disposition approach across the EGD and Union rate zones if the rate changes resulting from this application are implemented along with the July 2021 QRAM.

Response:

a) Based on the timing of the billing system implementation, Enbridge Gas would not be in a position to adopt a common disposition approach for the July 2021 QRAM.

Enbridge Gas anticipates that the billing system changes will be completed after July 1, 2021, which will enable Enbridge Gas to adopt a common disposition methodology for all rate zones as part of the October 2021 QRAM at the earliest.

The billing system changes to harmonize to a common one-time billing adjustment disposition approach for all customers requires the use of 2020 customer volumes for the Union rate zone (or later years, when available). In order to apply the common disposition approach to the current application, the unit rates for disposition would need to be calculated and disposed of using 2020 customer volumes and not the 2019 customer volumes as currently prepared.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

The calculation of utility earnings
Exhibit B, Tab 1, Schedule 2

Question:

a) Is the calculation of utility earnings consistent with the methodology used to calculate the earnings in prior years? If not, please explain any differences and provide rationale for any deviations from the approach used in prior years.

Response:

The overall calculation of utility earnings and earning sharing is consistent with the methodologies utilized by each legacy entity. However, as a result of amalgamating the two entities, the format of supporting schedules differs somewhat, as the presentation now leverages elements from each legacy entity. In addition, the amalgamation also required the treatment of certain elements within the calculation of utility results to be aligned, which had a small overall net impact on the calculation of the Company's revenue requirement (an increase of approximately $0.9 million).

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Utility Earnings and Earnings Sharing Calculation – Merger-related Costs
Exhibit B, Tab 1, Schedule 2, Notes on adjustments (i) and (v)

Enbridge Gas made an adjustment to its utility earnings calculation to account for "Reclassification of Union rate zone optimization revenue as a cost of gas reduction" ($17.5 million). The Note of adjustment (i) indicates a total amount of $28.8 million subtracted from the total Gas sale and distribution. Further, as per note (v), Enbridge Gas made an adjustment to its utility earnings calculation to remove the EGD / Union amalgamation transaction costs of $0.1 million. However, OEB staff found no direct references to Enbridge Inc. and Spectra Energy merger costs and savings in the current application.

Question:

a) Please confirm that the $17.5 million Reclassification of Union rate zone optimization revenue as a cost of gas reduction adjustment is not double counted in Enbridge Gas's Utility Income.

b) Please explain if the EGD/Union amalgamation transaction costs are ongoing or a one-time adjustment.

c) Please indicate whether the merger-related costs referenced above, and associated savings have been included in the earnings sharing calculation for Enbridge Gas. If so, please provide the rationale supporting the inclusion of these costs and savings in the earnings sharing calculation.

Response:

a) Confirmed, the $17.5 Million reclassification is not double counted in Utility Income and is merely for presentation purposes.

b) The costs incurred in 2019 specifically related to legally effecting the amalgamation as of January 1, 2019 and costs of this nature are not expected to reoccur.

c) Yes, the merger related costs and savings as referenced above are reflected in the earnings sharing calculation for Enbridge Gas. Subsequent to the merger/amalgamation of Enbridge Gas Distribution and Union Gas Limited, role redundancies and opportunities for synergy savings were identified. The role reductions and synergies resulted in savings in 2019 and will result in ongoing cost savings for Enbridge Gas annually, which will be reflected in utility earnings subject to sharing with ratepayers, and in lower costs at the time of rebasing. As the cost savings will flow through utility earnings to the benefit of ratepayers and will be reflected in rates at the time of rebasing, the costs associated with generating these savings should also flow through utility earnings. This treatment is consistent with the manner in which costs of severances have been treated in previous years.

Please refer to Exhibit I.SEC.2 for additional detail.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Utility Earnings and Earnings Sharing Calculation – Capital Cost Allowance
(CCA) Tax Deduction
Exhibit B / Tab 1 / Schedule 3
OEB Accounting Direction regarding Bill C-97 – July 25, 2019
EB-2018-0305, Decision and Order dated September 12, 2019

The OEB's accounting direction regarding Bill C-97, dated July 25, 2019[1], states that the

" The OEB expects Utilities to record the impacts of CCA rule changes in the appropriate account (Account 1592 - PILs and Tax Variances and similar accounts for natural gas utilities and OPG) for the period November 21, 2018 until the effective date of the Utility's next cost-based rate order. For the purposes of increased transparency, the OEB is establishing a separate sub-account of Account 1592 - PILs and Tax Variances – CCA Changes specifically for the purposes of tracking the impact of changes in CCA rules. Natural gas utilities are to create separate sub-accounts within their respective similar accounts to record the same impacts."

In its evidence, Enbridge Gas has noted that the accelerated CCA impact related to capital pass-through projects/incremental capital module projects was fully reflected in the determination of the variances recorded in the respective capital cost project deferral accounts.

Question:

a) Please confirm that any changes in CCA that are not reflected in base rates and not reflected in the individual capital pass-through deferral accounts, were captured in the Tax Variance Deferral Account approved in the OEB's 2019 Rates (EB-2018-

[1] OEB - Accounting Direction Regarding Bill C-97 and Other Changes in Regulatory or Legislated Tax Rules for Capital Cost Allowance – July 25, 2019.

0305) Final Rate Order Decision[2] and in accordance with the directions specified in the OEB's July 25, 2019 letter.

b) Please provide the 2019 CCA impact (Bill C-97) that has been reflected in the respective deferral accounts:

- Parkway West Project Costs
- Brantford-Kirkwall/Parkway D Project Costs
- Lobo C Compressor/Hamilton-Milton Pipeline Project Costs

Response:

a) Confirmed.

b) Please see table 1 below for the calculation of the CCA rule change impact on each capital pass-through project

[2] EB-2018-0305, Final Rate Order Decision dated September 30, 2019, Exhibit F1, Tab 3, Rate Order, Appendix I, page 10.

TABLE 1
UNION GAS LIMITED RATE ZONE
Calculation of the 2019 Bill C-97 Accelerated CCA Impact on Capital Pass-through Projects

Line No.	Class	Particulars ($000s)	Total Additions Qualifying for Accel. CCA	Accel. CCA Depreciable UCC Balance	Regular CCA Depreciable UCC Balance	Rate (%)	Accelerated CCA	Regular CCA
			(a)	(b)	(c)	(d)	(e)	(f)
		Parkway West Project						
	Class							
1	1	Non-residential building acquired after March 19, 2007	(11.0)	(16.5)	(5.5)	6%	(1.0)	(0.3)
2	7	Compression equipment acquired after February 22, 2005	(11.0)	(16.5)	(5.5)	15%	(2.5)	(0.8)
3	8	Compression assets, office furniture, equipment	-	-	-	20%	0.0	0.0
4	14	Land Rights	-	-	-	5%	0.0	0.0
5	41	Storage assets	-	-	-	25%	0.0	0.0
6	49	Transmission pipeline additions acquired after February 23, 2005	(1.0)	(1.5)	(0.5)	8%	(0.1)	(0.0)
7		Total	$ (23.0)	(34.5) $	(11.5)		$ (3.6) $	(1.2)

CCA Variance (e) - (f)	(2.4)
Tax Rate	26.5%
Earnings Impact of Accelerated CCA	(0.6)
Earnings Impact Grossed-up for Taxes Captured in the Parkway West Project Costs V/A	(0.9)

Line No.	Class	Particulars ($000s)	(a)	(b)	(c)	(d)	(e)	(f)
		Brantford-Kirkwall/ Parkway D						
	Class							
1	1	Non-residential building acquired after March 19, 2007	(14.0)	(21.0)	(7.0)	6%	(1.3)	(0.4)
2	7	Compression equipment acquired after February 22, 2005	-	-	-	15%	0.0	0.0
3	8	Compression assets, office furniture, equipment	-	-	-	20%	0.0	0.0
4	14	Land Rights	-	-	-	5%	0.0	0.0
5	41	Storage assets	-	-	-	25%	0.0	0.0
6	49	Transmission pipeline additions acquired after February 23, 2005	(12.0)	(18.0)	(6.0)	8%	(1.4)	(0.5)
18	52	Computers hardware acquired after January 27, 2009 and before Februa	-		-	100%		
7		Total	$ (26.0)	(39.0) $	(13.0)		$ (2.7) $	(0.9)

CCA Variance (e) - (f)	(1.8)
Tax Rate	26.5%
Earnings Impact of Accelerated CCA	(0.5)
Earnings Impact Grossed-up for Taxes Captured in the Parkway West Project Costs V/A	(0.6)

Line No.	Class	Particulars ($000s)	(a)	(b)	(c)	(d)	(e)	(f)
		Lobo C Compressor/Hamilton-Milton Pipeline Project						
	Class							
1	1	Non-residential building acquired after March 19, 2007	-	-	-	6%	0.0	0.0
2	7	Compression equipment acquired after February 22, 2005	7.0	10.5	3.5	15%	1.6	0.5
3	8	Compression assets, office furniture, equipment	-	-	-	20%	0.0	0.0
4	14	Land Rights	11.0	16.5	5.5	5%	0.8	0.3
5	41	Storage assets	-	-	-	25%	0.0	0.0
6	49	Transmission pipeline additions acquired after February 23, 2005	(780.0)	(1,170.0)	(390.0)	8%	(93.6)	(31.2)
7		Total	$ (762.0)	(1,143.0) $	(381.0)		$ (91.2) $	(30.4)

CCA Variance (e) - (f)	(60.8)
Tax Rate	26.5%
Earnings Impact of Accelerated CCA	(16.1)
Earnings Impact Grossed-up for Taxes Captured in the Lobo C Compressor/Hamilton-Milton Pipeline Project Costs V/A	(21.9)

Line No.	Class	Particulars ($000s)	(a)	(b)	(c)	(d)	(e)	(f)
		Lobo D/Bright C/Dawn H Compressor Project						
	Class							
1	1	Non-residential building acquired after March 19, 2007	550.0	825.0	275.0	6%	49.5	16.5
2	7	Compression equipment acquired after February 22, 2005	5,222.0	7,833.0	2,611.0	15%	1,175.0	391.7
3	8	Compression assets, office furniture, equipment	286.0	429.0	143.0	20%	85.8	28.6
4	14	Land Rights	-	-	-	5%	0.0	0.0
5	41	Storage assets	-	-	-	25%	0.0	0.0
6	49	Transmission pipeline additions acquired after February 23, 2005	-	-	-	8%	0.0	0.0
7		Total	$ 6,058.0	9,087.0 $	3,029.0		$ 1,310.3 $	436.8

CCA Variance (e) - (f)	873.5
Tax Rate	26.5%
Earnings Impact of Accelerated CCA	231.5
Earnings Impact Grossed-up for Taxes Captured in the Lobo D/Bright C/Dawn H Compressor Project Costs V/A	314.9

TABLE 1 - CONTINUED
UNION GAS LIMITED RATE ZONE
Calculation of the 2019 Bill C-97 Accelerated CCA Impact on Capital Pass-through Projects

Line No.	Class	Particulars ($000s)	Total Additions Qualifying for Accel. CCA (a)	Accel. CCA Depreciable UCC Balance (b)	Regular CCA Depreciable UCC Balance (c)	Rate (%) (d)	Accelerated CCA (e)	Regular CCA (f)
		Burlington-Oakville Project						
1	1	Non-residential building acquired after March 19, 2007	(12.0)	(18.0)	(6.0)	6%	(1.1)	(0.4)
2	7	Compression equipment acquired after February 22, 2005	-	-	-	15%	0.0	0.0
3	8	Compression assets, office furniture, equipment	-	-	-	20%	0.0	0.0
4	14	Land Rights	-	-	-	5%	0.0	0.0
5	41	Storage assets	-	-	-	25%	0.0	0.0
6	49	Transmission pipeline additions acquired after February 23, 2005	(29.0)	(43.5)	(14.5)	8%	(3.5)	(1.2)
7		Total	$ (41.0)	(61.5)	$ (20.5)		$ (4.6)	$ (1.5)

CCA Variance (e) - (f)	(3.0)
Tax Rate	26.5%
Earnings Impact of Accelerated CCA	(0.8)
Earnings Impact Grossed-up for Taxes Captured in the Burlington-Oakville Project Costs V/A	(1.1)

Line No.	Class	Particulars ($000s)	(a)	(b)	(c)	(d)	(e)	(f)
		Panhandle Reinforcement Project						
1	1	Non-residential building acquired after March 19, 2007	-	-	-	6%	0.0	0.0
2	7	Compression equipment acquired after February 22, 2005	-	-	-	15%	0.0	0.0
3	8	Compression assets, office furniture, equipment	567.0	850.5	283.5	20%	170.1	56.7
4	14	Land Rights	-	-	-	5%	0.0	0.0
5	41	Storage assets	-	-	-	25%	0.0	0.0
6	49	Transmission pipeline additions acquired after February 23, 2005	1,273.0	1,909.5	636.5	8%	152.8	50.9
7		Total	$ 1,840.0	2,760.0	$ 920.0		$ 322.9	$ 107.6

CCA Variance (e) - (f)	215.2
Tax Rate	26.5%
Earnings Impact of Accelerated CCA	57.0
Earnings Impact Grossed-up for Taxes Captured in the Panhandle Reinforcement Project Costs V/A	77.6

Line No.	Class	Particulars ($000s)	(a)	(b)	(c)	(d)	(e)	(f)
		Total Capital Pass-through Projects						
1	1	Non-residential building acquired after March 19, 2007	513.0	769.5	256.5	6%	46.2	15.4
2	7	Compression equipment acquired after February 22, 2005	5,218.0	7,827.0	2,609.0	15%	1,174.1	391.4
3	8	Compression assets, office furniture, equipment	853.0	1,279.5	426.5	20%	255.9	85.3
4	14	Land Rights	11.0	16.5	5.5	5%	0.8	0.3
5	41	Storage assets	-	-	-	25%	0.0	0.0
6	49	Transmission pipeline additions acquired after February 23, 2005	451.0	676.5	225.5	8%	54.1	18.0
7		Total	$ 7,046.0	10,569.0	$ 3,523.0		$ 1,531.1	$ 510.4

CCA Variance (e) - (f)	1,020.7
Tax Rate	26.5%
Earnings Impact of Accelerated CCA	270.5
Total Earnings Impact Grossed-up for Taxes Captured in the Capital Pass-through Project Variance Accounts	368.0

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

On September 14, 2017, the OEB released a report titled, Regulatory Treatment of Pension and Other Post-Employment Benefits (OPEB) Costs (the OEB Report) in which the OEB established a variance tracking account, effective January 1, 2018, to be used by all utilities that are approved to recover their pension and OPEB costs on an accrual basis.[3]

This account is used to track the difference between the forecast accrual amount that is recovered in rates and the actual cash payments made in respect to a utility's pension and OPEB costs. It provides ratepayers with an asymmetrical carrying charge on the cumulative differential balance in the account when the cumulative forecast accrual amount exceeds cash payments (i.e. the tracking account is in a credit position).

The OEB Report prescribes the use of the total gross accrual cost as calculated in an actuarial valuation as the default methodology for determining the forecast accrual amount in rates of a given year. However, the OEB Report further indicates:

> If a utility capitalizes a material portion of its total pension and OPEB accrual costs, and there is sufficient incremental value to warrant the added complexity of tracking amounts that are capitalized separately from those that are expensed, any party may propose an enhanced methodology for determining the reference amount (i.e. the forecast accrual amount).[4]

Question:

a) Exhibit B, Tab 1, Schedule 3 shows $49.4 million in Accrual based pension and OPEB costs (item #3) compared to $47.4 million mentioned in Exhibit E, Tab 1, p.59. Please reconcile these two amounts and confirm the actual pension/OPEB expense for 2019.

[3] EB-2015-0040, Regulatory Treatment of Pension and Other Post-employment Benefits ("OPEB") Costs, September 14, 2017, p. 2.
[4] OEB Report on the Regulatory Treatment of Pension and OPEB Costs / September 14, 2017 / p. 20.

b) Please confirm that for the Union Rate Zone, it is Enbridge's intention to propose the use of an alternate methodology (compared to the default methodology of the OEB Report) for the purposes of tracking the forecast accrual amount embedded in rates.

c) The OEB Report indicates that if a utility capitalizes a material portion of its pension and OPEB costs, it may propose an alternate methodology provided that there is sufficient incremental value to warrant the added complexity of tracking amounts that are capitalized separately. Please indicate what portion of the total pension/OPEB expense was capitalized in 2019 and how this compares to the capitalized ratio previously reported in the EB-2019-0105 application.

d) For 2020, please quantify the depreciation associated with the pension and OPEB costs that have been capitalized to date.

e) Please provide the actuarial valuations that underpin both the total pension and OPEB accrual expense for 2019 (i.e. $49.4 million) and the actual cash payments made for pension and OPEBs for the same period ($27 million).

<u>Response:</u>

a) The referenced amounts are not able to be reconciled as they represent two distinct items.
   i. The actual pension and OPEB expense for Enbridge Gas in 2019 was $49.4 million as identified in Exhibit B, Tab 1, Schedule 3, line 3 (refer to Attachment 1 for further details).
   ii. The $47.4 million indicated in Exhibit E, Tab 1, page 59 represents the Union Rate Zones gross/total forecast accrual based pension and OPEB amount embedded in rates, as was established in Union's 2013 cost of service rates proceeding, which is to be used in determining carrying charges to be recorded in the Union Rate Zones Pension and OPEB Forecast Accrual Versus Actual Cash Payment Differential Variance Account. The support for the $47.4 million embedded in rates was presented in EB-2019-0105 Exhibit I.STAFF.23, page 3 of 3 Plus Attachments.

b) For 2019, Enbridge Gas has not departed from the "generic approach" methodology, consistent with what was agreed to for 2018 as part of the Settlement Proposal approved as part of the Board's Decision and Rate Order in EB-2019-0105. However, as noted in that Settlement Proposal, Enbridge Gas may choose to make a proposal for a different methodology in future years (which may or may not be the same alternate methodology as had been proposed for 2018.

c) As noted in b) above, with regards to determining carrying charges to be recorded in the Union Rate Zones Pension and OPEB Forecast Accrual Versus Actual Cash Payment Differential Variance Account, Enbridge Gas has not proposed the use of an alternate methodology for 2019, as compared to the default methodology prescribed in the Board Report. Therefore, no capitalization of pension and OPEB costs is factored into the accrual amount embedded in rates, for the purposes of this 2019 variance tracking account.

d) Enbridge Gas is unable to quantify the 2019 depreciation associated with the pension and OPEB costs capitalized to date. Pension and OPEB overheads are pooled along with other operational and administrative overheads and are not tracked in the fixed asset system by their source.

e) Please refer to Attachment 1 for the excerpts from the 2019 Mercer actuarial valuation support that underpin Enbridge Gas's $49.4 million of accrual based pension expense (EGD Rate Zone $14.8 million, Union Rate Zones $34.6 million), and Attachment 2 for the excerpts from the 2019 Mercer Estimated Cash Funding Requirements. The 2019 Cash Funding Requirements for Enbridge Gas in total were $49.4 million, comprised of $22.4 million for the EGD Rate Zone and $27 million for the Union Rate Zones. For the Union Rate Zones specifically, the Mercer Estimated Cash Funding Requirements were $26.1 million, which along with various adjustments made during 2019 brought the total cash contributions to the $27 million.

(excerpts from Mercer 2019 Actuarial Report)

Enbridge Gas Inc.
Pension Plans
For the Year Ended December 31, 2019

(in Canadian dollars)

	All Plans	All Plans
Plan ID Number		
Plan - Business Unit	All Plans	All Plans
Participating Company	Enbridge Gas Distribution Inc.	Union Gas
Country		
F. Components of net periodic benefit cost		
1. Service cost	29,596,400	33,519,600
2. Interest cost	38,859,500	32,883,900
3. Expected return on plan assets	(74,799,700)	(53,902,900)
4. Amortization of initial net obligation (asset)	-	-
5. Amortization of prior service cost	-	-
6. Amortization of net (gain) loss	16,166,900	-
7. Curtailment (gain) / loss recognized	-	-
8. Settlement (gain) / loss recognized	-	-
9. Special termination benefit recognized	-	-
10. Net periodic benefit cost	9,823,100	12,500,600

Enbridge Gas Inc.
OPEB Plans
For the Year Ended December 31, 2019

(in Canadian dollars)

Plan ID Number	1	1
Plan - Business Unit	EGD OPEB - Enbridge Gas Distribution Inc. (OPEB)	Spectra Energy OPEB Plan - Union Gas (PRB)
Participating Company	Enbridge Gas Distribution Inc.	Union Gas
Country	Canada	Canada
Fiscal year ending on	12/31/2019	12/31/2019
F. Components of net periodic benefit cost		
1. Service cost	1,075,000	1,053,000
2. Interest cost	3,286,000	2,042,000
3. Expected return on plan assets	-	-
4. Amortization of initial net obligation (asset)	-	-
5. Amortization of prior service cost	103,000	(129,000)
6. Amortization of net (gain) loss	-	(698,000)
7. Curtailment (gain) / loss recognized	-	-
8. Settlement (gain) / loss recognized	-	-
9. Special termination benefit recognized	-	-
10. Net periodic benefit cost	4,464,000	2,268,000

(excerpt below represent only pre-2017 amounts)

Plan ID Number	
Plan - Business Unit	**All Plans**
Participating Company	**Union Gas**
Country	
Fiscal year ending on	**12/31/2019**
F. Components of net periodic benefit cost	
1. Service cost	**10,961,200**
2. Interest cost	**34,925,900**
3. Expected return on plan assets	**(53,233,600)**
4. Amortization of initial net obligation (asset)	**-**
5. Amortization of prior service cost	**203,000**
6. Amortization of net (gain) loss	**17,306,300**
7. Curtailment (gain) / loss recognized	**-**
8. Settlement (gain) / loss recognized	**-**
9. Special termination benefit recognized	**-**
10. Net periodic benefit cost	**10,162,800**

	EGD	**UGL**
Periodic Benefit Cost - Pension - EGD	9.8	12.5
Periodic Benefit Cost - OPEB - EGD	4.5	2.3
Defined Contribution and Other Pension Credits	0.5	2.3
Amortization of Pre-2017 Past Service Costs - UGL only	-	0.2
Amortization of Pre-2017 Actuarial Losses - UGL only	-	17.3
Total Pension Expense EGI	14.8	34.6

(excerpts from Mercer 2019 Actuarial Report)

Enbridge Gas Inc.
Pension Plans
For the Year Ended December 31, 2019

(in Canadian dollars)

	Plan ID Number	All Plans	All Plans
	Plan - Business Unit		
	Participating Company	Enbridge Gas Distribution Inc.	Union Gas
	Country		
B.	**Change in plan assets**		
1.	Fair value of plan assets at beginning of year	1,066,407,700	858,552,600
2.	Actual return on plan assets	129,102,600	106,070,500
3.	a. Employer contributions to plan	16,982,500	21,239,700
	b. Employer direct benefit payments	-	3,491,000
4.	Employee contributions	5,884,600	8,085,400
5.	Plan settlements	-	-
6.	a. Benefits paid from the plan	(54,958,600)	(49,480,000)
	b. Direct benefit payments	-	(3,491,000)
7.	Medicare subsidies received	-	-
8.	Expenses paid	-	-
9.	Taxes paid	-	-
10.	Premiums paid	-	-
11.	Acquisitions / divestitures	-	-
12.	Plan combinations	-	-
13.	Adjustments	-	-

Enbridge Gas Inc.
OPEB Plans
For the Year Ended December 31, 2019

(in Canadian dollars)

	Plan ID Number	1	1
		EGD OPEB - Enbridge Gas Distribution Inc. (OPEB)	Spectra Energy OPEB Plan - Union Gas (PRB)
	Plan - Business Unit		
	Participating Company	Enbridge Gas Distribution Inc.	Union Gas
	Country	Canada	Canada
	Fiscal year ending on	12/31/2019	12/31/2019
B.	**Change in plan assets**		
1.	Fair value of plan assets at beginning of year	-	-
2.	Actual return on plan assets	-	-
3.	a. Employer contributions to plan	-	-
	b. Employer direct benefit payments	3,678,000	1,437,000
4.	Employee contributions	-	-
5.	Plan settlements	-	-
6.	a. Benefits paid from the plan	-	-
	b. Direct benefit payments	(3,678,000)	(1,437,000)
7.	Medicare subsidies received	-	-
8.	Expenses paid	-	-
9.	Taxes paid	-	-
10.	Premiums paid	-	-
11.	Acquisitions / divestitures	-	-
12.	Plan combinations	-	-
13.	Adjustments	-	-
14.	Exchange rate changes	-	-
15.	Fair value of plan assets at end of year	-	-

	EGD	UGL
Employer contributions to plan- Pendsion Plans	17.0	21.2
Employer direct benefit payments - Pension Plans	-	3.5
Employer contributions to plan - OPEB	3.7	1.4
Other credits and payments	1.7	0.9
Total Projected Contributions	22.4	27.0

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Utility 2019 Actual O&M, Exhibit B / Tab 3 / Schedule 1
The 2019 actual operating costs shows compensation and benefits costs of $566.9 million.

Question:

a) Please provide the actual FTEs (full time equivalents) as of January 1, 2018 (EGD and Union Gas) and December 31, 2019 (Enbridge Gas).

b) Please provide the severance costs and/or costs for early retirement packages included in the net utility O&M expenses for 2019.

c) Please explain how the severance/early retirement package costs have been accounted for in 2019. Are any of these costs recorded as deferred expenses? Please explain your response.

Response:

a)

	FTEs	
	December 31, 2017	December 31, 2019
EGD	1,934	
UGL	2,262	
EGI		3,798

b) Severance costs amounted to $41.7M in 2019, and are included in Utility O&M.

c) The Company accrued severance costs related to termination benefits to employees from the amalgamation of Legacy EGD and Legacy Union Gas in total as approved during 2019. All amounts were included in O&M as noted above. No amounts are recorded as deferred expenses as at December 31, 2019.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Exhibit C / Tab 1 / pp. 1-3.

Enbridge Gas is no longer requesting clearance of the 2019 Gas Supply Plan Cost Consequences Deferral Account (2019 GSPCCDA), which has a balance of $3.9 million to be collected from ratepayers. The account was approved in the 2019 rates proceeding (EB-2018-0305) to capture the revenue deficiency impact of changes to the 2019 gas supply portfolio, for disposition at a later date. Enbridge Gas has indicated that the balance will not be carried forward, and Enbridge Gas will not maintain the account in future years. Enbridge Gas will continue to update prices in the EGD rate zone quarterly through QRAM applications while holding the gas supply plan constant and will capture variances between actual and forecast prices in existing deferral and variance accounts.

Question:

a) Enbridge Gas is not requesting to dispose of the balance in the 2019 GSPCCDA and will not carry the balance forward. Does Enbridge Gas intend to forgo the balance in the 2019 GSPCCDA? If not, Is Enbridge proposing to transfer the balance in this account to another DVA? If so, please indicate which DVA this balance would be recorded in and disposed of?

b) Is Enbridge Gas requesting closure of the 2019 GSPCCDA in this proceeding? If not, when will Enbridge Gas request closure of the account?

Response:

a) Confirmed. As laid out in evidence at Exhibit C, Tab 1, pages 1 to 3, the Company is not requesting clearance of the 2019 GSPCCDA. As detailed below, the Company is no longer planning to utilize the GSPCCDA for 2019, or the remainder of the deferred rebasing

Taking into account the Board's direction in EB-2018-0305, where the OEB determined that gas supply planning was out of scope in the 2019 proceeding and directed Enbridge Gas to no longer include gas supply related-evidence for the EGD rate zone in annual rate applications, Enbridge Gas has now determined that it is appropriate to treat the 2019 year in the same manner as other remaining years during the deferred rebasing term, and not separately recover the gas supply plan cost consequences for 2019 that were recorded in the 2019 GSPCCDA. This will ensure consistency through all years of the deferred rebasing term as described below.

Given that Enbridge Gas is not requesting clearance of the 2019 GSPCCDA, the balance in the 2019 Storage and Transportation Deferral Account (S&TDA) is now benchmarked against 2018 forecast of storage and transportation tolls/costs and the balance in the 2019 Unaccounted for Gas Variance account (UAFVA) is now benchmarked against 2018 forecast of UAF volumes (as would be the case for both accounts if 2019 gas supply plan and gas costs had not been filed with the Board as part of 2019 rate adjustment application). Enbridge Gas' current delivery rates for the EGD rate zone include 2018 forecast costs for storage and transportation and unaccounted for gas as Enbridge Gas did not adjust its rates for 2019 forecasts of these costs.

Enbridge Gas plans to follow this same approach (i.e., utilizing existing deferral and variance accounts) for the remaining years within the deferred rebasing period (2019 – 2023), which dispenses with the need for the 2019 Gas Cost Consequences Deferral Account or another approach for subsequent years.

b) Confirmed. Enbridge Gas is requesting closure of the 2019 GSPCCDA in this proceeding.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Enbridge Gas Tax Variance Deferral Account
Exhibit C / Tab 1 / pp. 13-15

The balance in the Enbridge Gas Tax Variance Deferral Account is a credit of $30.030 million plus interest. Enbridge Gas is not requesting clearance of the balance in this account as part of this proceeding. The purpose of the account is to record 50% of the revenue requirement impact of any tax rate changes versus the tax rates included in rates and 100% of the revenue requirement impact of any changes in Capital Cost Allowance (CCA) related to Bill C-97 CCA rule changes.

Question:

a) In the OEB's letter dated July 25, 2019, the OEB stated that impacts arising from CCA rule changes will be disposed of in a manner designated by the OEB in a future rate hearing and would generally coincide with the utility's next cost-based rate application. Please confirm if Enbridge Gas intends to request disposition of this account at the next rebasing in 2024.

b) Please explain the disposition methodology and the resulting rate impacts if the balance in the Tax Variance Deferral Account is disposed of in this proceeding.

Response:

a) Confirmed. As directed by the Board, the Company expects to request disposition of the TVDA as part of the next rebasing application.

b) The Company would first like to note that the sharing of accelerated CCA impacts, between ratepayers and shareholders is an issue that is still to be determined by the Board upon disposition of the account. However, to be responsive to the question, the Company has identified its proposed disposition methodology and corresponding rate impacts, under the assumption that 50% of the balance would be cleared to ratepayers, consistent with the sharing of tax changes that has occurred during prior incentive rate-setting terms/plans.

Consistent with the disposition methodology proposed for the APCDA, Enbridge Gas would propose to split the ratepayers' share (assumed 50% in this illustration) of the TVDA credit balance plus interest between the EGD and Union rate zones in proportion to the 2018 actual rate base for each rate zone of $6,729 million and $6,018 million, respectively. 50% of the TVDA credit balance of $15.364 million[3] split in proportion to 2018 actual rate base results in $8.110 million credit being cleared to the EGD rate zone and $7.254 million credit being cleared to the Union rate zones. Please see Attachment 1 for the details of the split to legacy utility rate zones.

The Company would further propose to allocate the split balance to rate classes in each rate zone in proportion to 2018 rate base for the EGD rate zone and 2013 rate base for the Union rate zones. The rate base allocation for each rate zone is taken from the last fully allocated cost study prepared for each rate zone. Please see Attachment 2 and 3 for the allocation to rate classes and resulting rate impacts to EGD and Union rate classes, respectively.

[3] Total TVDA balance plus interest of $30.728 million is provided at Exhibit C, Tab 1, Schedule 1, Page 1, Line 50.

ENBRIDGE GAS INC.
Split of EGI Tax Variance Deferral Account Balance to Rate Zones

Line No.	Particulars ($000's)	Allocator: 2018 Actual Rate Base (1) ($ millions)	Account Balance: Principal (2)	Interest (2)	Total
		(a)	(b)	(c)	(d) = (b+c)
	Tax Variance Deferral Account				
1	EGD	6,729	(7,926)	(184)	(8,110)
2	Union	6,018	(7,089)	(165)	(7,254)
3	Total (3)	12,748	(15,015)	(349)	(15,364)

Notes:
(1) 2018 actual rate base per EB-2019-0105, Exhibit B, Tab 2, Appendix B, Schedule 1 for the EGD rate zone and EB-2019-0105, Exhibit C, Tab 2, Appendix A, Schedule 4 for the Union rate zones.
(2) Allocated in proportion to column (a).
(3) TVDA balance to be cleared to ratepayers calculated as 50% of total account balance.

ENBRIDGE GAS INC.
Allocation of Tax Variance Deferral Account
EGD Rate Zone

Line No.	Particulars ($000's)	2018 Board Approved Rate Base (1)	Deferral Account Balance	
		(a)	(b)	
1	RATE 1	3,836,631	(5,321)	
2	RATE 6	1,636,861	(2,270)	
3	RATE 9	0	0	
4	RATE 100	0	(0)	
5	RATE 110	70,161	(97)	
6	RATE 115	25,744	(36)	
7	RATE 125	56,370	(78)	
8	RATE 135	3,223	(4)	
9	RATE 145	5,770	(8)	
10	RATE 170	8,088	(11)	
11	RATE 200	14,641	(20)	
12	RATE 300	449	(1)	
13	RATE 332	189,704	(263)	
14	Total	5,847,642	(8,110)	(2)

Notes:
(1) 2018 Board Approved Rate Base per EB-2017-0086, Exhibit G2.
(2) Exhibit I.STAFF 8, Attachment 1, Column (d).

ENBRIDGE GAS INC.
EGD Rate Zone
Bill Adjustment in Jan 2021 for Typical Customers
2019 Tax Variance Deferral Account Clearing

Item No.	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10
			Unit Rates				Bill Adjustment			
	GENERAL SERVICE	Annual Volume	Sales	Ontario TS	Dawn TS	Western TS	Sales Customers	Ontario TS Customers	Dawn TS Customers	Western TS Customers
		m3	cents/m3	cents/m3	cents/m3	cents/m3	$	$	$	$
1.1	**RATE 1 RESIDENTIAL**									
1.2	Heating & Water Heating	2,400	(0.0993)	(0.0993)	(0.0993)	(0.0993)	(2.4)	(2.4)	(2.4)	(2.4)
2.1	**RATE 6 COMMERCIAL**									
2.2	General Use	43,285	(0.0428)	(0.0428)	(0.0428)	(0.0428)	(18.5)	(18.5)	(18.5)	(18.5)
	CONTRACT SERVICE									
3.1	**RATE 100**									
3.2	Industrial - small size	339,188	(0.0000)	(0.0000)	(0.0000)	0.0000	(0.0)	(0.0)	(0.0)	-
4.1	**RATE 110**									
4.2	Industrial - small size, 50% LF	598,568	(0.0111)	(0.0111)	(0.0111)	(0.0111)	(66.5)	(66.5)	(66.5)	(66.5)
4.3	Industrial - avg. size, 75% LF	9,976,121	(0.0111)	(0.0111)	(0.0111)	(0.0111)	(1,108.9)	(1,108.9)	(1,108.9)	(1,108.9)
5.1	**RATE 115**									
5.2	Industrial - small size, 80% LF	4,471,609	(0.0081)	(0.0081)	(0.0081)	0.0000	(361.5)	(361.5)	(361.5)	-
6.1	**RATE 135**									
6.2	Industrial - Seasonal Firm	598,567	(0.0071)	0.0000	(0.0071)	(0.0071)	(42.5)	-	(42.5)	(42.5)
7.1	**RATE 145**									
7.2	Commercial - avg. size	598,568	(0.0263)	0.0000	(0.0263)	0.0000	(157.4)	-	(157.4)	-
8.1	**RATE 170**									
8.2	Industrial - avg. size, 75% LF	9,976,121	(0.0039)	(0.0039)	(0.0039)	0.0000	(390.8)	(390.8)	(390.8)	-

Notes:
Col. 7 = Col. 2 x Col. 3
Col. 8 = Col. 2 x Col. 4
Col. 9 = Col. 2 x Col. 5
Col. 10 = Col. 2 x Col. 6

ENBRIDGE GAS INC.
Allocation of Tax Variance Deferral Account
Union Rate Zones

Line No.	Particulars ($000's)	2013 Board Approved Rate Base (1)	Deferral Account Balance	
		(a)	(b)	
1	Rate M1	1,441,171	(2,816)	
2	Rate M2	218,198	(426)	
3	Rate M4	54,282	(106)	
4	Rate M5	46,034	(90)	
5	Rate M7	18,903	(37)	
6	Rate M9	3,583	(7)	
7	Rate M10	138	(0)	
8	Rate T1	37,645	(74)	
9	Rate T2	166,378	(325)	
10	Rate T3	21,976	(43)	
11	Total Union South In-franchise	2,008,308	(3,924)	
12	Excess Utility Space	21,463	(42)	
13	Rate C1	6,894	(13)	
14	Rate M12	765,897	(1,496)	
15	Rate M13	521	(1)	
16	Rate M16	947	(2)	
17	Total Ex-franchise	795,722	(1,555)	
18	R01	659,805	(1,289)	
19	R10	101,689	(199)	
20	R20	72,027	(141)	
21	R100	55,496	(108)	
22	R25	19,712	(39)	
23	Total Union North In-franchise	908,729	(1,775)	
24	In-franchise (line 11 + line 23)	2,917,038	(5,699)	
25	Ex-franchise (line 17)	795,722	(1,555)	
26	Total	3,712,759	(7,254)	(2)

Notes:
(1) 2013 Board Approved Rate Base per EB-2011-0210, Exhibit G3.
(2) Exhibit I.STAFF 8, Attachment 1, Column (d).

ENBRIDGE GAS INC.
Union Rate Zones
General Service Customer Bill Impacts
2019 Tax Variance Deferral Account Clearing

Line No.	Particulars	Unit Rate for Prospective Recovery/(Refund) (cents/m^3) (1)	Volume (m^3) (2)	Bill Impact ($)
		(a)	(b)	(c) = (a x b) / 100
	Small Volume General Service			
	Rate M1 - Union South			
1	Delivery	(0.1912)	1,120	(2.14)
2	Sales Service			(2.14)
3	Direct Purchase			(2.14)
	Rate 01 - Union North West			
4	Delivery	(0.2667)	1,120	(2.99)
5	Sales Service			(2.99)
6	Direct Purchase Bundled T			(2.99)
	Rate 01 - Union North East			
7	Delivery	(0.2667)	1,120	(2.99)
8	Sales Service			(2.99)
9	Direct Purchase Bundled T			(2.99)
	Large Volume General Service			
	Rate M2 - Union South			
10	Delivery	(0.0797)	36,281	(28.92)
11	Sales Service			(28.92)
12	Direct Purchase			(28.92)
	Rate 10 - Union North West			
13	Delivery	(0.1313)	38,640	(50.73)
14	Sales Service			(50.73)
15	Direct Purchase Bundled T			(50.73)
	Rate 10 - Union North East			
16	Delivery	(0.1313)	38,640	(50.73)
17	Sales Service			(50.73)
18	Direct Purchase Bundled T			(50.73)

Notes:
(1) Average consumption, per customer, for the period January 1, 2021 to March 31, 2021.
Rate 01 volume based on annual consumption of 2,200 m^3.
Rate 10 volume based on annual consumption of 93,000 m^3.
Rate M1 volume based on annual consumption of 2,200 m^3.
Rate M2 volume based on annual consumption of 73,000 m^3.

ENBRIDGE GAS INC.
Union Rate Zones
Calculation of One-Time Adjustments for Typical Small and Large Customers
2019 Tax Variance Deferral Account Clearing

Line No.	Particulars	Deferral Unit Rate (cents/m^3)	Billing Units (m^3)	Bill Adjustment ($)
		(a)	(b)	(c)
	Union North			
	Small Rate 20 - Union North West			
1	Delivery	(0.0271)	3,000,000	(812)
2	Sales Service Impact			(812)
3	Bundled-T (Direct Purchase) Impact			(812)
	Large Rate 20 - Union North West			
4	Delivery	(0.0271)	15,000,000	(4,061)
5	Sales Service Impact			(4,061)
6	Bundled-T (Direct Purchase) Impact			(4,061)
	Small Rate 20 - Union North East			
7	Delivery	(0.0271)	3,000,000	(812)
8	Sales Service Impact			(812)
9	Bundled-T (Direct Purchase) Impact			(812)
	Large Rate 20 - Union North East			
10	Delivery	(0.0271)	15,000,000	(4,061)
11	Sales Service Impact			(4,061)
12	Bundled-T (Direct Purchase) Impact			(4,061)
	Average Rate 25 - Union North West			
13	Delivery	(0.0325)	2,275,000	(740)
14	Sales Service Impact			(740)
15	Bundled-T (Direct Purchase) Impact			(740)
	Average Rate 25 - Union North East			
16	Delivery	(0.0325)	2,275,000	(740)
17	Sales Service Impact			(740)
18	Bundled-T (Direct Purchase) Impact			(740)
	Small Rate 100			
19	T-Service (Direct Purchase) Impact	(0.0106)	27,000,000	(2,871)
	Large Rate 100			
20	T-Service (Direct Purchase) Impact	(0.0106)	240,000,000	(25,517)
	Union South			
	Small Rate M4			
21	Delivery	(0.0157)	875,000	(138)
22	Sales Service Impact			(138)
23	Direct Purchase Impact			(138)
	Large Rate M4			
24	Delivery	(0.0157)	12,000,000	(1,889)
25	Sales Service Impact			(1,889)
26	Direct Purchase Impact			(1,889)

ENBRIDGE GAS INC.
Union Rate Zones
Calculation of One-Time Adjustments for Typical Small and Large Customers
2019 Tax Variance Deferral Account Clearing

Line No.	Particulars	Deferral Unit Rate (cents/m^3)	Billing Units (m^3)	Bill Adjustment ($)
		(b)	(c)	(d)
	Union South (continued)			
	Small Rate M5 Interruptible			
1	Delivery	(0.1223)	825,000	(1,009)
2	Sales Service Impact			(1,009)
3	Direct Purchase Impact			(1,009)
	Large Rate M5 Interruptible			
4	Delivery	(0.1223)	6,500,000	(7,949)
5	Sales Service Impact			(7,949)
6	Direct Purchase Impact			(7,949)
	Small Rate M7			
7	Delivery	(0.0068)	36,000,000	(2,454)
8	Sales Service Impact			(2,454)
9	Direct Purchase Impact			(2,454)
	Large Rate M7			
10	Delivery	(0.0068)	52,000,000	(3,544)
11	Sales Service Impact			(3,544)
12	Direct Purchase Impact			(3,544)
	Small Rate M9			
13	Delivery	(0.0067)	6,950,000	(469)
14	Sales Service Impact			(469)
15	Direct Purchase Impact			(469)
	Large Rate M9			
16	Delivery	(0.0067)	20,178,000	(1,361)
17	Sales Service Impact			(1,361)
18	Direct Purchase Impact			(1,361)
	Rate M10			
19	Delivery	(0.0687)	94,500	(65)
20	Sales Service Impact			(65)
21	Direct Purchase Impact			(65)
	Small Rate T1			
22	Direct Purchase Impact	(0.0168)	7,537,000	(1,268)
	Average Rate T1			
23	Direct Purchase Impact	(0.0168)	11,565,938	(1,945)
	Large Rate T1			
24	Direct Purchase Impact	(0.0168)	25,624,080	(4,310)
	Small Rate T2			
25	Direct Purchase Impact	(0.0079)	59,256,000	(4,656)
	Average Rate T2			
26	Direct Purchase Impact	(0.0079)	197,789,850	(15,541)
	Large Rate T2			
27	Direct Purchase Impact	(0.0079)	370,089,000	(29,079)
	Large Rate T3			
28	Direct Purchase Impact	(0.0152)	272,712,000	(41,319)

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Summary Table of Deferral and Variance Account Balances
Exhibit C / Tab 1 / Schedule 1

Enbridge Gas has provided a summary table with all the DVAs that are included for disposition in this proceeding.

Question:

a) Please confirm that the December 31, 2019 balances for the EGD rate zone are consistent with the account balances reported in Enbridge's 2018 RRR filing (2.1.7) and its 2019 audited financial statements. If any differences exist, please explain.

b) Please advise whether there are any DVAs that are currently approved for use by Enbridge Gas for the EGD rate zone but have not been listed in the Deferral and Variance Account Balance Summary (with the exception of the QRAM-related deferral accounts, the Demand Side Management related deferral accounts, and the cap and trade-related deferral accounts). If so, please list each account name and the corresponding balance in the account as at December 31, 2019 (including interest). Please also explain the nature of each account and why it is not being brought forward for disposition as part of this proceeding. This should include any accounts that had been opened in previous years but were never disposed of.

Response:

a) The account balances reported in the Company's 2019 RRR filing (2.1.7) and its 2019 audited financial statements differ in a number of instances with what is being requested for clearance. This is mainly due to the fact that amounts booked at year-end were based on preliminary forecasts/assumptions and have been subsequently trued-up once the results were finalized. In addition, the changes to the EGD Rate Zone S&TDA, UAFVA and GSPCCDA accounts also result from the decision to close the GSPCCDA (see Exhibit I.STAFF.7). The following table shows account balances where the amount being requested differs from what was reported at year-end:

Deferral Account	Balance reported at year-end ($000s)	Balance requested for clearance ($000s)
EGD Rate Zone Accounts		
2019 S&TDA	(7,846.3)	2,472.3
2019 UAFVA	6,789.1	4,879.7
2019 DRA	973.7	991.2
2019 EPESDA	(176.5)	(174.7)
2019 DACDA	2,160.8	2,152.7
2019 GSPCCDA	3,863.3	-
UGL Rate Zone Accounts		
2019 ST Storage and Other Balancing Services	1,193.8	2,821.9
2019 OEBCAVA	2,018.0	1,562.8
2019 Parkway West Project Costs	(819.0)	(493.0)
2019 Brantford-Kirkwall/Parkway D Project Costs	568.0	(39.0)
2019 Lobo C Compressor/Hamilton-Milton Project Costs	41.0	277.0
2019 Lobo D/Bright C/Dawn H Compressor Project Costs	(1,277.1)	(1,569.1)
2019 Burlington-Oakville Project Costs	(32.0)	(49.0)
2019 Panhandle Reinforcement Project Costs	(1,004.0)	(1,180.0)
2019 Unaccounted For Gas Volume Variance Account	-	1,560.9
2019 Unaccounted For Gas Price Variance Account	202.0	458.5
EGI Rate Zone Accounts		
2019 APCDA	1,100.0	(1,749.5)

b) The following accounts (with the exception of the PGVA which is cleared through the QRAM process, and the Demand Side Management (DSM)-related deferral accounts, and the federal carbon charge/cap and trade-related deferral accounts) were approved for use by Enbridge Gas in the EGD rate zone during 2019, but were not listed in the Deferral and Variance Account Balance Summary because they had balances of $0 as at December 31, 2019.

- Open Bill Revenue Variance Account (OBRVA) – The purpose of the OBRVA is to track and record the ratepayer share of net revenue for Open Bill Services. The account allows for net annual revenue amounts in excess of $7.389 million to be shared 50/50 with ratepayers and allows for a credit to Enbridge Gas in the event that net annual revenues are less than $4.889 million, equal to the shortfall between actual net revenues and $4.889 million. **No balance was recorded in 2019 as net Open Bill revenue was within the established parameters, and therefore did not require an entry to the OBRVA.**

- Ex-Franchise Third Party Billing Services Deferral Account (EFTPBSDA) – The purpose of the EFTPBSDA is to record and track the ratepayer portion of revenues, net of incremental costs, generated from third party billing services provided to ex-franchise parties. The net revenue is to be shared on a 50/50 basis with ratepayers. **No balance was recorded in 2019 as EGD did not provide any third party billing services to ex-franchise customers.**

- RNG Injection Services Variance Account (RNJISVA) – The purpose of the RNGISVA is to record the annual revenue sufficiency/deficiency related to the provision on RNG Injection Services to RNG producers. The calculation of any annual revenue sufficiency/deficiency will be calculated as the difference between actual revenues generated under Rate 401 (RNG Injection Service) and the actual revenue requirement impact of the costs incurred (on a fully allocated basis) to provide those services. In order to ensure that ratepayers are not harmed by potential default of Rate 401 customers, the annual revenue sufficiency/deficiency calculation will not include any impacts of contract default by RNG injection service customers. **No balance was recorded in 2019 since no RNG Injection Services were provided in 2019.**

- Incremental Capital Module Deferral Account (ICMDA) – The purpose of the EGD Rate Zone ICM deferral account is to record, on a project by project basis, the difference between the actual revenue requirement for the EGD Rate Zone approved ICM projects, and the actual revenues collected through ICM rates approved by the Board for the EGD Rate Zone. The actual revenue requirement will include costs associated with the capital investment, including return on rate base, depreciation expense, and associated income taxes. The actual revenues will be those collected through the ICM rate riders approved by the Board for the EGD Rate Zone. **No balance was recorded in 2019 as no ICM projects were in service in 2019 for the EGD Rate Zone.**

- Manufactured Gas Plant Deferral Account (MGPDA) – The purpose of the MGPDA is to capture all costs incurred in managing and resolving issues related to the Company's manufactured gas plant ("MGP") legacy operations. There is no balance at December 31, 2019. **As part of the EB-2019-0105 settlement proposal it was agreed that the MGPDA would be discontinued for 2019 and beyond.**

- Post-Retirement True-Up Variance Account (PTUVA) – In accordance with the EB-2017-0086 Settlement Proposal, during 2018 the purpose of the (PTUVA) is to record any allowed revenue impact that results from actual pension and OPEB related amounts (accrual based expense amounts and cash based funding) which differ compared to what was forecast and included in rates. **There is no balance at December 31, 2019 as in accordance with the EB-2017- 0306/EB-2017-0307 Decision and Order, beginning in 2019 the PTUVA will only be utilized to reflect any residual balance from 2018 that has not been cleared due to the smoothing mechanism related to the account.**

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Storage and Transportation Deferral Account - EGD
Exhibit D / Tab 1 / Schedule 1/ p. 1

Enbridge Gas provided a detailed breakdown of the $2.5 million debit balance included in the 2019 Storage and Transportation Deferral Account. There is an increase of $1.5 million related to Union Gas and Third-Party Market Based Storage as compared to forecast.

Question:

a) Please explain the reason for the increase in actual market-based storage costs as compared to the forecast ($21.6 million versus $20.1 million).

Response:

a) As mentioned in Exhibit.I.STAFF.7, the 2019 Storage and Transportation Deferral Account is benchmarked against 2018 forecast of storage and transportation tolls and costs. The increase in actual market-based storage costs compared to the forecast is due to an increase in market prices.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Transactional Services Deferral Account - EGD
Exhibit D / Tab 1 / p. 4 and Exhibit D / Tab 1 / Schedule 2

Enbridge Gas has provided a breakdown of 2019 transactional services revenue. Revenues related to storage optimization show a significant decline as compared to previous years (2014 to 2018).

Question:

a) Please confirm that storage optimization revenues were only $60,700. What is the reason for the decline in storage optimization revenues?

b) Were average storage rates also lower for third-party storage services in 2019 as compared to 2018? If yes, please explain the increase in market-based storage costs as reflected in the Storage and Transportation Deferral Account.

Response:

a) Confirmed. Storage optimization revenues have declined from 2014. These revenues have declined, especially in 2019, because of a reduction in gas price volatility, increased long haul contracting and a reduced demand for short term storage services.

b) Please refer to Exhibit I.EP.10 a) for average storage rates. The market-based storage costs in the Storage and Transportation Deferral Account relate to peak storage services. Optimization revenues found in the Transactional Services Deferral Account are related to off-peak services. There is no direct pricing correlation between the two.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Unaccounted For Gas (UAF) Variance Account - EGD
Exhibit D / Tab 1 / pp. 6-10 and FRPO Interrogatory #17 (EB-2019-0194)

UAF is the difference between natural gas delivered into the distribution system and natural gas consumed by customers in the EGD rate zone as well as EGD own use gas and line pack gas. Table 2 shows that UAF volumes for the EGD rate zone was the highest since 1991 for the last two years (2018 – 142,086 103m3, 2019 – 140,594 103m3). In its evidence, Enbridge Gas has stated that no significant factors are known to have occurred in 2019 that would have contributed to a higher UAF than previous years.

Question:

a) Please provide a detailed calculation supporting the $4.9 million principal balance in the account.

b) Did Enbridge Gas investigate the reasons for the high UAF in 2018 and 2019? Please provide a detailed response.

c) Are the UAF numbers provided in Table 2 based on actual UAF or do they result from a forecasting methodology?

d) Considering the high UAF for two consecutive years (2018 and 2019), what steps has Enbridge Gas taken to reduce UAF in the EGD rate zone.

e) In response to an interrogatory (FRPO #17) with respect to the UAF report filed as part of the 2020 rates proceeding (EB-2019-0194), Enbridge Gas confirmed that it is in the process of redesigning the Victoria Square Gate Station in order to reduce gate station meter variations. The project is scheduled to commence in 2020. Please confirm if the Victoria Square Gate Station project has been completed. If yes, please indicate if Enbridge Gas has measured the benefits of redesigning the Victoria Square Gate Station with respect to UAF.

Response:

a) Page 3 of this response provides the detailed calculation of the 2019 UAFVA balance.

b) The higher UAF volumes in 2018 and 2019 can be driven by the higher throughput volumes and customer growth in 2018 and 2019. The UAF as a percentage of throughput volumes for 2018 and 2019 are 1.1% and 1.2% respectively, which are in line with the historical UAF percentages. Gate station meter variations and retail meter variations continue to be the main sources of UAF for Legacy EGD.

c) The UAF numbers provided in Table 2 are actual UAF volumes.

d) As mentioned in the UAF report filed in EB-2019-0194, gate station meter variations are a potential source of UAF for Legacy EGD and various initiatives have been implemented to manage gate stations meter variations. These initiatives include, but are not limited to, redesigned Victoria Square Gate Station, replacement of measurement equipment at storage facilities, and installation of check meters to verify the accuracy of the custody meters owned by TC Energy.

e) Confirmed, the Victoria Square Gate Station project has been completed in October 2020. Given the project was recently completed, it is too early to assess the benefits of redesigning the Victoria Square Gate Station with respect to UAF.

Year 2019 UAFVA Calculation

Item.		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Reference
1.1	Budget UAF (103m3)	17,032.93	18,951.51	16,299.14	11,722.86	6,619.61	3,359.68	2,496.45	2,411.92	2,463.23	3,884.15	8,289.06	13,146.46	106,677.00	
1.2	PGVA Rate	$ 179.02	$ 179.02	$ 179.02	$ 157.86	$ 157.86	$ 157.86	$ 153.33	$ 153.33	$ 153.33	$ 140.03	$ 140.03	$ 140.03		
1.3	Budget UAF Dollar	$ 3,049,201.39	$ 3,392,661.05	$ 2,917,840.06	$ 1,850,618.17	$ 1,044,997.96	$ 530,372.02	$ 382,790.96	$ 369,828.82	$ 377,696.82	$ 543,901.80	$ 1,160,725.29	$ 1,840,911.52	$ 17,461,545.85	
2.1	Actual UAF (103m3)	16,451.90	18,977.10	16,512.34	12,179.73	8,443.07	4,289.85	3,890.57	3,620.08	3,293.39	4,927.55	9,846.73	12,915.97	115,348.28	
2.2	UAF Annual Variance (103m3)	3,600.80	4,153.49	3,614.03	2,665.76	1,847.92	938.91	851.52	792.32	720.82	1,078.49	2,155.14	2,826.90	25,246.10	Note 1
2.3	Total Actual UAF (103m3)	20,052.71	23,130.59	20,126.37	14,845.49	10,291.00	5,228.76	4,742.10	4,412.40	4,014.21	6,006.04	12,001.86	15,742.86	140,594.38	Item 2.1 + Item 2.2
2.4	PGVA Rate	$ 179.02	$ 179.02	$ 179.02	$ 157.86	$ 157.86	$ 157.86	$ 153.33	$ 153.33	$ 153.33	$ 140.03	$ 140.03	$ 140.03		
2.5	Actual UAF Dollar	$ 3,589,795.43	$ 4,140,792.33	$ 3,602,981.94	$ 2,343,568.19	$ 1,624,577.81	$ 825,433.24	$ 727,124.67	$ 676,570.80	$ 615,514.46	$ 841,031.51	$ 1,680,633.01	$ 2,204,488.90	$ 22,872,512.28	Item 2.3 x Item 2.4
3.0	UAFVA Volume Variane	$ 540,594.04	$ 748,131.28	$ 685,141.89	$ 492,950.01	$ 579,579.85	$ 295,061.22	$ 344,333.71	$ 306,741.98	$ 237,817.64	$ 297,129.71	$ 519,907.73	$ 363,577.38	$ 5,410,966.43	Item 2.5 - Item 1.3
4.0	Line Pack Gas (LPG) Allocation													$ (33,513.96)	
5.0	2019 Damage Adjustment													$ (115,255.00)	
6.0	Crowland Inventory True-up													(382,479.48)	
7.0	**Total 2019 UAFVA**													**$ 4,879,717.99**	Item 3.0 + Item 4.0 + Item 5.0 + Item 6.0

Note 1 UAF Annual Varaince Allocation

14%	16%	14%	11%	7%	4%	3%	3%	3%	4%	9%	11%	
3,600.80	4,153.49	3,614.03	2,665.76	1,847.92	938.91	851.52	792.32	720.82	1,078.49	2,155.14	2,826.90	25,246.10

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Average Use True-Up Variance Account - EGD
Exhibit D / Tab 1 / p. 11

The credit balance in the Average Use True-Up Variance Account is attributable to actual Rate 1 and Rate 6 average uses being higher than 2019 forecast levels. Higher weather-normalized average use is primarily attributable to lower actual natural gas prices and better economic conditions than forecast.

Question:

a) Please explain how the higher than forecast average use has impacted storage and transportation optimization revenues.

Response:

a) An increase in average use results in higher utilization of firm utility assets reducing the amount of surplus assets available for optimization.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

2019 Deferred Rebate Account - EGD
Exhibit D / Tab 1 / p. 13

The $1.0 million recorded in the 2019 Deferred Rebate Account reflects the outstanding amount resulting from the clearance of DVAs in the EGD rate zone which occurred during 2019 and the inability to locate all the intended customers.

Question:

a) What is the driver of the $1.0 million balance in the account? Is the balance related to previous DVA proceedings or other proceedings (Demand Side Management, Cap and Trade)?

b) Does the balance in the account reflect any over-collection or under-collection related to the disposition of 2018 DVA balances?

Response:

a) The driver of the $1.0 million balance in the Deferred Rebate Account is outstanding amounts resulting from the clearance of deferral and variance accounts in the EGD Rate Zone which occurred during 2019 and the inability to locate all of the intended customers. The proceedings cleared in 2019 are the 2017 DVA proceeding, EB-2018-0131, the 2016 natural gas demand side management programs, EB-2018-0301 and the Disposition of Cap and Trade-Related Deferral and Variance Accounts for the period 2016-2018, EB-2018-0331.

b) No, the balance in the 2019 Deferred Rebate Account does not reflect any over-collection or under-collection related to the disposition of 2018 DVA balances which was cleared in April 2020 as per the decision in the 2018 Disposition of Deferral & Variance Account Balances and 2018 Utility Earnings, EB-2019-0105.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Electric Program Earnings Sharing Deferral Account - EGD
Exhibit D / Tab 1 / pp. 14-15
EB-2019-0105, Exhibit B / Tab 1 / p. 20

The account tracks and records the ratepayer share of all net revenues generated by demand side management (DSM) services provided for electric conservation and demand management (CDM) activities. The balance in the account is $175,000 which reflects the ratepayers' 50% share of the net recovery generated by providing CDM activities. The IESO Whole Home Pilot was launched in May 2017 and leverages the existing Enbridge Gas DSM Home Energy Conservation program offering by adding an electric assessment component and offering prescriptive electric incentives to participants. The pilot program was extended into 2018, with enrollments of residential homeowners into the Whole Home Pilot continuing to the end date of the pilot program of October 31, 2018. In 2018, the balance in the Electric Program Earnings Sharing Deferral Account was $1.2 million.

Question:

a) Please provide a table showing a detailed breakdown of both the costs and revenues that comprise the net revenue balance in the account for each year, from 2017 to 2019.

b) Please explain the significant decline in the net revenues generated in the account as compared to 2018.

c) Is the IESO Whole Home Pilot program expected to restart or become permanent in the future?

Response:

a) Please see the table below.

$ Thousand	**YY2017**	**YY2018**	**YY2019**
Revenues			
Marketing & Program Recoveries	-2,315	4,558	- 4,803
Other Recoveries (net)	-	3,637	864
Total Revenues	**-2,315**	**8,195**	**- 3,939**
Costs			
Staff Costs	107	150	36
Other Costs	904	5,711	3,554
Total Costs	**1,011**	**5,861**	**3,589**
Net Profit prior to Sharing	**-1,304**	**2,334**	**- 349**
50% Sharing to Ratepayers	- 652	1,167	- 175

b) As 2018 represented the only complete year over which the Whole Home Pilot was operating and as the pilot program wrapped up in March 2019, there was a corresponding decline in the net revenues generated in the account in 2019 as compared with those of 2018 as a result.

c) Enbridge is currently unaware if the IESO has any intentions to restart the Whole Home Pilot.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Pension and OPEB Forecast Accrual vs. Actual Cash Payment Differential Variance Account - EGD
Exhibit D / Tab 1 / p. 28

There is no balance in the Pension and OPEB Forecast Accrual vs. Actual Cash Payment Differential Variance Account (EGD rate zone) and therefore there is no balance requested for disposition.

Question:

a) Please explain what the Pension and OPEB Forecast Accrual vs. Actual Cash Payment Differential Variance Account records and why there is no balance in the account.

b) Does Enbridge Gas expect that the account will record amounts in the future? Please explain your response.

Response:

a) The Pension and OPEB Forecast Accrual vs. Actual Cash Payment Differential Variance Account tracks the differences between Enbridge Gas's forecast accrual pension and OPEB amounts recovered in rates, and the actual cash payments made.

   A primary sub-account and a second contra sub-account enable book-keeping with offsetting entries to be established. When the cumulative accrual amount exceeds the cumulative cash payments, the primary account will hold a credit balance. When the cumulative cash payments exceed the cumulative accrual amount, the primary account will hold a debit balance. The primary account will accrue carrying charges asymmetrically, to be returned to ratepayers, when the cumulative opening monthly balance of the account is in a credit position. The contra account will not accrue carrying charges.

For the EGD rate zone in 2019, cumulative cash payments exceeded the cumulative accrual amount, which resulted in a net zero balance recorded in the deferral account.

b) As long as cumulative cash contributions continue to exceed the cumulative accrual amount for the EGD rate zone, the balance will be zero and no interest will be accrued to ratepayers. However, if the cumulative accrual amount ever exceeded the cumulative cash payments in the future, carrying charges would be accrued at that time.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Dawn Access Costs Deferral Account - EGD
Exhibit D / Tab 1 / pp. 20-22

The $1.2 million debit balance in the account reflects the 2018 revenue requirement associated with the capital spending incurred to accommodate the Dawn Transportation Service (DTS) and heat value changes, which were placed into service in 2017. Capital costs of $6.5 million were incurred to develop, test and integrate enhancements to the functionality of Enbridge Gas's EnTRAC and connected systems.

Question:

a) Does the former Union Gas possess a similar system that provides the added functionality implemented by Enbridge Gas for the EGD rate zone?

b) Once Enbridge Gas completes the integration of Information Technology systems and software across the EGD and Union rate zones, will the EnTRAC and connected systems continue to be used?

Response:

a) Yes, in relation to the Large Volume Distribution Contracting and Direct Purchase services Legacy Union Gas does have similar business systems and functionalities.

b) Enbridge Gas will complete a review of the suite of Information Technology systems yet to be harmonized to determine next steps. The evaluation will depend on the harmonization of Large Volume Distribution Rates and Direct Purchase services.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Unabsorbed Demand Costs (UDC) Variance Account – Union Gas
Exhibit E / Tab 1 / p. 4

The 2019 OEB-approved rates include $10.822 million of UDC costs associated with 14.4 PJ of planned unutilized pipeline capacity in Union North West and Union North East and no planned unutilized pipeline capacity in Union South. The actual unutilized capacity in 2019 was 2.3 PJ. The reduction in planned UDC was due to higher consumption than planned.

Question:

a) Please provide the individual planned unutilized capacity and actual unutilized capacity in 2019 for Union North West and Union North East zones.

b) Enbridge Gas noted that the reduction in planned UDC was due to higher actual consumption than planned in Union North. Please provide the reasons for the higher consumption (customer growth, higher average use, industrial use).

Response:

a) 2019 OEB-approved rates include UDC of 11.3 PJ in the Union North West rate zone and 3.1 PJs in the Union North East rate zone. The UDC volumes included in rates are based on the Gas Supply Plan filed in Legacy Union Gas's Dawn Reference Price proceeding (EB-2015-0181) and included in the 2019 Rates proceeding (EB-2018-0305). 2019 actual UDC volumes in the Union North West rate zone and the Union North East rate zone were 1.4 PJs and 0.9 PJs, respectively.

b) Actual UDC was lower than the volume included in rates due to higher consumption driven primarily by higher average use and colder than normal weather.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Upstream Transportation Optimization Variance Account – Union Gas
Exhibit E / Tab 1 / p. 6

Consistent with the method approved in EB-2011-0210 Decision and Rate Order, the former Union Gas credited $17.489 million in rates to ratepayers during 2019, $4.063 million greater than the OEB-approved amount of $13.426 million.

Question:

a) Please provide the detailed calculation supporting the $17.489 million amount credited in 2019 rates.

Response:

a) The Gas Supply Optimization Margin in Rates is calculated by multiplying the Board approved unit rates (per EB-2017-0087) and the 2019 billed units. Please see table below for the detailed calculation.

Rate Class	**Volumes 10^3m^3**	**Rate: $ / m^3 ***	**Gas Optimization ($000s)**
Rate 01	1,071,407	$0.004229	4,531
Rate 10	375,379	$0.003906	1,466
Rate 20	7,494	$0.041642	312
Rate 20T	66,844	$0.002597	174
Rate 25	42,448	$0.002720	115
Rate M1	3,079,559	$0.002824	8,697
Rate M2	663,864	$0.002824	1,875
Rate M4	53,246	$0.002824	150
Rate M5	5,923	$0.002824	17
Rate M7	25,510	$0.002824	72
Rate M9	28,114	$0.002824	79
Rate M10	391	$0.002824	1
			17,489

*Rate schedule EB-2017-0087

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Upstream Transportation Optimization Variance Account – Union Gas
Exhibit E / Tab 1 / p.

Enbridge Gas has noted that the 2019 actual Upstream Optimization revenue in the Union rate zones is lower than 2013 OEB approved revenue due to:

- The elimination of the TransCanada FT-RAM program ($5.8 million) OEB Staff Interrogatories EB-2020-0134 Page 13
- Changing market dynamics as evidenced by an increase in firm contracting on the TransCanada Mainline to major export points such as East Hereford, and the reversal of Niagara from an export point to an import point; and
- A decrease in market spreads for the year between Dawn and major export points, such as Iroquois.

Question:

a) Does Enbridge Gas expect to recognize lower transportation optimization revenues during the deferred rebasing period as compared to the revenues calculated according to the methodology approved in EB-2011-0210?

b) Has the amalgamation of EGD and Union Gas impacted the opportunity for transportation optimization activities? If yes, please explain your response.

c) Has the reversal of Niagara from an export point to an import point eliminated the opportunities for transportation optimization or reduced the opportunities for transportation optimization activities?

d) Enbridge Gas has indicated that one of the reasons for lower Upstream Transportation Optimization revenue is the decrease in market spreads for the year between Dawn and major export points. Please provide the average market spreads in 2019 between Dawn and major export points.

Response:

a) Yes.

b) The opportunities for transportation optimization have not been impacted as a result of amalgamation.

c) The reversal of Niagara from an export point to an import point does not eliminate optimization opportunities but does reduce opportunities for transportation optimization.

d) The majority of base exchange revenue is driven by exchanges between Dawn and Iroquois, both of which are liquid trading points. As can be seen in the table below, spreads have reduced by approximately 60% year over year. The Company has seen similar reductions between Dawn and other trading locations such as East Hereford and Niagara. These trading locations are not as liquid.

Dawn vs. Iroquois (Waddington)				
	US/mmbtu			
Avg Spread	2019	2018	Diff	% Change
Jan	$ 0.96	$ 3.56	$ (2.60)	-73%
Feb	$ 0.34	$ 0.31	$ 0.03	10%
Mar	$ 0.26	$ 0.16	$ 0.10	61%
Nov	$ 0.21	$ 0.27	$ (0.06)	-21%
Dec	$ 0.31	$ 0.22	$ 0.09	41%
	$ 0.41	$ 1.07	$ (0.66)	-61%

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Short-Term Storage & Other Balancing Services – Union Gas
Exhibit E / Tab 1 / p. 8 and Exhibit E / Tab 1 / Schedule 2

The Short-Term Storage and Other Balancing Services Deferral Account includes revenues from C1 Off-Peak Storage, Gas Loans, Supplemental Balancing Services and C1 Short-Term Firm Peak Storage. The deferral account compares the ratepayer share (90%) of net revenues for Short-Term Storage and Other Balancing Services with the amount credited to ratepayers in rates for Short-Term Storage and Other Balancing Services. The balance in the deferral account is a debit from ratepayers of $2.822 million plus interest for a total debit to be collected from ratepayers of $2.855 million.

Question:

a) On page 8 of the evidence (Exhibit E / Tab 1), the balance to be collected from ratepayers is stated as $2.822 million. In Exhibit E, Schedule 2, the balance is OEB Staff Interrogatories EB-2020-0134 Page 14 $2.827 million. Please explain the discrepancy in the line items as noted in Table 3 (p. 9, Exhibit E, Tab 1) and Exhibit E, Tab 1, Schedule 2.

b) Revenues from balancing services (LBA) provided to EGD was $430,200 in 2018. The amount for 2019 is $5,940 which refers to a prior adjustment from 2018. Is there any revenue from balancing services provide to EGD in 2019? If not, please provide the underlying reasons.

c) Is the revenue from Enbridge LBA services impacted or changed as a result of the amalgamation? Please explain your response.

Response:

a) The balance to be collected from ratepayers is $2.822 million. Exhibit E, Tab1, Schedule 2 is incorrectly applying the formula in line 5. Sum in line 5 should be $1.288 million and amount in line16 is $2.822 million.

b) There is no revenue from balancing services provided to EGD in 2019. As part of MAADS proceeding, upon amalgamation, LBA fees are no longer charged as Enbridge Gas operates an integrated system for all rate zones.

c) See part b.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Conservation Demand Management Deferral Account – Union Gas
Exhibit E / Tab 1 / p. 14

The account tracks and records the ratepayer share of all net revenues generated by energy conservation services provided for electric CDM activities. The balance in the account is a credit to ratepayers of $138,000. The balance in the deferral account represents 50% of the net revenue from the “Whole Home Pilot Delivery” between Union Gas and the IESO for 2019. The Whole Home Pilot enrollment ended on September 30, 2018. All activity and payments related to the Pilot concluded in Q2 2019.

Question:

a) Please provide a table showing a detailed breakdown of both the costs and revenues that comprise the net revenue balance in the account for each year, from 2017 to 2019.

b) Please confirm that there were no payments beyond Q2 2019 and the balance in the account is as noted in the application.

Response:

a)

Particulars ($000s)	2017	2018	2019
Revenues	3,110	11,766	1,759
Costs	2,620	9,658	1,484
Net Revenues	490	2,108	275
Filed Deferral Balance (50% of Net Revenue)	245	1,054	138

b) Confirmed

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Deferral Clearing Variance Account – Union Gas
Exhibit E / Tab 1 / pp. 16-17 and Exhibit E / Tab 1 / Schedule 5

The account captures the difference between forecast and actual volumes associated with the disposition of prior deferral account balances to the Union rate zones. The OEB Staff Interrogatories EB-2020-0134 Page 15 balance in the variance account is a credit to Union rate zone ratepayers of $1.748 million. The $1.748 million balance represents an over-recovery of $914,000 from Union Gas's 2017 Non-Commodity Deferral Disposition and Earnings Sharing proceeding (EB-2018-0105) and an over-recovery of $0.835 million from the OEB-approved disposition related to Union Gas's 2015 DSM Deferrals Disposition proceeding (EB-2017-0323).

Question:

a) Considering that Enbridge Gas has filed the 2019 DVA Disposition and Earnings Sharing application in the latter part of 2020, does the Deferral Clearance Variance Account reflect any under or over-recovery related to Enbridge Gas's 2018 DVA and Earnings Sharing proceeding? If no, why does the balance not capture activities related to the 2018 DVA proceeding?

Response:

The balances related to Enbridge Gas's 2018 DVA and Earnings Sharing proceeding were cleared in April 2020 and, as such, any over or under recovery related to those clearances will be reflected in the 2020 DVA balance, which will be requested as part of the company's 2020 DVA and Earnings Sharing filing.

ENBRIDGE GAS INC.

Answer to Interrogatory from Board Staff (STAFF)

Interrogatory

Reference:

Unaccounted for Gas (UFG) Volume Deferral Account – Union Gas
Exhibit E / Tab 1 / pp. 28-30

Based on 2019 actual volumes, Enbridge Gas recovered $9.187 million in UFG costs for 2019. Enbridge Gas's actual 2019 UFG costs were $15.748 million.

Question:

a) Please provide detailed calculations supporting the 2019 actual UFG costs and the actual 2019 revenues recovered in rates.

Response:

a)

Enbridge Gas Inc. - Legacy UGL
2019 Unaccounted for Gas

	Col. 1 **2019 Board Approved Rates**	Col. 2 **2019 Actual Cost Recovery**	Col. 3 **2019 Actual**
UFG %	0.219%	0.219%	0.376%
Throughput (10^3m^3)	32,009,650	36,589,106	36,589,106
UFG Volume (10^3m^3)	70,253	80,304	137,652
Approved Reference Price (WACOG)	$130.065	$130.065	$130.065
2019 UFG Expense	$9,137,432	$10,444,677	$17,903,641
Less: L/T Non-Utility Allocation	$643,275	$1,125,936	$1,930,012
S/T Excess Utility Allocation	$225,695	$131,603	$225,586
Net 2019 Utility UFG Expense	**$8,268,462**	**$9,187,138**	**$15,748,042**

Col 1.: The $8.3 million of Board-Approved UFG costs included in rates related to the 2013 Cost of Service whereas the Board-Approved UFG percentage of 0.219% is applied to the 2013 Board-Approved Volumes to obtain the annual UFG volume of 70,253 10^3m^3. This UFG volume is multiplied by the 2019 weighted average cost to calculate the total UFG expense. The total UFG cost is reduced by the Board-Approved excess and non-utility percentages to arrive at the regulated portion of UFG.

Col 2.: Higher recovery cost due to higher actual volumes, the Board-Approved UFG percentage of 0.219% is applied to the 2019 Actual Volumes to obtain the 'expected' UFG volume of 80,304 10^3m^3 and then multiplied by the 2019 weighted average cost to calculate the 'expected' UFG expense.

Col 3.: Total 2019 actual UFG expense = Actual UFG Volume of 137,652 10^3m^3 (or UFG % of 0.376%) * then multiplied by the 2019 weighted average cost to calculate the actual UFG expense.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Parkway West Project Costs Deferral Account – Union Gas
Exhibit E / Tab 1 / pp. 30-33

The Parkway West Project Costs Deferral Account tracks the differences between the actual revenue requirement related to costs for the Parkway West Project and the revenue requirement included in rates. Plant infrastructure costs were $1.516 million lower than that included in 2019 OEB-approved rates largely due to the demolition of two heritage homes not proceeding as forecast. Operating and maintenance expenses were $294,000 below the costs included in 2019 OEB-approved rates. The decrease is a result of a long-term service agreement that the company elected not to enter, the costs of which were included in 2019 OEB-approved rates.

Question:

a) Please provide an update on the proposed demolition of the two heritage homes.

b) Is the forecasted cost of the demolition of the two heritage homes the same as that included in 2019 OEB-approved rates? If not, please provide the revised forecast.

c) What services were expected to be provided as a result of the long-term service agreement?

d) Does Enbridge Gas intend to provide the services in-house that were previously proposed to be provided through the long-term service agreement? If yes, what is the expected cost difference from the amount included in 2019 OEB-approved rates.

Response:

a) Due to their heritage home designation and the contention over demolishing, a consultant has been engaged to review and develop a plan to mothball the homes instead. This plan is being created and expected to be ready early in 2021 and will include revised forecast and estimated spend.

b) The forecast costs approved in rates to mothball the two heritage homes has not been updated. Costs will be reassessed within the plan that will be available in 2021.

c) The services provided by the long-term service agreement (LTSA) provided Loss of Critical unit backup should the Company experience operational issues with Parkway B, including a provision for access to a spare unit should a critical failure occur.

d) With the commissioning of Parkway D, it was determined that it provided the Loss of Critical Unit coverage for Parkway B that the LTSA would have provided. As a result, the Company elected not to enter into the LTSA. The cost difference, as a result of this decision, is $0.3 million.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

UFG Price Variance Account – Union Gas
Exhibit E / Tab 1 / pp. 37-38

Enbridge Gas noted that the actual cost of UFG purchases for the Union South rate zone in 2019 is $7.925 / 103m3 higher than the OEB-approved reference prices included in rates, which results in a $0.458 million balance to be collected from ratepayers.

Question:

a) Please provide a detailed calculation supporting the price variance of $7.925 / 103m3.

Response:

a) The price variance of $7.925 / 10^3m^3 is the average of the 12-month variances between the 2019 average Dawn Reference Price and the average Union South average purchase cost from January through December 2019. Please see Attachment 1, which outlines the detailed calculation of the price variance.

Item	Union South Rate Zone	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average Price
1.0	Board Approved Reference Price ($ / 10^3m^3)	$ 150.97	$ 150.97	$ 150.97	$ 135.14	$ 135.14	$ 135.14	$ 130.23	$ 130.23	$ 130.23	$ 113.90	$ 113.90	$ 113.90	$ 132.562
2.0	Actual Purchase ($)	$ 71,907,036	$ 59,711,135	$ 55,224,136	$ 46,516,486	$ 43,540,529	$ 38,411,846	$ 37,195,583	$ 38,384,728	$ 39,193,471	$ 36,570,534	$ 43,425,967	$ 47,433,490	
3.0	Purchase Volumes (10^3m^3)	373,305	373,864	350,239	304,147	313,563	292,451	313,770	342,670	332,022	312,451	300,946	332,304	
4.0	Average Purchase Cost (Union South) ($ / 10^3m^3)	$ 192.62	$ 159.71	$ 157.68	$ 152.94	$ 138.86	$ 131.34	$ 118.54	$ 112.02	$ 118.04	$ 117.04	$ 144.30	$ 142.74	$ 140.487
5.0	**Union South Price Variance ($ / 10^3m^3)**	**$ (41.65)**	**$ (8.74)**	**$ (6.70)**	**$ (17.80)**	**$ (3.71)**	**$ 3.80**	**$ 11.69**	**$ 18.22**	**$ 12.19**	**$ (3.14)**	**$ (30.40)**	**$ (28.84)**	**$ (7.925)**

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Lobo C Compressor/ Hamilton Milton Pipeline Project Costs Deferral
Account – Union Gas
Exhibit E / Tab 1 / pp. 39-42

The Lobo C Compressor/ Hamilton Milton Pipeline Project Costs Deferral Account tracks the difference between the actual revenue requirement related to costs for the Project and the revenue requirement included in rates. The balance in the account is a debit from ratepayers of $0.277 million. Operating and maintenance expenses were $0.228 million higher than the costs included in 2019 OEB-approved rates. The increase is driven by unanticipated Lobo C incurring storm water management costs.

Question:

a) Please provide the amount incurred for storm water management costs in 2019.

b) Are the storm water management costs a one-time event or expected to be incurred on an annual basis?

Response:

a) Enbridge Gas incurred approximately $40 thousand for storm water management costs in 2019, resulting from new by-laws within the municipality.

b) The storm water management and associated costs are expected to be incurred on an annual basis going forward.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Lobo D / Bright C / Dawn H Compressor Project Costs Deferral Account – Union Gas
Exhibit E / Tab 1 / pp. 44-49

The account tracks the difference between the actual revenue requirement related to costs for the project and the revenue requirement included in rates. Although actual 2019 capital expenditures were $0.852 lower than 2019 OEB-approved, spending in certain categories were higher than approved. These include structure costs for Dawn H Bright C and Lobo D, Bright C compressor costs and Dawn H compression equipment costs. Operating and maintenance expenses were $744,000 higher than the costs included in OEB-approved rates.

Question:

a) Please explain why increases in capital expenditures from 2019 OEB-approved for items noted above were not captured in contingency costs.

b) Please explain how the forecasted contingency costs were accounted for in the total project costs.

c) Please provide a breakdown and comparison of actual 2019 operating and maintenance costs versus OEB-approved.

Response:

a) The increased spending in certain categories were not captured in contingency costs as contingency costs are not allocated based on categories but rather as a percentage of the overall project.

b) Contingency costs are a percentage of overall costs and cover all individual projects within the overall project program.

c) 2019 Actual O&M costs were higher than 2019 OEB-approved revised forecast O&M costs. The main drivers for this were salaries and wages, $0.3 million, outside services/contractor costs, $0.2 million and utility and fuel costs, $0.2 million all related to additional hours required being higher than planned.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Performance Scorecard
Exhibit G / Tab 1 / p. 1 and Exhibit G / Tab 1 / Schedule 1

Enbridge Gas has met or exceeded all elements of the performance scorecard apart from two measures. The measure Time to Reschedule Missed Appointments (TRMA) tracks the percentage of customers contacted to reschedule the work within two hours of the end of the original appointment time. The annual standard for TRMA is 100% and Enbridge Gas achieved 97% in 2019. A cross-functional team has been set up to review performance and address issues.

Question:

a) Please explain the reasons for missing the metric on TRMA.

b) Is there a difference in the achieved performance between the former EGD and Union Gas service areas?

Response:

a) The Time to Reschedule Missed Appointments (TRMA) metric was missed by 3% in 2019. Most misses were due to human error or the customer not being available to reschedule appointments.

b)

	Enbridge Gas Inc. (combined)	Legacy Enbridge Gas Distribution	Legacy Union Gas
January	100.0%	100.0%	100.0%
February	100.0%	100.0%	100.0%
March	98.8%	98.6%	100.0%
April	100.0%	100.0%	100.0%
May	97.9%	98.4%	96.9%
June	98.9%	98.5%	100.0%
July	99.2%	98.9%	100.0%
August	98.5%	98.2%	99.0%
September	95.2%	94.0%	90.5%
October	94.3%	92.8%	99.2%
November	94.6%	92.1%	100.0%
December	95.9%	94.6%	98.3%
Annual	**97.0%**	**96.1%**	**99.1%**

ENBRIDGE GAS INC.

Answer to Interrogatory from
Board Staff (STAFF)

Interrogatory

Reference:

Performance Scorecard
Exhibit G / Tab 1 / p. 1 and Exhibit G / Tab 1 / Schedule 1

The measure Meter Reading Performance represents the number of meters with no read for four consecutive months or more divided by the total number of active meters to be read. The target for the metric is 0.5% and Enbridge Gas achieved a level of 0.7% in 2019. The evidence indicates that Enbridge Gas was unable to meet the Meter Reading Performance Measurement metric due to two main factors: extreme weather in the first and second quarters, and transition to a new vendor due to vendor-driven termination of the contract.

Question:

a) Is there a difference in the achieved performance between the former EGD and Union Gas service areas?

b) Is the vendor-driven termination of the contract driven by the amalgamation of the former EGD and Union Gas? Please provide a detailed response.

c) Is the transition to a new vendor expected to impact the Meter Reading Performance metric in the short-term? Please explain your response.

Response:

a) Overall, in 2019 Legacy Enbridge Gas Distribution and Legacy Union Gas achieved similar performance on the Meter Reading Performance metric. Extreme weather impacted performance in Q1 and Q2 for both companies, and the vendor driven termination of the contract impacted Legacy Union Gas performance in Q4.

	Enbridge Gas Inc. (combined)	**Legacy Enbridge Gas Distribution**	**Legacy Union Gas**
January	0.4%	0.6%	0.2%
February	0.9%	1.2%	0.5%
March	1.2%	1.3%	1.0%
April	1.0%	1.0%	1.0%
May	0.5%	0.5%	0.4%
June	0.3%	0.4%	0.3%
July	0.3%	0.4%	0.2%
August	0.3%	0.4%	0.3%
September	0.5%	0.4%	0.5%
October	0.6%	0.4%	1.0%
November	0.9%	0.4%	1.6%
December	1.3%	0.5%	2.5%
Annual	**0.7%**	**0.6%**	**0.8%**

b) No, the termination of the contract between Union Gas and the vendor was not a result of the amalgamation of EGD and Union Gas. The vendor chose to terminate the contract before the contract end date with Union Gas.

c) Yes, the transition to a new vendor is expected to impact the Meter Reading Performance metric in the short-term. The new vendor began the meter reading contract in December 2019. Time is required to become proficient and familiar with the meter reading routes and day to day meter reading activities.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit A, Tab3, page 3

For the Union rate zones, Enbridge Gas disposes of deferral balances prospectively for general service customers and as a one-time adjustment for in-franchise contract and ex-franchise rate classes.

Enbridge Gas is currently not able to administer one-time adjustments for general service customers in the Union rate zones because of limitations in the system used to bill this group of customers

Question:

a) Which of these statements found at page 3 is true?

Response:

Both statements are true. Enbridge Gas disposes of deferral account balances to general service customers in the Union rate zones as a prospective rate adjustment. Enbridge Gas is not able to administer one-time adjustments for these customers because of limitations in the system used to bill this group of customers.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit B, Tab 3, Schedule 1, page 1

Question:

a) Please provide the equivalent combined Utility O&M table as on page 1, showing 2018 and 2019 actuals.

b) For the combined Utility revised O&M Table please include/identify all O&M amounts in each year which were payments/transfers to/from related companies (i.e. all outbound and inbound affiliate services).

c) Please show the incremental OM&A changes resulting from the change in capitalization policy separately.

Response

a) Please see the 2018 legacy actuals combined using consistent account mapping for comparability with 2019 Enbridge Gas actuals as provided in Exhibit I.EP.3 e) Table 3.

b) Inbound/Outbound Affiliate Services:

Inbound/Outbound Affiliate Services	**2018**	**2019**
	($Millions)	($Millions)
Inbound Services	101	133
Outbound Services	(30)	(36)
Net Inbound/Outbound Affiliate Services	**$ 71**	**$ 97**

c) As noted in Exhibit C, Tab1, Schedule 2, Enbridge Gas recognized a net incremental $4.4 million in O&M resulting from the change in the treatment of integrity digs and various other programs within the capitalization policy. The amount has been factored into the 2019 revenue requirement calculation related to the APCDA resulting in a credit to net earnings through Other Income and has been showed separately in the table at line 15A. This credit effectively mitigates the OM&A incremental impact for 2019 as per the guidance of the APCDA.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 3, page 1

Question:

a) Please provide the equivalent table: "*EGI Revenue from Regulated Storage & Transportation.*." showing both 2018 and 2019 actuals.

Response

EGI REVENUE FROM REGULATED STORAGE
& TRANSPORTATION OF GAS
2019 ACTUAL

Line No.	Particulars ($000s)		2019 Actual	2018 Actual
	Revenue from Regulated Storage Services:			
1.	C1 Off-Peak Storage		418	141
2.	Supplemental Balancing Services		869	1,583
3.	Gas Loans		2	15
4.	C1 Short Term Firm Peak Storage		2,125	5,011
5.	Short Term Storage and Balancing Services Deferral		2,630	1,413
6.	Rate 325: Transmission, Compression, & Storage		2,114	2,049
7.	Less: Elimination of charges between EGD and Union rate zones**		(2,162)	(2,501)
8.	Total Regulated Storage Revenue Net of Deferral	$	5,996	7,711
	Revenue from Regulated Transportation Services:			
9.	M12 Transportation		198,610	192,688
10.	M12-X Transportation		21,314	21,812
11.	C1 Long Term Transportation		22,002	25,460
12.	Rate 332: Gas Transmission		17,440	17,388
13.	C1 Short Term Transportation		9,076	9,546

14.	Gross Exchange Revenue		2,279	2,769
15.	Rate 331: Gas Transmission		76	76
16.	M13 Local Production		195	248
17.	M16 Transportation		1,002	1,096
18.	S&T:Transportation Carbon Facility Collection		758	3,061
19.	Other S&T Revenue		1,501	1,469
20.	Less: Elimination of charges between EGD and Union rate zones**		(132,009)	(138,675)
21.	Total Regulated Transportation Revenue Net of Deferral	$	142,244	136,939

** Note that the elimination of charges between EGD and Union rate zones for 2018 is shown for comparison purposes only – as these transactions took place before amalgamation, they were not actually eliminated for that year.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 4

Question:

a) Please provide the equivalent table: "*EGI Utility Other Revenue and Other Income*" showing both 2018 and 2019 actuals.

Response

EGI UTILITY OTHER REVENUE AND OTHER INCOME
2018 & 2019 ACTUALS

Line No.		2018 Utility Revenue ($Millions)	2019 Utility Revenue ($Millions)
1.	Service charges & DPAC	17.6	19.0
2.	NGV program rental revenue	1.5	1.6
3.	Late payment penalties	19.2	19.4
4.	Open bill revenue	5.4	5.4
5.	Mid Market Transactions	1.0	1.4
6.	Other operating revenue	1.6	2.8
7.	Other operating revenue	46.3	49.6
8.	Miscellaneous other income (incl. gain / (loss) on foreign exchange	-2.5	-1.8
9.	Gain / (loss) on sale of assets	-	-
10.	Other income	-2.5	-1.8
11.	Total other revenue and other income	43.8	47.8

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 4, page 2 of 15

Question:

a) Please amend Tables 2 (EGD and UG Rate Zones) to include 2018 actuals.

Response

Table 2
EGD Rate Zone by Asset Class
($millions)

	Asset Class	2018	2019
A	Customer Growth	99.30	135.98
B	Pipe	51.03	85.39
C	Stations	20.48	24.19
D	Storage	13.25	31.43
E	Customer Assets	32.87	40.86
F	Fleet, Equipment & Tools	5.70	12.90
G	Information Technology	32.75	30.62
H	Real Estate & Workplace Services	8.83	30.86
I	Business Development	7.26	0.08
J	Capitalized Overheads	141.80	150.85
K	Integration Capital	-	12.95
L	Community Expansion	11.60	16.71
M	Other	5.04	3.91
	Total Capital Expenditures	**429.92**	**576.72**

Table 2
UG Rate Zone by Asset Class
($ millions)

	Asset Class	2018	2019
A	Compression & Dehydration	41.14	7.82
B	Pipe	95.40	108.68
C	Stations	10.12	14.00
D	Growth	166.93	199.12
E	Utilization	33.28	43.31
F	Transmission Pipe & Underground Storage	42.43	3.85
G	Fleet, Equipment & Tools	9.34	13.15
H	Information Technology	23.33	18.24
I	Real Estate & Workplace Services	12.10	11.13
J	Capitalized Overheads	81.02	82.34
K	Integration Capital	-	8.77
L	Community Expansion	4.08	0.24
	Total Capital Expenditures	**519.18**	**510.65**

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 4, page 7 / Exhibit F, Tab 1, page 8

Enbridge Gas anticipates that mid-2021 is the earliest it will be able to adopt a common disposition period, as well as a common disposition approach between the EGD and Union rate zones once integrated systems and processes are implemented.

Question:

a) Please provide the capital investments made in each of 2019 and projected in 2020 for CIS infrastructure that are being made to allow common billing (including DVA dispositions) as between the two rate zones.

b) Does EGI anticipate that for its 2020 ESM and DVA balances it will be in the position to do a common disposition method that will allow options of one-time or periodic disposition by either customer volume or customer numbers?

Response

a) The 2019 actual spend on the CIS infrastructure integration project was $1,745,388. The 2020 forecasted spend is $26,289,626. These figures exclude indirect overheads.

b) Enbridge Gas anticipates that the billing system changes will be completed by mid-2021, which will enable Enbridge Gas to apply a common one-time adjustment disposition methodology for customers in all rate zones with the 2020 Deferral and Variance Account Disposition proceeding.

   The common one-time adjustment disposition methodology is a volumetric approach and does not consider disposition by number of customers.

   Please see response at Exhibit I.STAFF.1.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit C, Tab 1, page 9-

Question:

a) What impact (if any) does the accounting change with respect to AOCI/Goodwill have on the calculation of EGI's 2019 income/earning sharing?

b) Is the change anticipated to have any impact of the calculation of EGI's income/earning sharing for 2020?

Response

a) As a result of using the APCDA, there is no impact to EGI's 2019 income or earning sharing as a result of the change with respect to AOCI/Goodwill. By continuing to recognize the amortization of previously accumulated actuarial gains/losses and past service costs through an annual expense and corresponding draw down of the APCDA regulatory asset, Enbridge Gas ensures there is no impact to utility earnings or ratepayers as a result of the accounting change required as a result of amalgamation. Please see the response to Exhibit I.BOMA.1 for further explanation.

b) No, the change is not anticipated to have any impact on the calculation of Enbridge Gas's income/earning sharing for 2020 nor any other year during the deferred rebasing period. The treatment described in part a) will continue annually throughout the deferred rebasing period.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit D, Tab 1, pages 16-19 / Exhibit E, Tab 1, Pages 53-

Question:

a) EGI states that it "used the OEB's fiscal 2015 / 2016 cost assessment amount of $2.8 million (or an average of $0.7 million per quarter) as the comparator.." when calculating the OEBCAVA balances. Similarly, the amount of $2.5 million as approved for rates in 2013 was used as the comparator for the Union rate zone. For both of these rates zones what adjustment does EGI make in each year for inflation?

b) If no adjustment is made, please recalculate the balances shown in Table 1 if the comparator were inflated each year by the annual CPI (as reported by StatsCan)

c) If no adjustments are being made then it is correct to conclude that the OEBCAVA accounts are accruing variances in assessment costs that are due to all changes (forecast error, inflation etc.) that would have occurred and irrespective of whether the assessment methodology had changed?

d) What was the actual assessed annual OEB cost (net of any section 30 or equivalent other one-time costs) for Union in 2015, 2016, 2017 and 2018? Please provide the same information for Enbridge.

Response

a) There were no adjustments made for inflation to the comparator in either rate zone. This is consistent with the methodology that was used to determine variances which were captured and approved for clearance in relation to the 2016 – 2018 EGD rate zone OEBCAVAs, and the 2018 Union rate zones OEBCAVA.

b) As requested, within Table 1 below, the EGD rate zone and Union rate zones OEBCAVA balances have been recalculated assuming the comparators were inflated using CPI. The Company notes however, that rates have not been set utilizing CPI since the Board introduced its revised cost assessment methodology.

Table 1

OEB 2018/2019 Cost Assessments

	EGD	UGL	Total
Apr. 1 to Jun. 30, 2018	1,467,963.00	988,479.00	2,456,442.00
Jul. 1 to Sep. 30, 2018	1,356,860.00	913,873.00	2,270,733.00
Oct. 1 to Dec. 31, 2018	1,356,860.00	913,873.00	2,270,733.00
Jan. 1 to Mar. 31, 2019	1,356,860.00	913,873.00	2,270,733.00
	5,538,543.00	3,730,098.00	9,268,641.00
Percentage of Total	59.76%	40.24%	100.00%

OEB 2019/2020 Cost Assessments to EGI

Period	EGI Assessment	EGD Rate Zone Share (59.76%)	Average cost assessment based on previous CAM*	Variance recorded in EGD Rate Zone OEBCAVA
Q4 2018/19 - Jan. 1, 2019	billed separately	1,356,860.00	755,232.85	601,627.15
Q1 2019/20 - Apr. 1, 2019	2,456,442.00	1,467,864.56	755,232.85	712,631.71
Q2 2019/20 - July 1, 2019	2,684,063.00	1,603,881.12	755,232.85	848,648.27
Q3 2019/20 - Oct. 1, 2019	2,684,063.00	1,603,881.12	755,232.85	848,648.27
				3,011,555.40

* EGD utilized the average of the OEB's fiscal 2015/2016 quarterly invoiced amounts, determined under the previous CAM, inflated each year by the annual CPI as requested by VECC.

Period	EGI Assessment	UGL Rate Zone Share (40.24%)	Amount in UGL Rate Zone Rates*	Variance recorded in UGL Rate Zone OEBCAVA
Q4 2018/19 - Jan. 1, 2019	billed separately	913,873.00	698,447.24	215,425.76
Q1 2019/20 - Apr. 1, 2019	2,456,442.00	988,577.44	698,447.24	290,130.20
Q2 2019/20 - July 1, 2019	2,684,063.00	1,080,181.88	698,447.24	381,734.64
Q3 2019/20 - Oct. 1, 2019	2,684,063.00	1,080,181.88	698,447.24	381,734.64
				1,269,025.24

* UGL included $2.5M in rates under the old CAM methodology, inflated each year by the annual CPI as requested by VECC.

c) Yes.

d) The actual costs assessed by the OEB, to legacy EGD and Union are presented in Table 2 below.

Table 2

	Union	EGD
2015 Q1	542,176	646,191
2015 Q2	590,446	656,800
2015 Q3	590,446	656,800
2015 Q4	589,009	655,137
2016 Q1	746,786	830,646
2016 Q2	901,427	1,342,470
2016 Q3	901,427	1,342,470
2016 Q4	901,495	1,342,572
2017 Q1	901,495	1,342,573
2017 Q2	935,641	1,393,342
2017 Q3	935,641	1,393,343
2017 Q4	886,390	1,319,997
2018 Q1	886,389	1,319,997
2018 Q2	988,479	1,467,963
2018 Q3	913,873	1,356,860
2018 Q4	913,873	1,356,860

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit E, Tab1, page 49

Question:

a) EGI explains the $0.744 million higher operating costs of the Dawn H/Lobo D/Bright compressor as "a result of additional hours required being higher than planned." Please explain how many additional hours were required and for what purpose.

Response

a) The additional maintenance and operational hour costs were required to effectively move gas across the Dawn to Parkway Transmission system to meet the 2019 business requirements while maintaining the short and long term reliability requirements of this new equipment. The additional maintenance and operational costs resulted because the estimate of required effort before the equipment was put into service was too low.