

Schedule RR
Enbridge Gas Community Expansion Project Proposal
Mallorytown

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to provide gas distribution services to the communities of Mallorytown and Mallorytown Landing within the Township of Front of Yonge as well as the communities of Escott, Junetown and Pooles Resort within the Township of Leeds and the Thousand Islands. The proposed facilities will provide access to natural gas to a forecasted 375 customers (340 residential, 31 commercial / institutional and 4 industrial).

The proposed project includes building a new gate station and tap into the existing TC Energy pipeline in Caintown along _____ and _____. The proposed supply lateral runs along _____ to _____ to the community of Mallorytown and further _____ along _____ to Mallorytown Landing.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	43,231
Polyethylene	4	5,992

Please refer to Schedule RR1 for Project Map.

3.2

Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.

Please refer to Schedule RR2, Table 3.2.

3.3

Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community.

For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default.

Please refer to Schedule RR2, Table 3.3.

3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule RR3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule RR4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule RR5.
3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule RR6 for Enbridge's CPCN for the Township of Leeds and the Thousand Islands (EB-2017-0286) which covers the proposed project work within the communities of Escott, Junetown and Pooles Resort.

	Enbridge Gas does not currently have a franchise agreement with nor a Certificate of Public Convenience and Necessity for the Township of Front of Yonge. Enbridge Gas does have franchise agreements and CPCNs for adjacent municipalities including the City of Brockville and the Township of Athens.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule RR2, Table 4.2.

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

Please refer to Schedule RR2, Table 4.3.

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$21,231,039 Please refer to Schedule RR2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$56,616 Please refer to Schedule RR2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$15.73 Please refer to Schedule RR2, Table 5.3.

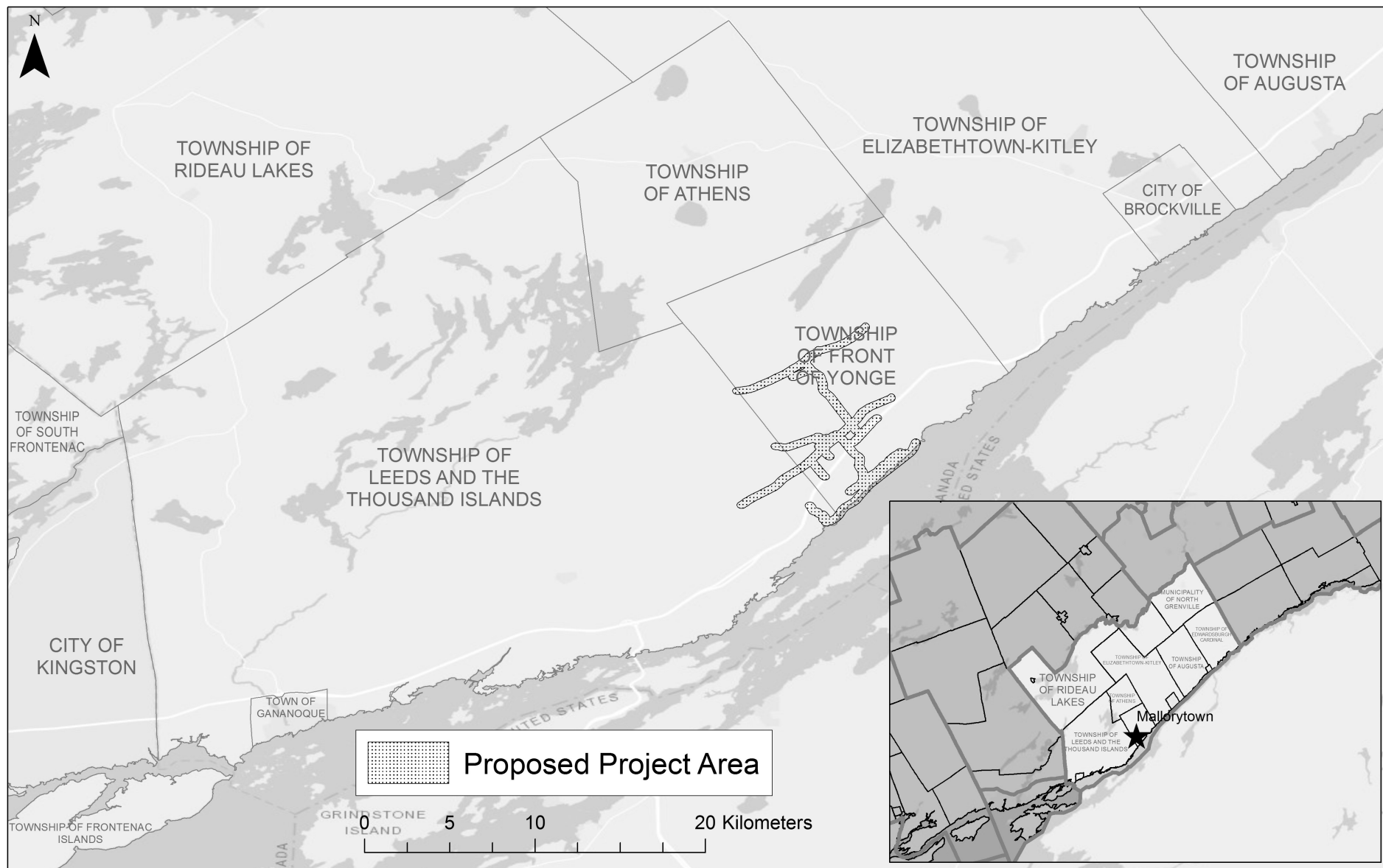
Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule RR2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule RR2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule RR2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct • Franchise Agreement • Certificate of Public Convenience and Necessity
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's website and where applicable assume a written hearing process. Please refer to Schedule RR4.

Schedule RR1
Enbridge Gas Community Expansion Project Proposal
Mallorytown

Mallorytown, Township of Front of Yonge



Schedule RR2
Enbridge Gas Community Expansion Project Proposal
Mallorytown

Table 3.2 - Customer Attachments Over The Rate Stability Period

Customer Type	Firm / IT	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	Total
Residential	Firm		92	82	31	22	18	21	19	20	18	17	340
Commercial	Firm		-	16	4	3	3	1	1	-	-	-	28
Institutional	Firm		-	1	-	-	-	-	-	-	-	-	1
Agricultural	Firm		-	1	1	-	-	-	-	-	-	-	2
Industrial	Firm		-	2	1	1	-	-	-	-	-	-	4
Total Customers			<u>92</u>	<u>102</u>	<u>37</u>	<u>26</u>	<u>21</u>	<u>22</u>	<u>20</u>	<u>20</u>	<u>18</u>	<u>17</u>	<u>375</u>
Cumulative Customers			92	194	231	257	278	300	320	340	358	375	

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

Customer Type	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	Annual Volumes - m3						<u>9</u>	<u>10</u>	Total
Residential		109,139	315,416	449,334	512,093	559,252	605,211	652,370	698,749	744,349	786,349	5,432,259		5,432,259
Commercial		-	28,200	62,500	73,500	83,300	89,400	91,800	93,000	93,000	93,000	93,000	93,000	707,700
Institutional		-	25,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	425,000
Agricultural		-	5,000	15,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	160,000
Industrial		-	100,000	250,000	350,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	3,100,000
Total Volumes		<u>109,139</u>	<u>473,616</u>	<u>826,834</u>	<u>1,005,593</u>	<u>1,112,552</u>	<u>1,164,611</u>	<u>1,214,170</u>	<u>1,261,749</u>	<u>1,307,349</u>	<u>1,349,349</u>	<u>9,824,959</u>		<u>9,824,959</u>

Customer Type	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	Cumulative Volumes - m3						<u>9</u>	<u>10</u>	
Residential		109,139	424,554	873,888	1,385,980	1,945,232	2,550,442	3,202,812	3,901,561	4,645,910	5,432,259			
Commercial		-	28,200	90,700	164,200	247,500	336,900	428,700	521,700	614,700	707,700			
Institutional		-	25,000	75,000	125,000	175,000	225,000	275,000	325,000	375,000	425,000			
Agricultural		-	5,000	20,000	40,000	60,000	80,000	100,000	120,000	140,000	160,000			
Industrial		-	100,000	350,000	700,000	1,100,000	1,500,000	1,900,000	2,300,000	2,700,000	3,100,000			
Total Volumes		<u>109,139</u>	<u>582,754</u>	<u>1,409,588</u>	<u>2,415,180</u>	<u>3,527,732</u>	<u>4,692,342</u>	<u>5,906,512</u>	<u>7,168,261</u>	<u>8,475,610</u>	<u>9,824,959</u>			

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

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

Table 4.3 - Revenue Requirement Over The Rate Stability Period

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

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project

\$21,231,039

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served

Year 10

\$56,616

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

Section 36.2 Funding Amount Per Volume (m3)

Year 10

\$15.73

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	19,258	72,165	117,794	138,568	152,787	163,122	172,527	181,224	189,214	196,574	\$1,403,232
SES Revenue		25,102	108,932	190,172	231,286	255,887	267,860	279,259	290,202	300,690	310,350	2,259,740
Total Distribution Charge	\$	44,359	181,096	307,966	369,855	408,673	430,983	451,786	471,426	489,904	506,924	\$3,662,973

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

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

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

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

Schedule RR3
Enbridge Gas Community Expansion Project Proposal
Mallorytown

Section 3.4 Mallorytown

Total Forecasted Customers 375 Penetration Rate 65%

	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Existing Fuel / Heating Type											
Oil	79	21%	\$ 5,000	\$ 3,050	\$ 1,481	\$ 1,570	\$ 123,617	7.2	-2.7	565	(211)
Electricity F/A	34	9%	\$ 5,000	\$ 2,187	\$ 1,481	\$ 706	\$ 23,843	0.6	3.9	20	132
Electricity Baseboard	45	12%	\$ 12,000	\$ 2,187	\$ 1,481	\$ 706	\$ 31,790	0.6	3.9	26	176
Propane	165	44%	\$ 600	\$ 1,764	\$ 1,481	\$ 283	\$ 46,749	5.6	-1.1	922	(180)
Wood	34	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	19	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	375	100%	\$ 31,100	\$ 9,188	\$ 5,923	\$ 3,266	\$ 226,000	13.9	4.1	1,533	(82)

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

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

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

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

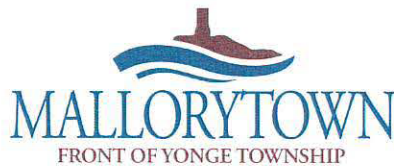
Carbon price is included for all energy types as reported. All costs exclude HST.

Schedule RR4
Enbridge Gas Community Expansion Project Proposal
Mallorytown

Mallorytown Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule RR5
Enbridge Gas Community Expansion Project Proposal
Mallorytown



EB-2019-0255
Schedule RR5(a)
Redacted

1514 County Road 2, P.O. Box 130, Mallorytown, ON K0E 1R0
T 613.923.2251 F 613.923.2421
www.Mallorytown.ca

March 6, 2020

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

Dear Mr. Shaarup,

Re: Expression of Support for Natural Gas Expansion to [REDACTED]

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

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

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

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

Sincerely,

A handwritten signature in black ink, appearing to read "R. Haley".

Roger Haley, Mayor

**Letter of Support Pending From
Township of Leeds and the
Thousand Islands**

Mallorytown

Schedule RR6
Enbridge Gas Community Expansion Project Proposal
Mallorytown

EB-2017-0286

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Enbridge Gas Distribution Inc.

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

Township of Leeds and the Thousand Islands

as it is constituted on the date of this Decision and Order, limited to the geographical areas of the former Township of Front of Leeds and Lansdowne.

DATED at Toronto, March 29, 2018

ONTARIO ENERGY BOARD

Original signed by

Pascale Duguay
Manager, Application Policy and Climate Change

Schedule SS
Enbridge Gas Community Expansion Project Proposal
Merrickville-Wolford

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

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

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3.1

Redacted

Enbridge Gas is proposing to expand existing gas distribution infrastructure to north of the Rideau River in the community of Merrickville. The proposed facilities will provide access to natural gas to a forecasted 67 customers (58 residential, 6 commercial / institutional and 3 industrial).

The proposed system expansion will tie-in to an existing system at _____
and _____. The proposed distribution system runs _____
to serve customers on _____, _____, _____, _____,
_____, _____, _____, _____, _____, _____,
_____, _____ and _____. The proposed reinforcement facilities run
along _____ from _____ to _____.

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	6	800

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	1,410
Polyethylene	4	3,636

3.2

Please refer to Schedule SS2, Table 3.2.

3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule SS2, Table 3.3.
3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule SS3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule SS4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule SS5.

3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule SS6 for Enbridge's CPCN for the Village of Merrickville-Wolford (RP-2002-0121 / EB-2002-0380) which covers the entire area of the proposed project.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule SS2, Table 4.2.

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

Please refer to Schedule SS2, Table 4.3.

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$2,465,037 Please refer to Schedule SS2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$36,792 Please refer to Schedule SS2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$5.30 Please refer to Schedule SS2, Table 5.3.

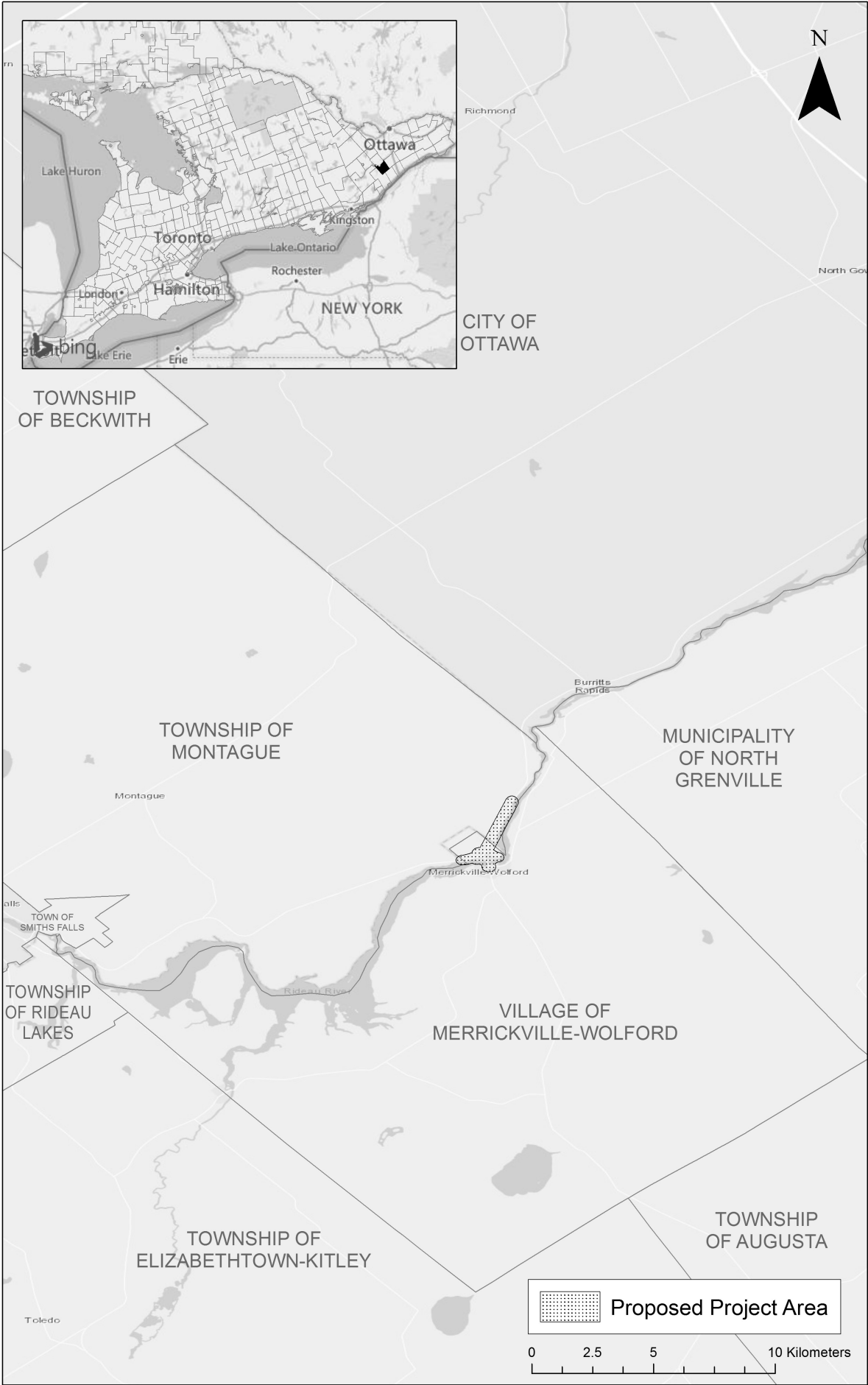
Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule SS2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule SS2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule SS2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's website and where applicable assume a written hearing process. Please refer to Schedule SS4.

Schedule SS1
Enbridge Gas Community Expansion Project Proposal
Merrickville-Wolford

Village of Merrickville-Wolford



Schedule SS2
Enbridge Gas Community Expansion Project Proposal
Merrickville-Wolford

Table 3.2 - Customer Attachments Over The Rate Stability Period

Customer Type	Firm / IT	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	Total
Residential	Firm		16	13	5	4	3	4	3	4	3	3	58
Commercial	Firm		-	4	1	1	-	-	-	-	-	-	6
Institutional	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural	Firm		-	-	-	-	-	-	-	-	-	-	-
Industrial	Firm		-	2	1	-	-	-	-	-	-	-	3
Total Customers			<u>16</u>	<u>19</u>	<u>7</u>	<u>5</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>67</u>
Cumulative Customers			16	35	42	47	50	54	57	61	64	67	

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

Customer Type	Project Year	Annual Volumes - m3										Total
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential		19,200	54,000	75,600	86,400	94,800	103,200	111,600	120,000	128,400	135,600	928,800
Commercial		-	12,400	26,000	28,400	29,600	29,600	29,600	29,600	29,600	29,600	244,400
Institutional		-	-	-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-	-	-
Industrial		-	100,000	250,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	2,450,000
Total Volumes		<u>19,200</u>	<u>166,400</u>	<u>351,600</u>	<u>414,800</u>	<u>424,400</u>	<u>432,800</u>	<u>441,200</u>	<u>449,600</u>	<u>458,000</u>	<u>465,200</u>	<u>3,623,200</u>

Customer Type	Project Year	Cumulative Volumes - m3									
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
Residential		19,200	73,200	148,800	235,200	330,000	433,200	544,800	664,800	793,200	928,800
Commercial		-	12,400	38,400	66,800	96,400	126,000	155,600	185,200	214,800	244,400
Institutional		-	-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-	-
Industrial		-	100,000	350,000	650,000	950,000	1,250,000	1,550,000	1,850,000	2,150,000	2,450,000
Total Volumes		<u>19,200</u>	<u>185,600</u>	<u>537,200</u>	<u>952,000</u>	<u>1,376,400</u>	<u>1,809,200</u>	<u>2,250,400</u>	<u>2,700,000</u>	<u>3,158,000</u>	<u>3,623,200</u>

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

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

Table 4.3 - Revenue Requirement Over The Rate Stability Period

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

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project

\$2,465,037

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served

Year 10

\$36,792

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

Section 36.2 Funding Amount Per Volume (m3)

Year 10

\$5.30

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	3,364	17,107	31,593	37,068	39,065	40,537	42,009	43,481	44,953	46,215	\$345,393
SES Revenue		4,416	38,272	80,868	95,404	97,612	99,544	101,476	103,408	105,340	106,996	833,336
Total Distribution Charge	\$	7,780	55,379	112,461	132,472	136,677	140,081	143,485	146,889	150,293	153,211	\$1,178,729

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

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

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

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

Schedule SS3
Enbridge Gas Community Expansion Project Proposal
Merrickville-Wolford

Section 3.4 Village of Merrickville-Wolford

Total Forecasted Customers 67 Penetration Rate 65%

	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Existing Fuel / Heating Type											
Oil	14	21%	\$ 5,000	\$ 3,050	\$ 1,481	\$ 1,570	\$ 22,086	7.2	-2.7	101	(38)
Electricity F/A	6	9%	\$ 5,000	\$ 2,187	\$ 1,481	\$ 706	\$ 4,260	0.6	3.9	4	24
Electricity Baseboard	8	12%	\$ 12,000	\$ 2,187	\$ 1,481	\$ 706	\$ 5,680	0.6	3.9	5	31
Propane	29	44%	\$ 600	\$ 1,764	\$ 1,481	\$ 283	\$ 8,353	5.6	-1.1	165	(32)
Wood	6	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	3	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	67	100%	\$ 31,100	\$ 9,188	\$ 5,923	\$ 3,266	\$ 40,379	13.9	4.1	274	(15)

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

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

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

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule SS4
Enbridge Gas Community Expansion Project Proposal
Merrickville-Wolford

Merrickville-Wolford Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule SS5
Enbridge Gas Community Expansion Project Proposal
Merrickville-Wolford

Established 1793
Incorporated
Wolford 1850
Merrickville 1860
Amalgamated 1998



EB-2019-0255
Schedule SS5
Redacted
Telephone (613) 269-4791
Facsimile (613) 269-3095

March 23, 2020

VILLAGE OF MERRICKVILLE-WOLFORD

Enbridge Gas Inc.
400 Coventry Road
Ottawa, ON, K1K 2C7

Attention: Ian Ross, Director, Eastern Region Operations

Dear Mr. Ross:

Re: Expression of Support for Natural Gas Expansion to the Village of Merrickville-Wolford

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

Further to direction received from the Council of the Corporation of the Village of Merrickville-Wolford, I would like to formally express our interest to have the [REDACTED] in the urban Village of Merrickville included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program.

Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support in its project submissions. In addition to this letter, I have also attached our January 8, 2020 letter to Mr. Al Monaco, President & CEO of Enbridge Gas Inc. which reinforces our support and interest.

Further, the Corporation of the Village of Merrickville-Wolford, in the event that OEB funding is not approved for full project costs, would like to contribute to the project costs by waiving our municipal portion of property taxes which would otherwise normally be recovered on the new infrastructure being built for a period of 10 years from the date that the new infrastructure comes into service. We hope that this demonstrates the level of community support for this project.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Doug Robertson".

Doug Robertson
CAO/Clerk/Director, Economic Development

Established 1793
Incorporated
Wolford 1850
Merrickville 1860
Amalgamated 1998



Telephone (613) 269-4791
Facsimile (613) 269-3095

EB-2019-0255
Schedule SS5
Attachment

VILLAGE OF MERRICKVILLE-WOLFORD

January 8, 2020

Mr. Al Monaco, President & CEO
Enbridge Gas Inc.
200, Fifth Avenue Place
425 - 1st Street S.W.
Calgary, Alberta T2P 3L8

RE: Ontario Natural Gas Expansion Support Program

Dear Mr. Monaco:

I would like to take this opportunity to reiterate our community's gratitude to you for Enbridge's recent donation to the Merrickville Fire Department of smoke and carbon monoxide detectors through the Project Zero Program. Through your generosity, lives will be saved, and this speaks highly of Enbridge's commitment to the communities that you serve every day.

The Village of Merrickville-Wolford (VMW) has enjoyed a successful collaborative working relationship with Enbridge for many years. To cultivate further collective benefits of that relationship, we would like to take this opportunity to engage the appropriate Enbridge staff in developing a joint submission to secure provincial government funding to expand natural gas distribution in the VMW via the Ontario Natural Gas Expansion Support Program.

On December 17, 2019, Mayor Douglas Struthers received the attached letter from The Honourable Greg Rickford, Minister of Energy, Northern Development and Mines, and The Honourable Bill Walker, Associate Minister of Energy, regarding the second phase of the Natural Gas Expansion Support Program. The letters indicate that the Ontario Energy Board (OEB) is being required under sec. 35 of the *Ontario Energy Board Act* to collect information about potential new natural gas expansion opportunities. It is anticipated to provide potential access of up to \$130 million over a three-year period to ensure a quick start to construction.

We note that the OEB is expected to issue a call for information in early 2020 with details regarding information to be filed by interested project proponents and recommends a minimum 90-day window for submissions. The OEB will then deliver its report on eligible projects to the Government on or before August 31, 2020. Municipal officials are being encouraged to work with our local natural gas service providers in joint efforts to develop submissions to the OEB.

The VMW is a beautiful, historic community spanning both shores of the Rideau Canal, a UNESCO World Heritage Site. Founded in the early 1790s and located within a one-hour commute to our Nation's Capital, our municipality is experiencing exciting new interest in residential development that holds the potential to also generate increased commercial activity within the next 5 years. However, natural gas is currently only available to our ratepayers on the [REDACTED]. Residents and businesses on the [REDACTED] do not

have access to natural gas and the resulting inequity has hindered our economic growth, quality of life for our residents, and our community's ability to reduce our environmental impact.

This limitation in accessing natural gas continues to be a constant concern in our community, both [REDACTED]. In fact, input was so prominent in feedback received during public consultation to create our *Strategic Plan 2017-2025*, that it was included in our Strategic Priorities under the subject of Building a Progressive, Growing Economy, and the issue continues to be raised regularly by residents and business owners with our Council members.

Since attending the Rural Ontario Municipal Conference (ROMA) in Toronto in January of 2018, Mayor Struthers and I have had several opportunities to share information with representatives from Enbridge's Municipal Affairs and Regional Execution (Eastern Region) departments regarding the potential economic viability of expanding natural gas distribution to the north side of the canal. Our discussions indicate that the primary barrier is the one-time infrastructure cost associated with crossing the Rideau River and Enbridge staff have shared the following high-level construction estimate received from your contractor:



It is not clear whether the above estimate also includes costs to extend infrastructure along each street north of the canal, or just to reach the north shore of the canal. However, we are particularly encouraged to note that the *Access to Natural Gas Act, 2018*, amended the *Ontario Energy Board Act* and it now "provides a mechanism to financially support the expansion of natural gas distribution for projects that would otherwise be considered uneconomic under existing policies". This describes the exact circumstances that we are facing in the VMW.

Given the above, we are seeking Enbridge's assistance in jointly developing a compelling and comprehensive project proposal to the OEB to address this critical need in our community. We ask that you direct us to the appropriate Enbridge representative(s) to accomplish this objective.

Thank you in advance for your assistance. I can be reached by phone at (613) 269-4791, extension 229, or by e-mail at cao@merrickville-wolford.ca, and I look forward to being contacted by Enbridge staff as soon as possible in this regard.

Sincerely,



Douglas J. Robertson, MBA
Chief Administrative Officer / Clerk
Director, Economic Development

Copy: His Worship J. Douglas Struthers, Mayor of the Village of Merrickville-Wolford
The Honourable Greg Rickford, Minister of Energy, Northern Development and Mines
The Honourable Bill Walker, Associate Minister of Energy
The Honourable Steve Clark, Minister of Municipal Affairs and Housing
Mr. Robert Dodds, Vice-Chair, Ontario Energy Board

From: Hon. Greg Rickford and Hon. Bill Walker <energy@ontario.ca>

Sent: Tuesday, December 17, 2019 1:30 PM

To: Mayor

Reply To: energy@ontario.ca

Subject: Letter from the Minister of Energy, Northern Development and Mines, and Associate Minister of Energy

**Ministry of Energy,
Northern Development
and Mines**

**Ministère de l'Énergie,
du Développement du Nord
et des Mines**

Office of the Minister

Bureau du ministre

Office of the Associate
Minister of Energy

Bureau du ministre associé de
l'Énergie

77 Grenville Street
10th Floor
Toronto ON M7A 2C1
Tel.: 416-327-6758

77, rue Grenville
10e étage
Toronto ON M7A 2C1
Tél. : 416 327-6758



December 17, 2019

His Worship Doug Struthers
Mayor
Village of Merrickville-Wolford
mayor@merrickville-wolford.ca

Dear Mayor Struthers:

Our government made a commitment to Ontarians to reduce energy costs and expand access to natural gas to underserved parts of the province. We are writing to inform you about the proposed launch of the second phase in our government's plan to meet this commitment.

The first phase of the Natural Gas Expansion Support Program is currently being rolled out, bringing natural gas to unserved areas of the province through nine expansion projects. To commence the second phase, I have written to the Ontario Energy Board (OEB), requiring them to collect information about potential new natural gas expansion opportunities. You can view our letter to the OEB at www.oeb.ca/sites/default/files/Letter-to-OEB-natural-gas-expansion-20191212.pdf. It is expected that project proponents could be able to access up to \$130 million over a three-year period to ensure a reasonably quick start to construction.

It is anticipated that the OEB will begin a process for collecting information on potential new

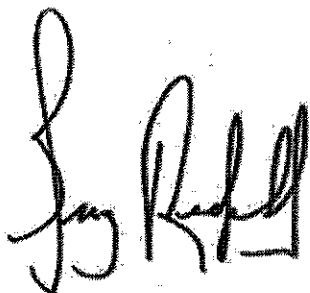
natural gas projects in early 2020, which is expected to run for 90 days. Following this, the OEB will deliver its report on eligible projects to the Government on or before August 31, 2020. Once we receive the OEB's report, the Government will make the decision on eligible projects to receive support, which should be completed in late 2020. Financial support for selected natural gas projects would ultimately be contingent on the selected project proponents receiving all necessary OEB approvals.

For further information, we encourage municipal officials to work with their local natural gas service provider if they are interested in participating in the OEB's process. We expect the OEB will make additional details available in early 2020.

Natural gas is the most common heating fuel in Ontario and is more affordable than other fuels such as electricity, oil or propane. Expanding natural gas helps makes Ontario communities more attractive for job creation and new businesses. Natural gas expansion can also lower greenhouse gas emissions by replacing higher emissions fuel sources. Natural gas expansion is part of our government's plan to bring quality jobs back to the province and send the clear message that Ontario is "Open for Business."

Thank you for your support as our government works to deliver on its commitment to bring natural gas to more rural and northern communities across Ontario.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Rickford". The signature is stylized with a large initial "G" and "R".

The Honourable Greg Rickford
Minister of Energy, Northern
Development and Mines

A handwritten signature in black ink, appearing to read "Bill Walker". The signature is written in a cursive style with a long horizontal stroke at the end.

The Honourable Bill Walker
Associate Minister of Energy

**Ministry of Energy,
Northern Development
and Mines**

Office of the Minister

Office of the Associate Minister
of Energy

77 Grenville Street, 10th Floor
Toronto ON M7A 2C1
Tel.: 416-327-6758

**Ministère de l'Énergie,
du Développement du Nord
et des Mines**

Bureau du ministre

Bureau du ministre associé
de l'Énergie

77, rue Grenville, 10^e étage
Toronto ON M7A 2C1
Tél. : 416-327-6758



DEC 12 2019

MC-994-2019-935

Mr. Robert Dodds
Vice-Chair
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Mr. Dodds:

I write in my capacity as the Minister of Energy, Northern Development and Mines with the support of the Associate Minister of Energy in order to exercise the statutory power I have under section 35 of the *Ontario Energy Board Act, 1998* ("Act") to require the Ontario Energy Board ("Board") to examine and report back to the Ministry of Energy, Northern Development and Mines ("Ministry") with information on potential projects to expand access to natural gas distribution systems for new customers.

Background

On September 18, 2018, the Government announced it would take action to expand natural gas distribution to communities that are not currently connected to a natural gas distribution system.

The *Access to Natural Gas Act, 2018*, which amended the Act, provides a mechanism to financially support the expansion of natural gas distribution for projects that would otherwise be considered uneconomic under existing policies.

Ontario Regulation 24/19, *Expansion of Natural Gas Distribution Systems* ("Regulation"), under the Act supports natural gas expansion by imposing a \$1 per month charge on existing natural gas customers. The nine projects currently listed in the Regulation are eligible for financial support, subject to receiving any necessary Board approvals. Several of these projects are currently under construction.

In order to build on the progress to date, the Government intends to further increase access to natural gas by making additional new projects eligible for financial support. The Government intends to make use of the same mechanism articulated in the current Regulation; namely, the collection of \$1 per month from existing natural gas customers.

.../cont'd

The Government intends for approximately \$130 million to be made available to support new natural gas projects that can reasonably be expected to commence construction between 2021 and 2023.

Section 35 Report

Therefore, pursuant to my authority under s.35 of the Act, with the support of the Associate Minister of Energy, I require the Board to examine and report back to the Ministry with information about additional natural gas expansion projects that the Government could consider as potential candidates for financial support.

It is the Government's intention that financial support be limited to potential natural gas expansion projects that would, under existing policies, be considered uneconomic.

I expect the Board to apply its expertise in developing a process to solicit information from proponents about proposed natural gas distribution expansion projects, and to analyze the proposed projects with a focus on assessing whether they can be implemented substantially as proposed. This should include a call for a demonstrated commitment by the proponent that it would be willing to be held to the project cost, timelines and volumes forecasts as set out in their project proposal. The Board's approach should consider the following:

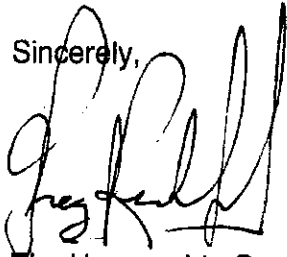
1. The number of customers (in terms of customer count, volume of gas to be distributed, and customer type) that would be connected by each proposed project;
2. The total cost of each proposed project, as well as the dollar amount of support needed for each proposed project to meet the Board's profitability threshold;
3. The proposed construction start date and construction period for each proposed project, as the Government's focus is on projects that can reasonably be expected to start construction by 2023, allowance being made for the timelines typically applicable to the process of obtaining regulatory approvals;
4. The project proponent's demonstrated experience, technical expertise and financial ability to build and operate a natural gas distribution system;
5. Support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support;
6. If a proposed project is in an area where a Certificate of Public Convenience and Necessity exists, the proponent must be the Certificate holder unless the Certificate holder does not propose a project for the area; and
7. The extent to which the project proponent expects that the proposed project would reduce the household energy cost burden in the project area.

...cont'd

I expect the Board to issue a call for information in early 2020, including details of the information to be filed by interested project proponents. The Board should consider a minimum 90-day window for information submissions. I also ask that, in developing its approach, the Board be mindful of the Government's focus on minimizing regulatory burden for stakeholders.

It is my expectation that the Board will report back to the Ministry no later than August 31, 2020. The information provided by the Board will be taken into account, along with other considerations, to make a determination on future expansion projects. If there is a need to consider further projects for expansion, the Ministry may request that the OEB proceed with a second call for information and report back to the Ministry.

Sincerely,

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

The Honourable Greg Rickford
Minister of Energy, Northern
Development and Mines

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

The Honourable Bill Walker
Associate Minister of Energy

c: Mary Anne Aldred, Chief Operating Officer & General Counsel

Schedule SS6
Enbridge Gas Community Expansion Project Proposal
Merrickville-Wolford



RP-2002-0121
EB-2002-0380

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

AND IN THE MATTER OF an application by Enbridge Gas Distribution Inc. for an order cancelling and replacing the existing Certificates of Public Convenience and Necessity for the Corporation of the Village of Merrickville-Wolford.

BEFORE: Malcolm Jackson
Presiding Member

Art Birchenough
Member

ORDER GRANTING

A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

Enbridge Gas Distribution Inc., formerly known as The Consumers' Gas Company Ltd., filed an application, dated June 26, 2002, (the "Application") with the Ontario Energy Board (the "Board") under the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, (the "Act") for an order of the Board that consolidates the existing Certificates of Public Convenience and Necessity for the former Village of Merrickville and the former Township of Wolford, and replaces these with a new Certificate of Public Convenience and Necessity for the Village of Merrickville-Wolford. The Board has assigned File No. RP-2002-0121/EB-2002-0380 to the Application.

- 2 -

In the Application, Enbridge Gas Distribution Inc. filed evidence that it would expand its natural gas distribution facilities to supply the Village of Merrickville-Wolford for the 2002/2003 heating season.

A Notice of Application was published on August 7, 2002. There were no intervenors. On September 4, 2002 the Board issued a Notice of Written Hearing. No party satisfied the Board that there was a good reason for not holding a written hearing.

Effective January 1, 1998, the Corporation of the former Village of Merrickville, and the Corporation of the former Township of Wolford were amalgamated to form the Corporation of the Village of Merrickville-Wolford. The Board notes that Enbridge Gas is presently serving the Municipality and holds Certificates of Public Convenience and Necessity for the following former municipalities: Village of Merrickville (F.B.C. 240) and Township of Wolford (F.B.C. 237).

The Board finds that, based on the evidence, granting the Application is in the public interest.

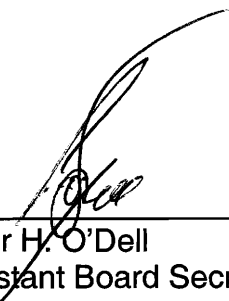
THE BOARD THEREFORE ORDERS THAT:

1. The existing Certificates of Public Convenience and Necessity for the former municipalities of the Village of Merrickville (F.B.C. 240) and the Township of Wolford (F.B.C. 237) are cancelled and replaced with a single Certificate of Public Convenience and Necessity for the amalgamated Village of Merrickville-Wolford (EB-2002-0380).
2. If Enbridge Gas Distribution Inc. fails to proceed with the construction of the natural gas distribution facilities to the Village of Merrickville-Wolford within twenty-four months following the issuance of the Certificate of Public Convenience and Necessity, the Certificate shall expire.

- 3 -

DATED at Toronto October 7, 2002

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

Schedule TT
Enbridge Gas Community Expansion Project Proposal
Neebing

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to expand the gas distribution system in the Municipality of Neebing to include _____ and _____. The proposed facilities will provide access to natural gas to a forecasted 87 customers (78 residential and 9 commercial / institutional).

The proposed tie-in point will be along _____ and _____ connecting to an existing 4" pipeline. The proposed distribution system expansion will consist of 15,784 m of 2" polyethylene pipe and 11,600 m of 4" polyethylene pipe.

A reinforcement segment is required along _____ up to a new distribution station at GPS coordinates: _____, _____.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	15,784

The approximate length and size of the reinforcement required:

Pipe Type	Diameter (NPS)	Length (m)
Steel	4	1,145

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	4	11,600

Please refer to Schedule TT1 for Project Map.

3.2

Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.

Please refer to Schedule TT2, Table 3.2.

3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule TT2, Table 3.3.
3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule TT3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule TT4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule TT5.

3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule TT6 for Enbridge's CPCN for the Municipality of Neebing (FBC 344) which covers the entire area of the proposed project.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule TT2, Table 4.2.

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

Please refer to Schedule TT2, Table 4.3.

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$13,505,699 Please refer to Schedule TT2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$155,238 Please refer to Schedule TT2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$57.91 Please refer to Schedule TT2, Table 5.3.

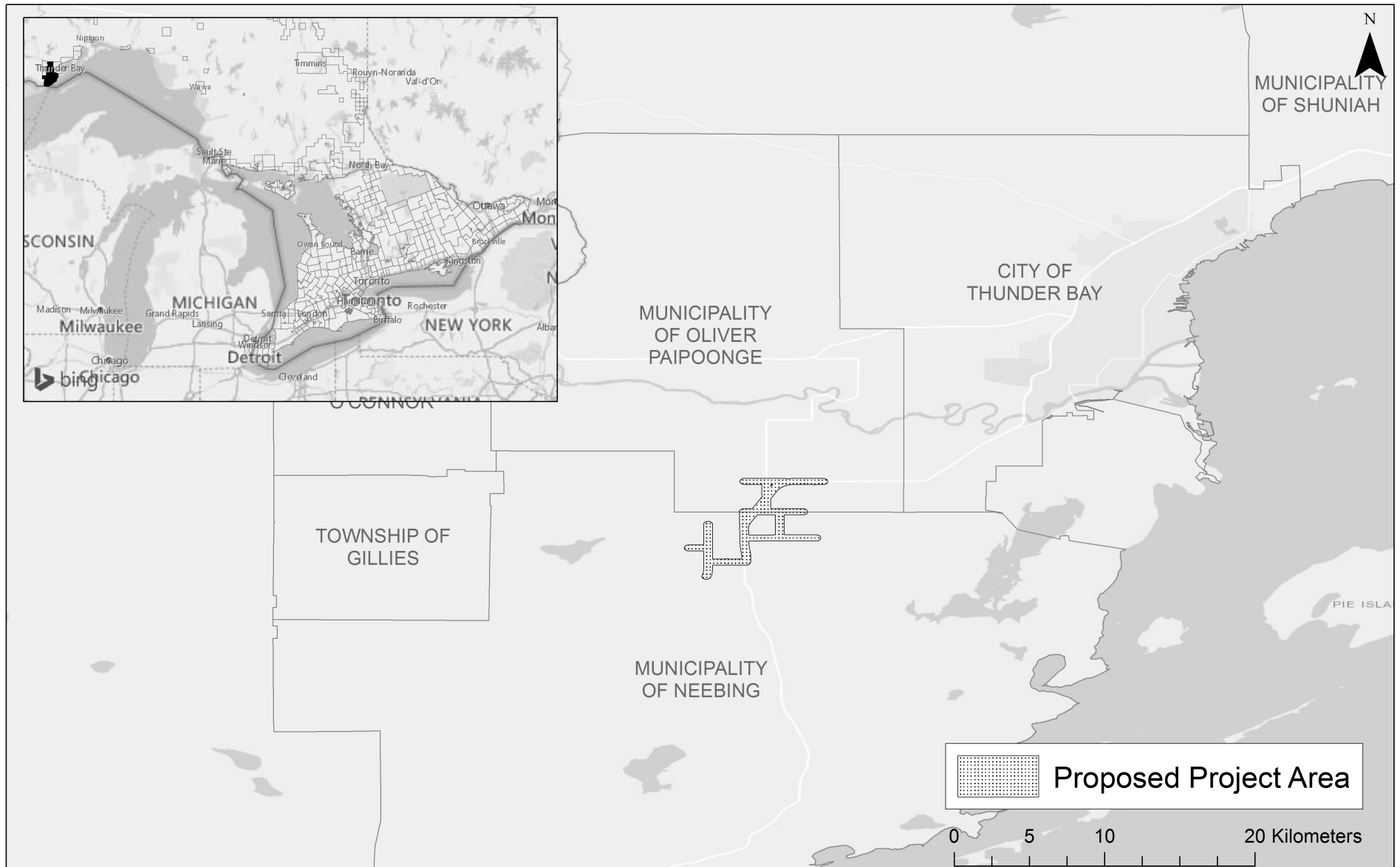
Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule TT2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule TT2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule TT2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's website and where applicable assume a written hearing process. Please refer to Schedule TT4.

Schedule TT1
Enbridge Gas Community Expansion Project Proposal
Neebing

Municipality of Neebing



Schedule TT2
Enbridge Gas Community Expansion Project Proposal
Neebing

Table 3.2 - Customer Attachments Over The Rate Stability Period

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

Project Year	1	2	3	4	5	6	7	8	9	10	Total
	25	19	12	6	6	2	2	2	2	2	78
	-	4	1	-	-	-	-	-	-	-	5
	-	-	-	-	-	-	-	-	-	-	-
	-	4	-	-	-	-	-	-	-	-	4
	-	-	-	-	-	-	-	-	-	-	-
	<u>25</u>	<u>27</u>	<u>13</u>	<u>6</u>	<u>6</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>87</u>
	25	52	65	71	77	79	81	83	85	87	

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

Customer Type
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

Project Year	1	2	3	4	Annual Volumes - m3		7	8	9	10	Total
	27,500	75,900	110,000	129,800	143,000	151,800	156,200	160,600	165,000	169,400	1,289,200
	-	9,700	20,500	21,600	21,600	21,600	21,600	21,600	21,600	21,600	181,400
	-	-	-	-	-	-	-	-	-	-	-
	-	21,100	42,200	42,200	42,200	42,200	42,200	42,200	42,200	42,200	358,700
	-	-	-	-	-	-	-	-	-	-	-
	<u>27,500</u>	<u>106,700</u>	<u>172,700</u>	<u>193,600</u>	<u>206,800</u>	<u>215,600</u>	<u>220,000</u>	<u>224,400</u>	<u>228,800</u>	<u>233,200</u>	<u>1,829,300</u>

Customer Type
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

Project Year	1	2	3	4	Cumulative Volumes - m3		7	8	9	10	
	27,500	103,400	213,400	343,200	486,200	638,000	794,200	954,800	1,119,800	1,289,200	
	-	9,700	30,200	51,800	73,400	95,000	116,600	138,200	159,800	181,400	
	-	-	-	-	-	-	-	-	-	-	
	-	21,100	63,300	105,500	147,700	189,900	232,100	274,300	316,500	358,700	
	-	-	-	-	-	-	-	-	-	-	
	<u>27,500</u>	<u>134,200</u>	<u>306,900</u>	<u>500,500</u>	<u>707,300</u>	<u>922,900</u>	<u>1,142,900</u>	<u>1,367,300</u>	<u>1,596,100</u>	<u>1,829,300</u>	

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

Total Capital Costs

[Year 10](#)

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

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

[Year 10](#)

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ <u>13,505,699</u>
--	----------------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	\$ <u>Year 10</u> <u>155,238</u>
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Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)

Section 36.2 Funding Amount Per Year 10 Volume (m3)	\$ <u>Year 10</u> <u>57.91</u>
---	---

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	5,792	19,723	30,874	35,276	38,056	39,909	40,836	41,762	42,689	43,615	\$ 338,530
SES Revenue		6,325	24,541	39,721	44,528	47,564	49,588	50,600	51,612	52,624	53,636	420,739
Total Distribution Charge	\$	<u>12,117</u>	<u>44,264</u>	<u>70,595</u>	<u>79,804</u>	<u>85,620</u>	<u>89,497</u>	<u>91,436</u>	<u>93,374</u>	<u>95,313</u>	<u>97,251</u>	<u>\$ 759,269</u>

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

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

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

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

Schedule TT3
Enbridge Gas Community Expansion Project Proposal
Neebing

Section 3.4 Neebing (_____)

Total Forecasted Customers 87 Penetration Rate 65%

	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Existing Fuel / Heating Type											
Oil	18	21%	\$ 5,000	\$ 2,787	\$ 1,460	\$ 1,328	\$ 24,257	6.6	-2.4	120	(44)
Electricity F/A	8	9%	\$ 5,000	\$ 1,998	\$ 1,460	\$ 538	\$ 4,216	0.5	3.6	4	28
Electricity Baseboard	10	12%	\$ 12,000	\$ 1,998	\$ 1,460	\$ 538	\$ 5,622	0.5	3.6	6	37
Propane	38	44%	\$ 600	\$ 1,611	\$ 1,460	\$ 152	\$ 5,814	5.1	-1.0	195	(38)
Wood	8	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	4	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	87	100%	\$ 31,100	\$ 8,395	\$ 5,838	\$ 2,557	\$ 39,910	12.7	3.8	325	(16)

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

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

Rate 01 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.663
Heating oil	L	2397	Heating oil	\$/L	1.163
Electricity	kWh	17778	Electricity	\$/kWh	0.112
Propane	L	3309	Propane	\$/L	0.487

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule TT4
Enbridge Gas Community Expansion Project Proposal
Neebing

Needing Community Expansion Project Pipeline Construction Schedule

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

Schedule TT5
Enbridge Gas Community Expansion Project Proposal
Neebing



Erika Kromm,
Clerk-Treasurer
Laura Jones,
Deputy Clerk-Treasurer

THE CORPORATION OF THE
Municipality of Neebing

4766 Highway 61
Neebing, Ontario P7L 0B5
TELEPHONE (807) 474-5331
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E mail – neebing@neebing.org

Mayor Erwin
Butikofer Councillors
Curtis Coulson
Gordon Cuthbertson
Gary Gardner
Brian Kurikka
Mark Thibert
Brian Wright

March 11, 2020

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

Dear Mr. Skaarup,

Re: Expression of Support for Natural Gas Expansion for Neebing's [REDACTED]

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

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

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

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

Sincerely,

A handwritten signature in black ink, appearing to read "E. Kromm", written over a horizontal line.

Erika Kromm
Clerk Treasurer
clerk@neebing.org

Schedule TT6
Enbridge Gas Community Expansion Project Proposal
Neebing

ONTARIO FUEL BOARD

IN THE MATTER OF The Municipal Franchises Act, R.S.O. 1950, Chapter 249, Section 8 and amendments thereto;

AND IN THE MATTER OF an Application by Twin City Gas Company Limited for a Certificate of Public Convenience and Necessity to construct works to supply gas to the inhabitants of the Municipality of Neebing.

B E F O R E:

A. R. CROZIER,	Chairman	)	
J. J. WINGFELDER,	Vice-Chairman	)	Thursday the 30th
E. A. ALLCUT,	Commissioner	)	day of June, 1960.

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON THE APPLICATION of Twin City Gas Company Limited, hereinafter referred to as the "Applicant", for a certificate pursuant to the provisions of The Municipal Franchises Act, R.S.O. 1950, Chapter 249, Section 8 and amendments thereto, and at a public hearing of such Application by the Board at the City of Toronto on the 30th day of June, 1960, after due notice of such hearing had been given as directed by the Board in the presence of counsel for the Applicant, no one else appearing, and upon consideration of the evidence and exhibits produced at the hearing and upon hearing what was alleged by counsel aforesaid:

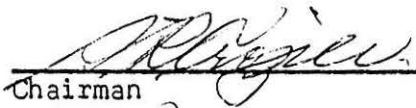
1. THIS BOARD DOTH ORDER that a Certificate of Public Convenience and Necessity be and the same is hereby granted to Twin City Gas Company Limited for the supply of natural gas to the inhabitants of the Municipality of Neebing, and for the construction of the works necessary therefor.

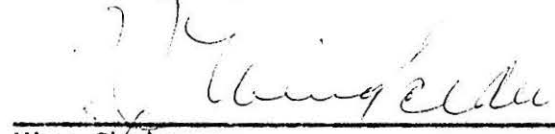
2. AND THIS BOARD DOTH FURTHER ORDER that the Certificate of Public Convenience and Necessity hereby granted may be assigned by Twin City Gas Company Limited to Montreal Trust Company, the trustee under the deed of trust and mortgage, dated as of June 1, 1958, to be made between Twin City Gas Company Limited and Montreal Trust Company, as trustee, and to such person, firm or corporation to whom Montreal Trust Company, as trustee, may assign such Certificate in execution of the trusts under the said deed of trust and mortgage, together with, in each case, all rights and powers, statutory or otherwise, which flow from or are evidenced by such Certificate.

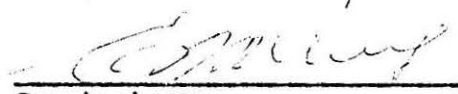
3. AND THIS BOARD DOTH FURTHER ORDER that the costs of this hearing are fixed at \$~~25.00~~ and shall be paid forthwith by the Applicant to the Board.

DATED at Toronto this 7th day of July, 1960.

ONTARIO FUEL BOARD


Chairman


Vice-Chairman


Commissioner

IN THE MATTER OF The Municipal Franchises Act, R.S.O. 1950, Chapter 249
Section 8 and amendments thereto;

AND IN THE MATTER OF an Application
by Twin City Gas Company Limited for
a Certificate of Public Convenience
and Necessity to construct works to
supply gas to the inhabitants of the
Municipality of Neebing.

CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY

TWIN CITY GAS COMPANY LIMITED
135-137 North Syndicate Avenue,
Fort William, Ontario.

Schedule UU
Enbridge Gas Community Expansion Project Proposal
Neustadt

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to serve the community of Neustadt in the Municipality of West Grey. The proposed facilities will provide access to natural gas to a forecasted 219 customers (188 residential, 29 commercial / institutional and 2 industrial).

The proposed tie-in point for the distribution pipeline system will connect to an existing 4" steel pipeline on _____ of the Town of Hanover less than _____ of _____. The distribution pipeline will continue via _____ to the community of Neustadt through _____, _____, _____, _____, _____, _____ and _____. Approximately 780 m of 6" polyethylene reinforcement pipe is required to accommodate additional loads onto the system. It will be installed in the Town of Hanover along _____, _____ and _____ in road allowances.

No new stations or any existing station modifications are required for the new distribution system.

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	6	2,800
Polyethylene	4	3,750

The approximate length and size of the reinforcement required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	6	780

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	5,600

Please refer to Schedule UU1, for Project Map.

3.2	Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible. Please refer to Schedule UU2, Table 3.2.
3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule UU2, Table 3.3.
3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule UU3, Table 3.4.

3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule UU4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule UU5.
3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule UU6 for Enbridge's CPCNs for the Municipality of West Grey (EB-2007-0819) and the Town of Hanover (EBC 29) which cover the entire area of the proposed project.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.

4.2

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

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

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

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

Please refer to Schedule UU2, Table 4.2.

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

Please refer to Schedule UU2, Table 4.3.

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$5,128,997 Please refer to Schedule UU2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$23,420 Please refer to Schedule UU2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$7.22 Please refer to Schedule UU2, Table 5.3.

Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule UU2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

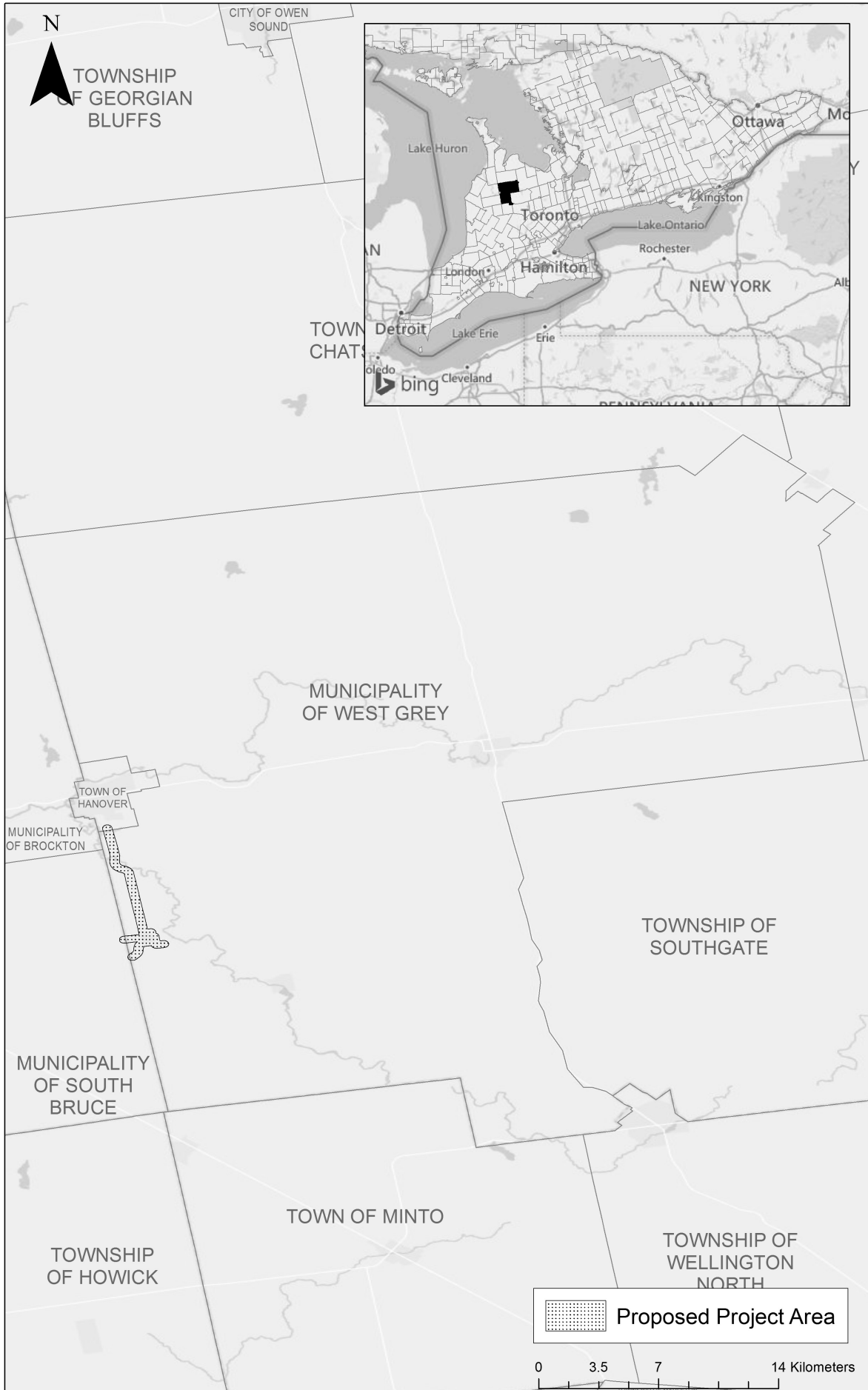
Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule UU2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule UU2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB’s website and where applicable assume a written hearing process. Please refer to Schedule UU4.

Schedule UU1
Enbridge Gas Community Expansion Project Proposal
Neustadt

Neustadt

EB-2019-0255
Schedule UU1
Redacted



Schedule UU2
Enbridge Gas Community Expansion Project Proposal
Neustadt

Table 3.2 - Customer Attachments Over The Rate Stability Period

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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
	50	44	18	12	10	12	10	11	11	10	188
	-	15	6	1	1	1	1	1	1	1	28
	-	-	-	-	-	-	-	-	-	-	-
	-	1	-	-	-	-	-	-	-	-	1
	-	2	-	-	-	-	-	-	-	-	2
	<u>50</u>	<u>62</u>	<u>24</u>	<u>13</u>	<u>11</u>	<u>13</u>	<u>11</u>	<u>12</u>	<u>12</u>	<u>11</u>	<u>219</u>
	50	112	136	149	160	173	184	196	208	219	

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

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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Annual Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
	53,718	154,875	221,472	253,511	277,070	300,629	324,188	346,647	370,206	392,665	2,694,977
	-	28,500	70,300	84,700	86,900	89,100	91,300	93,500	95,700	97,900	737,900
	-	-	-	-	-	-	-	-	-	-	-
	-	10,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	170,000
	-	100,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,700,000
	<u>53,718</u>	<u>293,375</u>	<u>511,772</u>	<u>558,211</u>	<u>583,970</u>	<u>609,729</u>	<u>635,488</u>	<u>660,147</u>	<u>685,906</u>	<u>710,565</u>	<u>5,302,877</u>

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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Cumulative Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
	53,718	208,593	430,065	683,575	960,645	1,261,273	1,585,461	1,932,107	2,302,313	2,694,977	
	-	28,500	98,800	183,500	270,400	359,500	450,800	544,300	640,000	737,900	
	-	-	-	-	-	-	-	-	-	-	
	-	10,000	30,000	50,000	70,000	90,000	110,000	130,000	150,000	170,000	
	-	100,000	300,000	500,000	700,000	900,000	1,100,000	1,300,000	1,500,000	1,700,000	
	<u>53,718</u>	<u>347,093</u>	<u>858,865</u>	<u>1,417,075</u>	<u>2,001,045</u>	<u>2,610,773</u>	<u>3,246,261</u>	<u>3,906,407</u>	<u>4,592,313</u>	<u>5,302,877</u>	

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

Total Capital Costs

<u>Year 10</u>

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

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

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

<u>Year 10</u>

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ 5,128,997
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> \$ 23,420
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Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)

Section 36.2 Funding Amount Per Year 10 Volume (m3)	<u>Year 10</u> \$ 7.22
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Table 6.1 - Distribution Charge

	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Distribution Revenue	\$	8,129	30,163	48,156	54,356	58,257	62,158	66,059	69,797	73,698	77,436	\$ 548,209
SES Revenue		12,355	67,476	117,708	128,388	134,313	140,238	146,162	151,834	157,758	163,430	1,219,662
Total Distribution Charge	\$	<u>20,484</u>	<u>97,639</u>	<u>165,863</u>	<u>182,745</u>	<u>192,570</u>	<u>202,396</u>	<u>212,221</u>	<u>221,631</u>	<u>231,456</u>	<u>240,866</u>	<u>\$ 1,767,871</u>

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

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

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

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

Schedule UU3
Enbridge Gas Community Expansion Project Proposal
Neustadt

Section 3.4 Neustadt

Total Forecasted Customers 219 Penetration Rate 78%

	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Existing Fuel / Heating Type											
Oil	72	33%	\$ 5,000	\$ 2,829	\$ 1,258	\$ 1,571	\$ 113,379	6.7	-2.5	480	(182)
Electricity F/A	5	2%	\$ 5,000	\$ 2,028	\$ 1,258	\$ 770	\$ 3,834	0.5	3.6	3	18
Electricity Baseboard	5	2%	\$ 12,000	\$ 1,626	\$ 1,258	\$ 368	\$ 1,831	0.5	3.6	3	18
Propane	112	51%	\$ 600	\$ 1,626	\$ 1,258	\$ 368	\$ 41,203	5.2	-1.1	580	(119)
Wood	20	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	5	2%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	219	100%	\$ 31,100	\$ 8,109	\$ 5,031	\$ 3,077	\$ 160,247	12.9	3.6	1,066	(265)

1 Based on completed Market Research for this community. Fuel percentages may not add up to 100% due to rounding error.

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

Rate M1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.572
Heating oil	L	2433	Heating oil	\$/L	1.163
Electricity	kWh	18046	Electricity	\$/kWh	0.112
Propane	L	3359	Propane	\$/L	0.484

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule UU4
Enbridge Gas Community Expansion Project Proposal
Neustadt

Neustadt Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule UU5
Enbridge Gas Community Expansion Project Proposal
Neustadt



The Corporation of the Municipality of West Grey

March 3, 2020

EMAIL ONLY

Enbridge Gas Inc.
603 Kumpf Drive
Waterloo, ON., N2J 4A4
Attn: Murray Costello, P.Eng., Director, Southeast Operations

Dear *REGIONAL DIRECTOR*,

Re: Expression of Support for Natural Gas Expansion to the Municipality of West Grey/Neustadt & Ayton Expansion Program

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

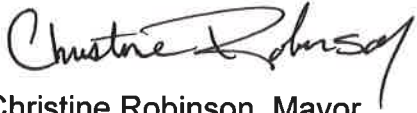
On behalf of the Municipality of West Grey, I would like to formally express our interest to have the Neustadt & Ayton Expansion Program included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion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

Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support in its project submissions. Accordingly, a copy of resolutions #53-20 and #54-20 passed by the Municipality of West Grey Council are attached for your information.



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

Sincerely,

A handwritten signature in black ink, appearing to read "Christine Robinson". The signature is fluid and cursive, with the first name "Christine" written in a larger, more prominent script than the last name "Robinson".

Christine Robinson, Mayor
Municipality of West Grey

Ph: 519-369-2200 x.232 (office); 519-369-1505 (cell);

Email: mayor@westgrey.com



Corporation of the Municipality of West Grey
Resolution

Moved by:

B. Hamilton

No.

53-20

Seconded by:

D. Hutch

Session: March 3, 2020

Be it resolved that, the Council of the Municipality of West Grey requests the Mayor to send a letter to Murray Costello, Director, Southeast Operations, Enbridge Gas Inc., formally expressing the Municipality of West Grey's interest to have the Ayton and Neustadt Expansion Project included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program, as recommended by the Committee of the Whole.

I HEREBY CERTIFY THAT THIS
IS A TRUE COPY DATED AT
WEST GREY
THIS 3 DAY OF MARCH 2020

JAMES MARK TURNER, CLERK
CORPORATION OF THE MUNICIPALITY OF WEST GREY

Carried ☒ Defeated ☐

Mayor

Christine Robinson

Beth Hamilton
Rebecca Hergert
Doug Hutchinson
Tom Hutchinson
Christine Robinson
Geoffrey Shea
Stephen Townsend

For

☐
☐
☐
☐
☐
☐
☐

Against

☐
☐
☐
☐
☐
☐
☐

Declaration of pecuniary interest or the general nature thereof:



Corporation of the Municipality of West Grey
Resolution

Moved by: R. Hergert No. 5420
Seconded by: Stephen P. Townsend Session: March 3, 2020

Resolved that, the Council of the Municipality of West Grey hereby support making a financial contribution towards the proposed Ayton and Neustadt Expansion Project by Enbridge Gas Inc., in an amount equivalent to the property tax that would be recovered on the new natural gas infrastructure for a period of 15 years, as recommended by the Committee of the Whole.

I HEREBY CERTIFY THAT THIS
IS A TRUE COPY DATED AT
WEST GREY
THIS 3 DAY OF March, 2020

JAMES MARK TURNER, CLERK
CORPORATION OF THE MUNICIPALITY OF WEST GREY

Carried ✓ Defeated

Mayor Chris Olson

	For	Against
Beth Hamilton	☐	☐
Rebecca Hergert	☐	☐
Doug Hutchinson	☐	☐
Tom Hutchinson	☐	☐
Christine Robinson	☐	☐
Geoffrey Shea	☐	☐
Stephen Townsend	☐	☐

Declaration of pecuniary interest or the general nature thereof:

Schedule UU6
Enbridge Gas Community Expansion Project Proposal
Neustadt

EB-2007-0819

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Union Gas Limited

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

Municipality of West Grey

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

DATED at Toronto, January 17, 2008

ONTARIO ENERGY BOARD

Original signed by

Neil McKay

Manager, Facilities Applications

ONTARIO ENERGY BOARD

EB-2019-0255
Schedule UU6(b)

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

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

Palmerston

B E F O R E:

A. R. Crozier, Chairman) Wednesday, the 17th day
and)
J. J. Wingfelder, Commissioner) of April, 1963.

B E T W E E N:

UNION GAS COMPANY OF CANADA, LIMITED,
Applicant,
- and -

Duplicate originals in franchise
original files for Bruce and Perth.

County of Bruce	Township of Bentinck
County of Perth	Township of Brant
Town of Durham	Township of Egremont
Town of Hanover	Township of Elma
Town of Harriston	Township of Holland
Town of Listowel	Township of Luther West
Town of Mount Forest	Township of Maryborough
Town of Palmerston	Township of Minto
Town of Walkerton	Township of Normanby
Village of Arthur	Township of Peel
Village of Chatsworth	Township of Sullivan
Village of Drayton	Township of Wallace
Township of Arthur	

Respondents.

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON the Application of Union Gas Company of Canada, Limited for
approval of the Ontario Energy Board to construct works to supply and to supply
gas in the Respondent Municipalities pursuant to Section 8 of The Municipal
Franchises Act, R.S.O. 1960, Chapter 255; upon the hearing of such Application
by the Board on the 17th day of April, 1963, after due Notice of such Hearing
had been given as directed by the Board; in the presence of Counsel for the
Applicant, and no one else appearing; the Board having later issued its Decision
dated the 22nd day of April, 1963, providing for the issuance of this Certificate;

THIS BOARD DOTH CERTIFY, pursuant to Section 8 of The Municipal
Franchises Act, R.S.O. 1960, Chapter 255, that Public Convenience and Necessity
appear to require that approval of the Ontario Energy Board shall be and the same
is hereby given to Union Gas Company of Canada, Limited to construct works to
supply and to supply gas in the Respondent Municipalities.

AND THIS BOARD DOTH further Order and Direct that the costs of this Application fixed at the sum of \$75.00 shall be paid forthwith by the Applicant to the Board.

DATED at Toronto, Ontario, this 1st day of May, 1963.

ONTARIO ENERGY BOARD

(Seal)

Sgd. "J. J. Wingfelder"
Secretary

Schedule VV
Enbridge Gas Community Expansion Project Proposal
Paradise Point

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to provide distribution service to the community of Paradise Point in Tay Township. The proposed facilities will provide access to natural gas to a forecasted 61 residential customers.

The nearest existing gas infrastructure is on the corner of _____ and _____. A station is proposed to tie-in to the existing high-pressure system on the corner of _____ and _____ and reduce pressure to intermediate for the reinforcement and distribution to Paradise Point. The proposed reinforcement pipe is on _____ from _____ to _____ and on _____ from the proposed station location to _____. The proposed distribution includes facilities on _____, _____, _____, _____, _____, _____ and _____.

The approximate length and size of the reinforcement laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	4	1,800
Polyethylene	4	2,000

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	2,500
Polyethylene	4	1,400

Please refer to Schedule VV1 for Project Map.

3.2

Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.

Please refer to Schedule VV2, Table 3.2.

3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule VV2, Table 3.3.
3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal Greenhouse Gas Pollution Pricing Act and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule VV3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule VV4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule VV5.

3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule VV6 for Enbridge's CPCN for the Township of Tay (EB-2018-0127) which covers the entire area of the proposed project.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule VV2, Table 4.2.

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

Please refer to Schedule VV2, Table 4.3.

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$3,884,439 Please refer to Schedule VV2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$63,679 Please refer to Schedule VV2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$27.20 Please refer to Schedule VV2, Table 5.3.

Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule VV2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule VV2, Table 7.1
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule VV2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order) • Leave to Construct
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's website and where applicable assume a written hearing process. Please refer to Schedule VV4.

Schedule VV1
Enbridge Gas Community Expansion Project Proposal
Paradise Point

Paradise Point, Tay Township



Schedule VV2
Enbridge Gas Community Expansion Project Proposal
Paradise Point

Table 3.2 - Customer Attachments Over The Rate Stability Period

Customer Type	Firm / IT	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	Total
Residential	Firm		16	15	6	4	3	4	3	4	3	3	61
Commercial	Firm		-	-	-	-	-	-	-	-	-	-	-
Institutional	Firm		-	-	-	-	-	-	-	-	-	-	-
Agricultural	Firm		-	-	-	-	-	-	-	-	-	-	-
Industrial	Firm		-	-	-	-	-	-	-	-	-	-	-
Total Customers			<u>16</u>	<u>15</u>	<u>6</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>61</u>
Cumulative Customers			16	31	37	41	44	48	51	55	58	61	

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

Customer Type	Project Year	Annual Volumes - m3										Total
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential		19,200	56,400	81,600	93,600	102,000	110,400	118,800	127,200	135,600	142,800	987,600
Commercial		-	-	-	-	-	-	-	-	-	-	-
Institutional		-	-	-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-	-	-
Industrial		-	-	-	-	-	-	-	-	-	-	-
Total Volumes		<u>19,200</u>	<u>56,400</u>	<u>81,600</u>	<u>93,600</u>	<u>102,000</u>	<u>110,400</u>	<u>118,800</u>	<u>127,200</u>	<u>135,600</u>	<u>142,800</u>	<u>987,600</u>

Customer Type	Project Year	Cumulative Volumes - m3									
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
Residential		19,200	75,600	157,200	250,800	352,800	463,200	582,000	709,200	844,800	987,600
Commercial		-	-	-	-	-	-	-	-	-	-
Institutional		-	-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-	-
Industrial		-	-	-	-	-	-	-	-	-	-
Total Volumes		<u>19,200</u>	<u>75,600</u>	<u>157,200</u>	<u>250,800</u>	<u>352,800</u>	<u>463,200</u>	<u>582,000</u>	<u>709,200</u>	<u>844,800</u>	<u>987,600</u>

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

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

Table 4.3 - Revenue Requirement Over The Rate Stability Period

	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	Total
Revenue Requirement												
	<u>Year 10</u>											
Closing Rate Base (net of proposed Section 36.2 funding)												

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project

\$3,884,439

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served

Year 10

\$63,679

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

Section 36.2 Funding Amount Per Volume (m3)

Year 10

\$27.20

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	3,364	9,883	14,299	16,401	17,873	19,345	20,817	22,289	23,761	25,022	\$173,054
SES Revenue		4,416	12,972	18,768	21,528	23,460	25,392	27,324	29,256	31,188	32,844	227,148
Total Distribution Charge	\$	7,780	22,855	33,067	37,929	41,333	44,737	48,141	51,545	54,949	57,866	\$400,202

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

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

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

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

Schedule VV3
Enbridge Gas Community Expansion Project Proposal
Paradise Point

Section 3.4 Paradise Point

Total Forecasted Customers 61 Penetration Rate 65%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	13	21%	\$ 5,000	\$ 3,050	\$ 1,481	\$ 1,570	\$ 20,108	7.2	-2.7	92	(34)
Electricity F/A	5	9%	\$ 5,000	\$ 2,187	\$ 1,481	\$ 706	\$ 3,878	0.6	3.9	3	21
Electricity Baseboard	7	12%	\$ 12,000	\$ 2,187	\$ 1,481	\$ 706	\$ 5,171	0.6	3.9	4	29
Propane	27	44%	\$ 600	\$ 1,764	\$ 1,481	\$ 283	\$ 7,605	5.6	-1.1	150	(29)
Wood	5	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	3	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	61	100%	\$ 31,100	\$ 9,188	\$ 5,923	\$ 3,266	\$ 36,763	13.9	4.1	249	(13)

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

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

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

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

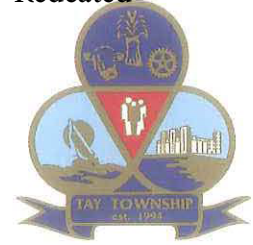
Carbon price is included for all energy types as reported. All costs exclude HST.

Schedule VV4
Enbridge Gas Community Expansion Project Proposal
Paradise Point

Paradise Point Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule VV5
Enbridge Gas Community Expansion Project Proposal
Paradise Point



TAY TOWNSHIP

450 Park Street
PO Box 100
Victoria Harbour, Ontario
L0K 2A0

March 2, 2020

Biké Balkanci
Director, GTA West / Niagara
Enbridge Gas Inc.

via email c/o brenda1.dobrindt@enbridge.com

Dear Biké Balkanci,

Expression of Support for Natural Gas Expansion to the Township of Tay PARADISE POINT

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

On behalf of the Township of Tay, I would like to formally express our interest to have Paradise Point ([REDACTED]) included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program. I note for clarity that the Township has nominated two projects and is providing a separate letter for each project.

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

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

TAY TOWNSHIP

450 Park Street
PO Box 100
Victoria Harbour, Ontario
L0K 2A0



Sincerely,

A handwritten signature in blue ink that reads 'Ted Walker'.

Mayor Ted Walker

Township of Tay

705-534-7248 x258

twalker@tay.ca

Copy: Mark Wilson, Enbridge
Peter Dance, Director of Public Works

Schedule VV6
Enbridge Gas Community Expansion Project Proposal
Paradise Point

EB-2018-0127

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Enbridge Gas Distribution Inc.

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

Township of Tay

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

DATED at Toronto, April 26, 2018

ONTARIO ENERGY BOARD

Pascale Duguay
Manager, Application Policy and Climate Change

Schedule WW
Enbridge Gas Community Expansion Project Proposal
Township of Ramara

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to serve several small communities within the Township of Ramara between Brechin and Atherley. The proposed facilities will provide access to natural gas to a forecasted 1,710 customers (1,650 residential, 53 commercial / institutional and 7 industrial).

The proposed tie-in of the steel supply lateral is in the community of Atherley at the intersection of _____ and _____. This tie-in would bring gas from the existing system 21.8 km southeast along _____, _____, _____, _____ and _____ into the distribution systems of each community.

A total of five stations are proposed as part of the project: in Uptergrove at the intersection of _____ and _____, on the corner of _____ and _____, on _____, near _____ and on _____ just _____ of Brechin.

The distribution system within Lagoon City crosses 9 canals due to its unique layout on the east shore of Lake Simcoe. The entire length of the distribution systems into all small communities includes approximately 59 km of polyethylene pipe. One existing station on _____ will require a rebuild to accommodate these new loads.

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Steel	4	14,401
Steel	6	7,386

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	53,525
Polyethylene	4	5,002
Polyethylene	6	825

Please refer to Schedule WW1 for Project Map.

3.2	Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible. Please refer to Schedule WW2, Table 3.2.
3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule WW2, Table 3.3.
3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule WW3, Table 3.4.

3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule WW4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule WW5.
3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule WW6 for Enbridge's CPCN for the Township of Ramara (RP-2004-0218 / EB-2004-0466) which covers the entire area of the proposed project.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.

4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule WW2, Table 4.2.														
4.3	Provide the total annual forecast revenue requirement of the project over the ten-year rate stability period (using fully allocated OM&A costs) and rate base amount at the end of year ten. Complete the tables below: Revenue Requirement <table><tr><td>Description</td><td>Year 1</td><td>Year 2...</td><td>Year 10</td><td>Total</td></tr><tr><td>Revenue Requirement</td><td></td><td></td><td></td><td></td></tr></table> <table><tr><td>Description</td><td>Year 10</td></tr><tr><td>Closing Rate Base</td><td></td></tr></table> Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). Please refer to Schedule WW2, Table 4.3.	Description	Year 1	Year 2...	Year 10	Total	Revenue Requirement					Description	Year 10	Closing Rate Base	
Description	Year 1	Year 2...	Year 10	Total											
Revenue Requirement															
Description	Year 10														
Closing Rate Base															

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$42,119,007 Please refer to Schedule WW2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$24,631 Please refer to Schedule WW2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$10.46 Please refer to Schedule WW2, Table 5.3.

Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule WW2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule WW2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule WW2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB’s website and where applicable assume a written hearing process. Please refer to Schedule WW4.

Schedule WW1
Enbridge Gas Community Expansion Project Proposal
Township of Ramara

Ramara Township Lagoon City



Schedule WW2
Enbridge Gas Community Expansion Project Proposal
Township of Ramara

Table 3.2 - Customer Attachments Over The Rate Stability Period

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

Project Year	1	2	3	4	5	6	7	8	9	10	Total
	508	381	255	127	127	51	51	50	50	50	1,650
	-	23	9	5	4	3	3	2	-	-	49
	-	1	1	1	-	-	-	-	-	-	3
	-	1	-	-	-	-	-	-	-	-	1
	-	3	2	1	1	-	-	-	-	-	7
	<u>508</u>	<u>409</u>	<u>267</u>	<u>134</u>	<u>132</u>	<u>54</u>	<u>54</u>	<u>52</u>	<u>50</u>	<u>50</u>	<u>1,710</u>
	508	917	1,184	1,318	1,450	1,504	1,558	1,610	1,660	1,710	

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

Customer Type	Annual Volumes - m3										Total
Project Year	1	2	3	4	5	6	7	8	9	10	
Residential	457,301	1,257,707	1,830,302	2,173,986	2,402,375	2,562,386	2,654,020	2,745,077	2,835,556	2,926,035	21,844,742
Commercial	-	49,600	125,000	165,500	189,900	208,200	225,400	237,600	241,200	241,200	1,683,600
Institutional	-	25,000	75,000	125,000	150,000	150,000	150,000	150,000	150,000	150,000	1,125,000
Agricultural	-	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	85,000
Industrial	-	150,000	400,000	550,000	650,000	700,000	700,000	700,000	700,000	700,000	5,250,000
Total Volumes	<u>457,301</u>	<u>1,487,307</u>	<u>2,440,302</u>	<u>3,024,486</u>	<u>3,402,275</u>	<u>3,630,586</u>	<u>3,739,420</u>	<u>3,842,677</u>	<u>3,936,756</u>	<u>4,027,235</u>	<u>29,988,342</u>

Customer Type	Cumulative Volumes - m3										
Project Year	1	2	3	4	5	6	7	8	9	10	
Residential	457,301	1,715,008	3,545,310	5,719,295	8,121,670	10,684,056	13,338,076	16,083,152	18,918,708	21,844,742	
Commercial	-	49,600	174,600	340,100	530,000	738,200	963,600	1,201,200	1,442,400	1,683,600	
Institutional	-	25,000	100,000	225,000	375,000	525,000	675,000	825,000	975,000	1,125,000	
Agricultural	-	5,000	15,000	25,000	35,000	45,000	55,000	65,000	75,000	85,000	
Industrial	-	150,000	550,000	1,100,000	1,750,000	2,450,000	3,150,000	3,850,000	4,550,000	5,250,000	
Total Volumes	<u>457,301</u>	<u>1,944,608</u>	<u>4,384,910</u>	<u>7,409,395</u>	<u>10,811,670</u>	<u>14,442,256</u>	<u>18,181,676</u>	<u>22,024,352</u>	<u>25,961,108</u>	<u>29,988,342</u>	

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

Total Capital Costs	Year 10

Table 4.3 - Revenue Requirement Over The Rate Stability Period

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

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	<u>\$ 42,119,007</u>
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> <u>\$ 24,631</u>
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Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)

Section 36.2 Funding Amount Per Year 10 Volume (m3)	<u>Year 10</u> <u>\$ 10.46</u>
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Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	108,330	319,614	490,264	593,023	660,363	704,661	728,705	751,997	773,951	795,318	\$ 5,926,226
SES Revenue		105,179	342,081	561,269	695,632	782,523	835,035	860,067	883,816	905,454	926,264	6,897,319
Total Distribution Charge	\$	<u>213,509</u>	<u>661,694</u>	<u>1,051,533</u>	<u>1,288,655</u>	<u>1,442,886</u>	<u>1,539,696</u>	<u>1,588,771</u>	<u>1,635,813</u>	<u>1,679,405</u>	<u>1,721,582</u>	<u>\$ 12,823,545</u>

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

	<u>Net Present Value</u>
<u>Cash Inflow</u>	
Revenue:	
Distribution Revenue	
System Expansion Surcharge (SES) Revenue	
Total Revenue (A)	
Expenses:	
O&M Expense	
Municipal Tax	
Income Tax	
Total Expenses (B)	
Total Cash Inflow (C = A + B)	
<u>Cash Outflow</u>	
Gross Capital	
Proposed Section 36.2 Funding - See Note 1	
Change in Working Capital	
Total Cash Outflow (D)	
Profitability Index (PI) Inclusive of Section 36.2 Funding (C / D)	<u>1.00</u>

Notes:

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

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

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

Schedule WW3
Enbridge Gas Community Expansion Project Proposal
Township of Ramara

Section 3.4 Ramara Township

Total Forecasted Customers 1710 Penetration Rate 65%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	139	8%	\$ 5,000	\$ 2,787	\$ 1,460	\$ 1,328	\$ 184,995	6.6	-2.4	913	(339)
Electricity F/A	260	15%	\$ 5,000	\$ 1,998	\$ 1,460	\$ 538	\$ 139,829	0.5	3.6	138	932
Electricity Baseboard	177	10%	\$ 12,000	\$ 1,998	\$ 1,460	\$ 538	\$ 95,493	0.5	3.6	95	637
Propane	912	53%	\$ 600	\$ 1,611	\$ 1,460	\$ 152	\$ 138,526	5.1	-1.0	4,656	(895)
Wood	25	1%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	196	11%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	1710	100%	\$ 31,100	\$ 8,395	\$ 5,838	\$ 2,557	\$ 558,844	12.7	3.8	5,802	335

¹ Based on completed Market Research for this community. Fuel percentages may not add up to 100% due to rounding error.

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

Rate 01 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.663
Heating oil	L	2397	Heating oil	\$/L	1.163
Electricity	kWh	17778	Electricity	\$/kWh	0.112
Propane	L	3309	Propane	\$/L	0.487

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule WW4
Enbridge Gas Community Expansion Project Proposal
Township of Ramara

EB-2019-0255
Schedule WW4

Ramara Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule WW5
Enbridge Gas Community Expansion Project Proposal
Township of Ramara



2297 Highway 12,
PO Box 130
Brechtin, Ontario L0K 1B0
p. 705-484-5374
f. 705-484-0441

March 17, 2020

EB-2019-0255
Schedule WW5

Mr. Luke Skaarup
Enbridge Gas Inc.
36 Charles Street
NORTH BAY, ON P1B 8K7

Dear Mr. Skaarup;

Re: Expression of Support for Natural Gas Expansion to Township of Ramara

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

On March 9, 2020, Township of Ramara Council passed resolution CR.78.20 to formally express our interest to have Expansion of Natural Gas into Ramara included on Enbridge Gas' list of projects being proposed to the Ontario Energy Board (OEB) for consideration for financial support through the Natural Gas Expansion Program.

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

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

Sincerely,

Cathy Wainman
Deputy Clerk, Township of Ramara

CW/sg

Schedule WW6
Enbridge Gas Community Expansion Project Proposal
Township of Ramara

RP-2004-0218
EB-2004-0466

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Union Gas Limited

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

Corporation of the Township of Ramara

This certificate replaces the certificates of the former municipalities that are now within the Corporation of the Township of Ramara.

Dated at Toronto, January 31, 2005

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

Schedule XX
Enbridge Gas Community Expansion Project Proposal
Red Rock

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to expand distribution services within the Township of Red Rock residents along _____. The proposed facilities will provide access to natural gas to a forecasted 43 customers (41 residential, 1 commercial / institutional and 1 industrial).

The proposed tie-in point will be ____ of _____ (approximate GPS: _____, _____) connecting to an existing 6" steel pipeline.

The proposed distribution pipeline will consist of 8,061 m of 2" polyethylene pipe. The proposed distribution expansion will travel ____ along _____ to the end of ____ and include areas along the route.

There will be no reinforcement required to accommodate additional loads for the system. One distribution station will be required at approximate GPS: _____, _____.

The approximate length and size of the distribution pipeline required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	8,061

Please refer to Schedule XX1 for Project Map.

3.2

Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.

Please refer to Schedule XX2, Table 3.2.

3.3

Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community.

For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default.

Please refer to Schedule XX2, Table 3.3.

3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule XX3 Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule XX4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule XX5.
3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule XX6 for Enbridge's CPCN for the Township of Red Rock (FBC 267) which covers the entire area of the proposed project. (Note: The Improvement District of Red Rock was incorporated as the Township of Red Rock in 1980 in order to provide residents with the right to choose a town council.)

Part IV – Cost of Project															
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.														
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule XX2, Table 4.2.														
4.3	Provide the total annual forecast revenue requirement of the project over the ten-year rate stability period (using fully allocated OM&A costs) and rate base amount at the end of year ten. Complete the tables below: Revenue Requirement <table border="1"> <thead> <tr> <th>Description</th> <th>Year 1</th> <th>Year 2...</th> <th>Year 10</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Revenue Requirement</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Description</th> <th>Year 10</th> </tr> </thead> <tbody> <tr> <td>Closing Rate Base</td> <td></td> </tr> </tbody> </table> Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). Please refer to Schedule XX2, Table 4.3.	Description	Year 1	Year 2...	Year 10	Total	Revenue Requirement					Description	Year 10	Closing Rate Base	
Description	Year 1	Year 2...	Year 10	Total											
Revenue Requirement															
Description	Year 10														
Closing Rate Base															

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$3,340,784 Please refer to Schedule XX2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$77,693 Please refer to Schedule XX2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$17.46 Please refer to Schedule XX2, Table 5.3.

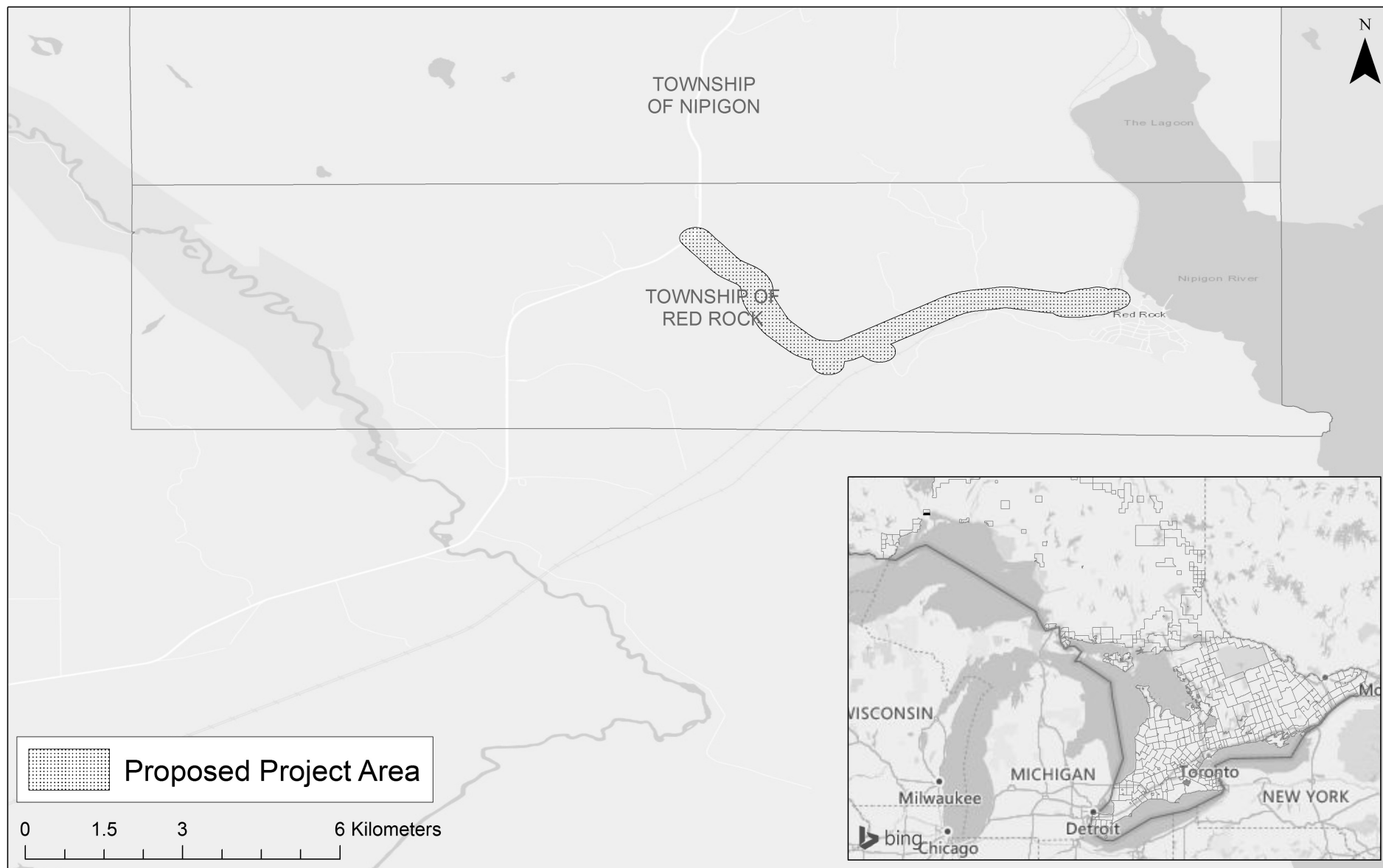
Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule XX2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule XX2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule XX2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB’s website and where applicable assume a written hearing process. Please refer to Schedule XX4.

Schedule XX1
Enbridge Gas Community Expansion Project Proposal
Red Rock

Red Rock



Schedule XX2
Enbridge Gas Community Expansion Project Proposal
Red Rock

Table 3.2 - Customer Attachments Over The Rate Stability Period

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

Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	Total
	13	10	7	3	3	1	1	1	1	1	41
	-	1	-	-	-	-	-	-	-	-	1
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	1	-	-	-	-	-	-	-	-	1
	<u>13</u>	<u>12</u>	<u>7</u>	<u>3</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>43</u>
	13	25	32	35	38	39	40	41	42	43	

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

Customer Type	Annual Volumes - m3										Total
Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential	14,300	39,600	58,300	69,300	75,900	80,300	82,500	84,700	86,900	89,100	680,900
Commercial	-	1,100	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	18,700
Institutional	-	-	-	-	-	-	-	-	-	-	-
Agricultural	-	-	-	-	-	-	-	-	-	-	-
Industrial	-	50,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	850,000
Total Volumes	<u>14,300</u>	<u>90,700</u>	<u>160,500</u>	<u>171,500</u>	<u>178,100</u>	<u>182,500</u>	<u>184,700</u>	<u>186,900</u>	<u>189,100</u>	<u>191,300</u>	<u>1,549,600</u>

Customer Type	Cumulative Volumes - m3										
Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential	14,300	53,900	112,200	181,500	257,400	337,700	420,200	504,900	591,800	680,900	
Commercial	-	1,100	3,300	5,500	7,700	9,900	12,100	14,300	16,500	18,700	
Institutional	-	-	-	-	-	-	-	-	-	-	
Agricultural	-	-	-	-	-	-	-	-	-	-	
Industrial	-	50,000	150,000	250,000	350,000	450,000	550,000	650,000	750,000	850,000	
Total Volumes	<u>14,300</u>	<u>105,000</u>	<u>265,500</u>	<u>437,000</u>	<u>615,100</u>	<u>797,600</u>	<u>982,300</u>	<u>1,169,200</u>	<u>1,358,300</u>	<u>1,549,600</u>	

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

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

Table 4.3 - Revenue Requirement Over The Rate Stability Period

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

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ 3,340,784
--	--------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	Year 10 \$ 77,693
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Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)

Section 36.2 Funding Amount Per Year 10 Volume (m3)	Year 10 \$ 17.46
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Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	3,012	12,390	20,379	22,695	24,085	25,012	25,475	25,938	26,402	26,865	\$ 212,252
SES Revenue		3,289	20,861	36,915	39,445	40,963	41,975	42,481	42,987	43,493	43,999	356,408
Total Distribution Charge	\$	<u>6,301</u>	<u>33,251</u>	<u>57,294</u>	<u>62,140</u>	<u>65,048</u>	<u>66,987</u>	<u>67,956</u>	<u>68,925</u>	<u>69,895</u>	<u>70,864</u>	<u>\$ 568,660</u>

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

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

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

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

Schedule XX3
Enbridge Gas Community Expansion Project Proposal
Red Rock

Section 3.4 Red Rock

Total Forecasted Customers 43 Penetration Rate 65%

	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Existing Fuel / Heating Type											
Oil	9	21%	\$ 5,000	\$ 2,787	\$ 1,495	\$ 1,292	\$ 11,668	6.6	-2.4	59	(22)
Electricity F/A	4	9%	\$ 5,000	\$ 1,998	\$ 1,495	\$ 503	\$ 1,946	0.5	3.6	2	14
Electricity Baseboard	5	12%	\$ 12,000	\$ 1,998	\$ 1,495	\$ 503	\$ 2,595	0.5	3.6	3	19
Propane	19	44%	\$ 600	\$ 1,611	\$ 1,495	\$ 116	\$ 2,200	5.1	-1.0	97	(19)
Wood	4	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	2	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	43	100%	\$ 31,100	\$ 8,395	\$ 5,981	\$ 2,414	\$ 18,408	12.7	3.8	161	(8)

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

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

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

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule XX4
Enbridge Gas Community Expansion Project Proposal
Red Rock

Red Rock Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule XX5
Enbridge Gas Community Expansion Project Proposal
Red Rock



Letter of Interest

May 11, 2020

Mrs. Wendy Landry
Waskanay Makwa (Lightning Bear)
Senior Advisor
Indigenous, Municipal and Stakeholder Relations
Enbridge Gas Inc

Dear Mrs. Landry,

The Mayor & Council would like to submit a letter of Interest to Enbridge that the Township of Red Rock would entertain the installation of natural gas for residents along [REDACTED].

Our community at present has natural gas throughout and we believe this funding approval would provide this opportunity going forward to residents along [REDACTED].

Thank you for your sincere consideration on this letter of Interest to Enbridge.

Respectfully,

A handwritten signature in black ink, appearing to read "Gary Nelson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mayor Gary Nelson
Township of Red Rock
P.O. Box 447,
Red Rock, ON. P0T 2P0

Schedule XX6
Enbridge Gas Community Expansion Project Proposal
Red Rock

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

AND IN THE MATTER OF an application by
Twin City Gas Company Limited for a
Certificate of Public Convenience and
Necessity to construct works and to
supply gas to the inhabitants of the
Improvement District of Red Rock.

B E F O R E:

A. R. CROZIER, Chairman	)	Thursday, the 17th day of
	)	
J. J. WINGFELDER, Commissioner	)	July, 1958.

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON THE APPLICATION OF Twin City Gas Company Limited (hereinafter referred to as the "Applicant") for a certificate pursuant to the provisions of The Municipal Franchises Act, R.S.O. 1950, Chapter 249, Section 8 and amendments thereto, and at a public hearing of such application by the Board at the City of Toronto on the 17th day of July, 1958, after due notice of such hearing had been given as directed by the Board in the presence of counsel for the applicant, no one else appearing, and upon consideration of the evidence and exhibits produced at the hearing and upon hearing what was alleged by counsel aforesaid:

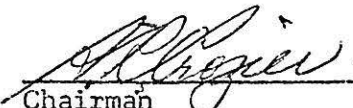
1. THIS BOARD DOTH ORDER that a Certificate of Public Convenience and Necessity be and the same is hereby granted to Twin City Gas Company Limited for the supply of natural gas to the inhabitants of the Improvement District of Red Rock and for the construction of the works necessary therefor.

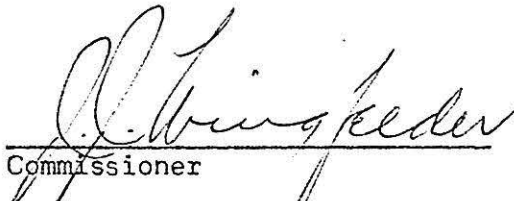
2. AND THIS BOARD DOTH FURTHER ORDER that the Certificate of Public Convenience and Necessity hereby granted may be assigned by Twin City Gas Company Limited to Montreal Trust Company, the trustee under the deed of trust and mortgage, dated as of June 1, 1958, to be made between Twin City Gas Company Limited and Montreal Trust Company, as trustee, and to such person, firm or corporation to whom Montreal Trust Company, as trustee, may assign such Certificate in execution of the trusts under the said deed of trust and mortgage, together with, in each case, all the rights and powers, statutory or otherwise, which flow from or are evidenced by such Certificate.

3. AND THIS BOARD DOETH FURTHER ORDER that the costs of this hearing are fixed at \$25.⁰⁰ and shall be paid forthwith by the Applicant to the Board.

DATED at Toronto this *14th* day of *August* 1958.

ONTARIO FUEL BOARD:


Chairman


Commissioner

Schedule YY
Enbridge Gas Community Expansion Project Proposal
Roblin and Marlbank

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to serve the communities of Roblin (within the Town of Greater Napanee) and Marlbank (within the Municipality of Tweed). The proposed facilities will provide access to natural gas to a forecasted 150 customers (127 residential, 20 commercial / institutional and 3 industrial).

The proposed tie-in point will be near the intersection of _____ and _____ in Napanee connecting to an existing 2" steel pipeline. The proposed distribution pipeline will consist of 3,900 m of 2" polyethylene pipe, 6,500 m of 2" steel pipe and 15,320 m of 4" steel pipe. The proposed distribution system will extend _____ along _____ through Roblin, and a small part of the Township of Stone Mills, and then _____ and _____ into Marlbank.

There will be no reinforcement required to accommodate additional loads for the system. Two new stations are required to supply these two communities.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	3,900

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Steel	2	6,500
Steel	4	15,320

Please refer to Schedule YY1 for Project Map.

3.2

Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.

Please refer to Schedule YY2, Table 3.2.

3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule YY2, Table 3.3.
3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule YY3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule YY4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule YY5.

3.7 Updated	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule YY6 for Enbridge's CPCNs for the Municipality of Tweed (EB-2016-0038), the Town of Greater Napanee (EB-2018-0116) and the Township of Stone Mills (EB-2007-0024) which cover the entire area of the proposed project.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule YY2, Table 4.2.

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

Please refer to Schedule YY2, Table 4.3.

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$15,018,839 Please refer to Schedule YY2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$100,126 Please refer to Schedule YY2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$23.08 Please refer to Schedule YY2, Table 5.3.

Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule YY2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

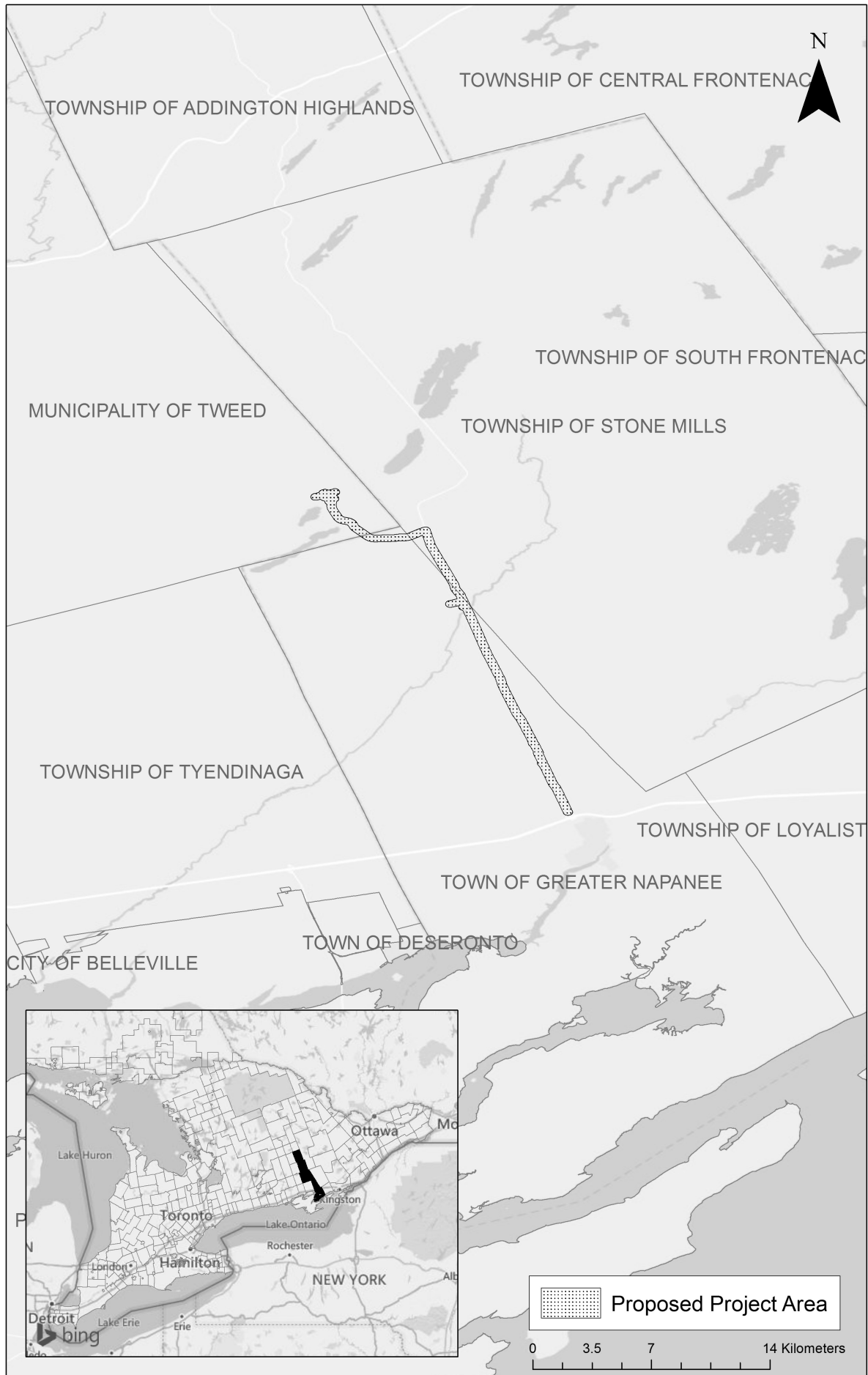
Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule YY2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule YY2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's website and where applicable assume a written hearing process. Please refer to Schedule YY4.

Schedule YY1
Enbridge Gas Community Expansion Project Proposal
Roblin and Marlbank

Roblin, Marlbank

EB-2019-0255
Schedule YY1
Redacted



Schedule YY2
Enbridge Gas Community Expansion Project Proposal
Roblin and Marlbank

Table 3.2 - Customer Attachments Over The Rate Stability Period

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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
	39	29	19	10	10	4	4	4	4	4	127
	-	11	4	2	2	-	-	-	-	-	19
	-	-	-	-	-	-	-	-	-	-	-
	-	1	-	-	-	-	-	-	-	-	1
	-	3	-	-	-	-	-	-	-	-	3
	<u>39</u>	<u>44</u>	<u>23</u>	<u>12</u>	<u>12</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>150</u>
	39	83	106	118	130	134	138	142	146	150	

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

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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Annual Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
	42,900	117,700	170,500	202,400	224,400	239,800	248,600	257,400	266,200	275,000	2,044,900
	-	22,700	51,200	59,200	63,600	65,800	65,800	65,800	65,800	65,800	525,700
	-	-	-	-	-	-	-	-	-	-	-
	-	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	85,000
	-	150,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	2,550,000
	<u>42,900</u>	<u>295,400</u>	<u>531,700</u>	<u>571,600</u>	<u>598,000</u>	<u>615,600</u>	<u>624,400</u>	<u>633,200</u>	<u>642,000</u>	<u>650,800</u>	<u>5,205,600</u>

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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Cumulative Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
	42,900	160,600	331,100	533,500	757,900	997,700	1,246,300	1,503,700	1,769,900	2,044,900	
	-	22,700	73,900	133,100	196,700	262,500	328,300	394,100	459,900	525,700	
	-	-	-	-	-	-	-	-	-	-	
	-	5,000	15,000	25,000	35,000	45,000	55,000	65,000	75,000	85,000	
	-	150,000	450,000	750,000	1,050,000	1,350,000	1,650,000	1,950,000	2,250,000	2,550,000	
	<u>42,900</u>	<u>338,300</u>	<u>870,000</u>	<u>1,441,600</u>	<u>2,039,600</u>	<u>2,655,200</u>	<u>3,279,600</u>	<u>3,912,800</u>	<u>4,554,800</u>	<u>5,205,600</u>	

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

Total Capital Costs

Year 10

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

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

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ <u>15,018,839</u>
--	----------------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	\$ <u>Year 10</u> <u>100,126</u>
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Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)

Section 36.2 Funding Amount Per Year 10 Volume (m3)	\$ <u>Year 10</u> <u>23.08</u>
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Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	9,035	40,280	67,942	76,174	81,734	85,440	87,293	89,147	91,000	92,853	\$ 720,897
SES Revenue		9,867	67,942	122,291	131,468	137,540	141,588	143,612	145,636	147,660	149,684	1,197,288
Total Distribution Charge	\$	<u>18,902</u>	<u>108,222</u>	<u>190,233</u>	<u>207,642</u>	<u>219,274</u>	<u>227,028</u>	<u>230,905</u>	<u>234,783</u>	<u>238,660</u>	<u>242,537</u>	<u>\$ 1,918,185</u>

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

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

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

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

Schedule YY3
Enbridge Gas Community Expansion Project Proposal
Roblin and Marlbank

Section 3.4 Roblin and Marlbank

Total Forecasted Customers 150 Penetration Rate 65%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	32	21%	\$ 5,000	\$ 2,787	\$ 1,495	\$ 1,292	\$ 40,701	6.6	-2.4	206	(77)
Electricity F/A	14	9%	\$ 5,000	\$ 1,998	\$ 1,495	\$ 503	\$ 6,789	0.5	3.6	7	48
Electricity Baseboard	18	12%	\$ 12,000	\$ 1,998	\$ 1,495	\$ 503	\$ 9,052	0.5	3.6	10	65
Propane	66	44%	\$ 600	\$ 1,611	\$ 1,495	\$ 116	\$ 7,673	5.1	-1.0	337	(65)
Wood	14	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	8	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	150	100%	\$ 31,100	\$ 8,395	\$ 5,981	\$ 2,414	\$ 64,214	12.7	3.8	560	(28)

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

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

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

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule YY4
Enbridge Gas Community Expansion Project Proposal
Roblin and Marlbank

Roblin and Marlbank Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule YY5
Enbridge Gas Community Expansion Project Proposal
Roblin and Marlbank

The Corporation of the
MUNICIPALITY OF TWEED

EB-2019-0255
Schedule YY5(a)

255 Metcalf St., Postal Bag 729
Tweed, ON K0K 3J0
Tel.: (613) 478-2535
Fax: (613) 478-6457



Email: info@twp.tweed.on.ca
Website: www.tweed.ca
facebook.com/tweedontario

March 13, 2020

Luke Skaarup
Director, Northern Region Operations
Enbridge Gas Inc.

Dear Mr. Skaarup,

Re: Expression of Support for Natural Gas Expansion

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

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

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

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

Sincerely,

Gloria Raybone
CAO/Treasurer

Municipality of Tweed Council Meeting



Resolution No. 257.
Title: Enbridge Gas Inc.
Date: Wednesday, June 10, 2020

Moved by

J.D.

Seconded by

J.P.

BE IT RESOLVED THAT the Expression of Support for Natural Gas Expansion dated March 13, 2020 also include the hamlets of Marlbank and Thomasburg for possible community expansion.

Carried

Defeated

Defeated

Mayor

J. Allert

Schedule YY6
Enbridge Gas Community Expansion Project Proposal
Roblin and Marlbank

EB-2016-0038

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Union Gas Limited

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

Municipality of Tweed

DATED at Toronto, March 31, 2016

ONTARIO ENERGY BOARD

Original Signed By

Pascale Duguay
Manager, Natural Gas Applications

EB-2018-0116

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Union Gas Limited

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

Town of Greater Napanee

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

DATED at Toronto, April 26, 2018

ONTARIO ENERGY BOARD

Pascale Duguay
Manager, Application Policy and Climate Change

EB-2007-0024

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Union Gas Limited

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

Township of Stone Mills

This certificate replaces the certificates of the former townships that are now within the Township of Stone Mills.

DATED at Toronto, April 10, 2007

ONTARIO ENERGY BOARD

Original signed by

Neil McKay
Manager, Facilities Applications

Schedule ZZ
Enbridge Gas Community Expansion Project Proposal
Shuniah

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to provide gas distribution service to the _____ area within the Municipality of Shuniah. The proposed facilities will provide access to natural gas to a forecasted 171 customers (168 residential and 3 commercial / institutional).

Due to challenging terrain of the scope, the proposed distribution system will be split into two with two tie-in points. The first tie-in will be at the intersection of _____ and _____. The second tie-in will be on _____ between _____ and _____. Both points will be connecting to existing TC Energy pipelines.

There is a proposed distribution station required for each tie-in (2 in total). The first tie-in will reach 40% of the scope and 60% of scope will be reached from the second tie-in. The proposed distribution pipeline system will consist of 4,976 m of 2" polyethylene pipe for first section and 6,700 m of 2" polyethylene pipe for the second section.

There will be no reinforcement required to accommodate additional loads for the system.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	4,976
Polyethylene	2	6,700

Please refer to Schedule ZZ1 for Project Map.

3.2

Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.

Please refer to Schedule ZZ2, Table 3.2.

3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule ZZ2, Table 3.3.
3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule ZZ3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule ZZ4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule ZZ5.

3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule ZZ6 for Enbridge's CPCN for the Municipality of Shuniah (FBC 343) which covers the entire area of the proposed project.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule ZZ2, Table 4.2.

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

Please refer to Schedule ZZ2, Table 4.3.

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$6,463,144 Please refer to Schedule ZZ2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$37,796 Please refer to Schedule ZZ2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$29.19 Please refer to Schedule ZZ2, Table 5.3.

Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule ZZ2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule ZZ2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule ZZ2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's website and where applicable assume a written hearing process. Please refer to Schedule ZZ4.

Schedule ZZ1
Enbridge Gas Community Expansion Project Proposal
Shuniah

Municipality of Shuniah



Schedule ZZ2
Enbridge Gas Community Expansion Project Proposal
Shuniah

Table 3.2 - Customer Attachments Over The Rate Stability Period

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

Project Year	1	2	3	4	5	6	7	8	9	10	Total
	48	38	26	13	13	6	6	6	6	6	168
	-	2	1	-	-	-	-	-	-	-	3
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	<u>48</u>	<u>40</u>	<u>27</u>	<u>13</u>	<u>13</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>171</u>
	48	88	115	128	141	147	153	159	165	171	

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

Customer Type
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

Project Year	1	2	3	4	Annual Volumes - m3		7	8	9	10	Total
	30,333	84,700	125,318	150,453	167,558	180,098	188,073	196,048	204,023	211,998	1,538,598
	-	3,600	8,300	9,400	9,400	9,400	9,400	9,400	9,400	9,400	77,700
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	<u>30,333</u>	<u>88,300</u>	<u>133,618</u>	<u>159,853</u>	<u>176,958</u>	<u>189,498</u>	<u>197,473</u>	<u>205,448</u>	<u>213,423</u>	<u>221,398</u>	<u>1,616,298</u>

Customer Type
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

Project Year	1	2	3	4	Cumulative Volumes - m3		7	8	9	10	
	30,333	115,033	240,350	390,803	558,360	738,458	926,530	1,122,578	1,326,600	1,538,598	
	-	3,600	11,900	21,300	30,700	40,100	49,500	58,900	68,300	77,700	
	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	
	<u>30,333</u>	<u>118,633</u>	<u>252,250</u>	<u>412,103</u>	<u>589,060</u>	<u>778,558</u>	<u>976,030</u>	<u>1,181,478</u>	<u>1,394,900</u>	<u>1,616,298</u>	

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

Total Capital Costs

[Year 10](#)

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

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

[Year 10](#)

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ 6,463,144
--	--------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	Year 10 \$ 37,796
---	--------------------------------------

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

Section 36.2 Funding Amount Per Year 10 Volume (m3)	Year 10 \$ 29.19
---	-------------------------------------

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	9,047	25,845	38,742	46,369	51,332	54,962	57,260	59,557	61,855	64,153	\$ 469,120
SES Revenue		<u>6,976</u>	<u>20,309</u>	<u>30,732</u>	<u>36,766</u>	<u>40,700</u>	<u>43,584</u>	<u>45,419</u>	<u>47,253</u>	<u>49,087</u>	<u>50,921</u>	<u>371,748</u>
Total Distribution Charge	\$	<u>16,023</u>	<u>46,154</u>	<u>69,474</u>	<u>83,135</u>	<u>92,032</u>	<u>98,546</u>	<u>102,678</u>	<u>106,810</u>	<u>110,942</u>	<u>115,074</u>	<u>\$ 840,869</u>

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

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

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

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

Schedule ZZ3
Enbridge Gas Community Expansion Project Proposal
Shuniah

Section 3.4 Shuniah (_____)

Total Forecasted Customers 171 Penetration Rate 65%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	36	21%	\$ 5,000	\$ 2,787	\$ 1,460	\$ 1,328	\$ 47,678	6.6	-2.4	235	(87)
Electricity F/A	15	9%	\$ 5,000	\$ 1,998	\$ 1,460	\$ 538	\$ 8,287	0.5	3.6	8	55
Electricity Baseboard	21	12%	\$ 12,000	\$ 1,998	\$ 1,460	\$ 538	\$ 11,050	0.5	3.6	11	74
Propane	75	44%	\$ 600	\$ 1,611	\$ 1,460	\$ 152	\$ 11,428	5.1	-1.0	384	(74)
Wood	15	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	9	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	171	100%	\$ 31,100	\$ 8,395	\$ 5,838	\$ 2,557	\$ 78,444	12.7	3.8	639	(32)

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

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

Rate 01 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.663
Heating oil	L	2397	Heating oil	\$/L	1.163
Electricity	kWh	17778	Electricity	\$/kWh	0.112
Propane	L	3309	Propane	\$/L	0.487

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule ZZ4
Enbridge Gas Community Expansion Project Proposal
Shuniah

Shuniah Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule ZZ5
Enbridge Gas Community Expansion Project Proposal
Shuniah

March 11, 2020

EB-2019-0255
Schedule ZZ5
Redacted

Luke Skaarup, Director, Northern Region
Enbridge Gas Inc.
1211 Amber Drive
Thunder Bay, ON P7B 6M6

Dear Mr. Skaarup

RE: Expression of Support for Natural Gas Expansion to [REDACTED]

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

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

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

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

Sincerely,



Paul Greenwood, CAO

Municipality of Shuniah
pgreenwood@shuniah.org
(807)683-4543

Schedule ZZ6
Enbridge Gas Community Expansion Project Proposal
Shuniah

*City of Thunder Bay.*ONTARIO FUEL BOARDEB-2019-0255
Schedule ZZ6

IN THE MATTER OF The Municipal Franchises Act, R.S.O. 1950, Chapter 249, Section 8 and amendments thereto;

AND IN THE MATTER OF an Application by Twin City Gas Company Limited for a Certificate of Public Convenience and Necessity to construct works to supply gas to the inhabitants of the Municipality of Shuniah.

B E F O R E:

A. R. CROZIER, Chairman	)	
J. J. WINGFELDER, Vice-Chairman	)	Thursday the 30th
E. A. ALLCUT, Commissioner	)	day of June, 1960.

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON THE APPLICATION OF Twin City Gas Company Limited, hereinafter referred to as the "Applicant", for a certificate pursuant to the provisions of The Municipal Franchises Act, R.S.O. 1950, Chapter 249, Section 8 and amendments thereto, and at a public hearing of such Application by the Board at the City of Toronto on the 30th day of June, 1960, after due notice of such hearing had been given as directed by the Board in the presence of counsel for the Applicant, no one else appearing, and upon consideration of the evidence and exhibits produced at the hearing and upon hearing what was alleged by counsel aforesaid:

1. THIS BOARD DOTH ORDER that a Certificate of Public Convenience and Necessity be and the same is hereby granted to Twin City Gas Company Limited for the supply of natural gas to the inhabitants of the Municipality of Shuniah, and for the construction of the works necessary therefor.

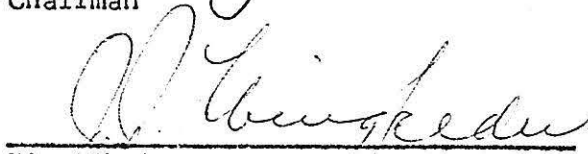
2. AND THIS BOARD DOTH FURTHER ORDER that the Certificate of Public Convenience and Necessity hereby granted may be assigned by Twin City Gas Company Limited to Montreal Trust Company, the trustee under the deed of trust and mortgage, dated as of June 1, 1958, to be made between Twin City Gas Company Limited and Montreal Trust Company, as Trustee, and to such person, firm or corporation to whom Montreal Trust Company, as trustee, may assign such Certificate in execution of the trusts under the said deed of trust and mortgage, together with, in each case, all rights and powers, statutory or otherwise, which flow from or are evidenced by such Certificate.

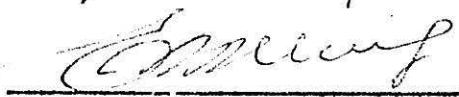
3. AND THIS BOARD DOETH FURTHER ORDER that the costs of this hearing are fixed at \$ 25.00 and shall be paid forthwith by the Applicant to the Board.

DATED at Toronto this 7th day of July, 1960.

ONTARIO FUEL BOARD


Chairman


Vice-Chairman


Commissioner

IN THE MATTER OF The Municipal Franchises Act, R.S.O. 1950, Chapter 249
Section 8 and amendments thereto;

AND IN THE MATTER OF an Application
by Twin City Gas Company Limited for
a Certificate of Public Convenience
and Necessity to construct works to
supply gas to the inhabitants of the
Municipality of Shuniah.

CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY

TWIN CITY GAS COMPANY LIMITED
135-137 North Syndicate Avenue,
Fort William, Ontario.

Schedule AAA
Enbridge Gas Community Expansion Project Proposal

_____ (Ottawa)

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to serve _____ located in the Municipality of Ottawa just _____ of the community of Metcalfe in the _____ end of Ottawa. The proposed facilities will provide access to natural gas to a forecasted 11 customers (10 residential and 1 industrial) along York's Corners Road.

The proposed project will tie-in to an existing NPS 6 steel XHP pipeline on _____ just _____ of _____. The proposed distribution system will head approximately 1,200 m _____ along _____ from the tie-in.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	4	1,249

Please refer to Schedule AAA1 for Project Map.

3.2

Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.

Please refer to Schedule AAA2 Table 3.2.

3.3

Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community.

For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default.

Please refer to Schedule AAA2, Table 3.3.

3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule AAA3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule AAA4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule AAA5.
3.7 Redacted	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule AAA6 for Enbridge's CPCN for the former Township of Osgoode (FBC 182) which is now part of the City of Ottawa within which _____ is located.

Part IV – Cost of Project															
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.														
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule AAA2, Table 4.2.														
4.3	Provide the total annual forecast revenue requirement of the project over the ten-year rate stability period (using fully allocated OM&A costs) and rate base amount at the end of year ten. Complete the tables below: Revenue Requirement <table border="1"> <thead> <tr> <th>Description</th> <th>Year 1</th> <th>Year 2...</th> <th>Year 10</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Revenue Requirement</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Description</th> <th>Year 10</th> </tr> </thead> <tbody> <tr> <td>Closing Rate Base</td> <td></td> </tr> </tbody> </table> Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). Please refer to Schedule AAA2, Table 4.3.	Description	Year 1	Year 2...	Year 10	Total	Revenue Requirement					Description	Year 10	Closing Rate Base	
Description	Year 1	Year 2...	Year 10	Total											
Revenue Requirement															
Description	Year 10														
Closing Rate Base															

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$376,205 Please refer to Schedule AAA2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$34,200 Please refer to Schedule AAA2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$2.54 Please refer to Schedule AAA2, Table 5.3.

Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule AAA2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule AAA2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule AAA2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB’s website and where applicable assume a written hearing process. Please refer to Schedule AAA4.

Schedule AAA1
Enbridge Gas Community Expansion Project Proposal

_____ (Ottawa)



Schedule AAA2
Enbridge Gas Community Expansion Project Proposal

_____ (Ottawa)

Table 3.2 - Customer Attachments Over The Rate Stability Period

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

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

Customer Type	Project Year	Annual Volumes - m3										Total
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential		4,800	13,200	19,200	22,800	24,000	24,000	24,000	24,000	24,000	24,000	204,000
Commercial		-	-	-	-	-	-	-	-	-	-	-
Institutional		-	-	-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-	-	-
Industrial		-	62,162	124,323	124,323	124,323	124,323	124,323	124,323	124,323	124,323	1,056,746
Total Volumes		<u>4,800</u>	<u>75,362</u>	<u>143,523</u>	<u>147,123</u>	<u>148,323</u>	<u>148,323</u>	<u>148,323</u>	<u>148,323</u>	<u>148,323</u>	<u>148,323</u>	<u>1,260,746</u>

Customer Type	Project Year	Cumulative Volumes - m3									
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
Residential		4,800	18,000	37,200	60,000	84,000	108,000	132,000	156,000	180,000	204,000
Commercial		-	-	-	-	-	-	-	-	-	-
Institutional		-	-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-	-
Industrial		-	62,162	186,485	310,808	435,131	559,454	683,777	808,100	932,423	1,056,746
Total Volumes		<u>4,800</u>	<u>80,162</u>	<u>223,685</u>	<u>370,808</u>	<u>519,131</u>	<u>667,454</u>	<u>815,777</u>	<u>964,100</u>	<u>1,112,423</u>	<u>1,260,746</u>

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

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

Table 4.3 - Revenue Requirement Over The Rate Stability Period

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

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$	376,205
--	----	---------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served		<u>Year 10</u>
	\$	<u>34,200</u>

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

Section 36.2 Funding Amount Per Volume (m3)		<u>Year 10</u>
	\$	<u>2.54</u>

Table 6.1 - Distribution Charge

	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Distribution Revenue	\$	841	5,229	9,196	9,827	10,037	10,037	10,037	10,037	10,037	10,037	\$ 85,313
SES Revenue		1,104	17,333	33,010	33,838	34,114	34,114	34,114	34,114	34,114	34,114	289,971
Total Distribution Charge	\$	<u>1,945</u>	<u>22,562</u>	<u>42,206</u>	<u>43,665</u>	<u>44,151</u>	<u>44,151</u>	<u>44,151</u>	<u>44,151</u>	<u>44,151</u>	<u>44,151</u>	<u>\$ 375,285</u>

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

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

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

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

Schedule AAA3
Enbridge Gas Community Expansion Project Proposal

_____ (Ottawa)

Section 3.4 _____ (Ottawa)

Total Forecasted Customers

11

Penetration Rate

65%

EB-2019-0255

Schedule AAA3

Redacted

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	2	21%	\$ 5,000	\$ 3,050	\$ 1,481	\$ 1,570	\$ 3,626	7.2	-2.7	17	(6)
Electricity F/A	1	9%	\$ 5,000	\$ 2,187	\$ 1,481	\$ 706	\$ 699	0.6	3.9	1	4
Electricity Baseboard	1	12%	\$ 12,000	\$ 2,187	\$ 1,481	\$ 706	\$ 933	0.6	3.9	1	5
Propane	5	44%	\$ 600	\$ 1,764	\$ 1,481	\$ 283	\$ 1,371	5.6	-1.1	27	(5)
Wood	1	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	1	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	11	100%	\$ 31,100	\$ 9,188	\$ 5,923	\$ 3,266	\$ 6,629	13.9	4.1	45	(2)

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

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

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

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule AAA4
Enbridge Gas Community Expansion Project Proposal

_____ (Ottawa)

[illegible]

Schedule AAA5
Enbridge Gas Community Expansion Project Proposal

_____ (Ottawa)



Jim Watson
Mayor / Maire

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City of Ottawa**
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Tél.: (613) 580-2496
Télééc.: (613) 580-2509
Courriel : Jim.Watson@ottawa.ca

EB-2019-0255
Schedule AAA5
Redacted

March 27, 2020

Mr. Ian Ross
Director - Eastern Region Operations
Enbridge Gas Inc.
400 Coventry Road
Ottawa, ON K1K 2C7

Dear Mr. Ross

Subject: Ottawa's Expression of Support for natural gas expansion in support of rural residents and businesses

Thank you for your letter dated February 11, which provided an update on the Government of Ontario's 2020 Natural Gas Expansion Program. The City is pleased that additional funding is available for new service expansion projects in areas that would not be feasible without this support. The City of Ottawa is interested in participating in the call for proposals, which will be submitted by Enbridge Gas. With your support, we would like to put forward the following rural projects for funding:

1. Dunrobin Shores (residential stream; Ward 5)
2. Carlsbad Springs, Sarsfield and surroundings (residential stream; Ward 19)
3. [REDACTED] (economic development stream; Ward 20)

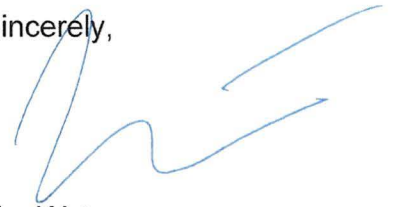
Based on the guidelines issued by the Ontario Energy Board (EB-2019-0255), we are aware that Enbridge Gas may be required to include support for the proposed projects from Council, as applicable, demonstrated through a written expression of support or a commitment to financial support in its project submissions. We look forward to engaging with you on next steps, as required, to secure this formal support from Ottawa's City Council.

[.../2]

We understand that natural gas is the most common and affordable heating fuel in Ontario. We fully support the efforts of Enbridge Gas, the OEB and the Ministry of Energy, Northern Development and Mines to bring this service to underserved rural communities. We look forward to working together to expand natural gas access in order to attract new opportunities, help create jobs and lower monthly costs for our residents living in Ottawa's rural communities.

I look forward to engaging further with you on this initiative to support greater access of natural gas for our residents and businesses in underserved communities.

Sincerely,



Jim Watson
Mayor
City of Ottawa

c.c.: Councillor Eli El-Chantiry, Ward 5
Councillor George Darouze, Ward 20
Steve Willis, GM, Planning, Infrastructure and Economic Development
Geraldine Wildman, Program Manager, Natural Systems & Rural Affairs
Sonia Fazari, Senior Advisor, Eastern Region, Enbridge Gas

Schedule AAA6
Enbridge Gas Community Expansion Project Proposal

_____ (Ottawa)

167 F.B.C. 182
IN THE MATTER OF The Municipal
Franchises Act, R. S. O. 1950 Chapter
249 and amendments thereto;

EB-2019-0255
Schedule AAA6

AND IN THE MATTER OF an application
by The Consumers' Gas Company for a
certificate of public convenience
and necessity to construct works
and to supply natural gas to the
Township of Osgoode in the County of
Carleton

B E F O R E :

A. H. Crozier, Chairman } Monday, the 16th day
W. H. Howard, Commissioner } of December, 1957.

**CERTIFICATE OF PUBLIC CONVENIENCE
AND NECESSITY**

UPON THE APPLICATION of The Consumers' Gas Company
(hereinafter referred to as the "Applicant") for a certificate
pursuant to the provisions of The Municipal Franchises Act,
R. S. O. 1950 Chapter 249 and amendments thereto and upon
the hearing of such application by the Board in the City of
Toronto on the 16th day of December, 1957, after due notice
of such hearing had been given as directed by the Board, in
the presence of Counsel for the Applicant, no one else
appearing, upon consideration of the evidence and exhibits
produced at the hearing and upon hearing what was alleged by
Counsel aforesaid,

1. THIS BOARD DOETH ORDER THAT a Certificate of Public
Convenience and Necessity be and the same is hereby granted to
The Consumers' Gas Company for the supply of natural gas to
the inhabitants of the Township of Osgoode and for the
construction of the works necessary therefor.
2. The Board fixes the costs of this Application at \$5.00
payable forthwith by the Applicant.

DATED at Toronto this 23rd day of January 1958.

ONTARIO FUEL BOARD

A. H. Crozier
.....
Chairman

W. H. Howard
.....
Commissioner

Schedule BBB
Enbridge Gas Community Expansion Project Proposal
Turkey Point

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to provide gas distribution service to the community of Turkey Point in the former township of Charlotteville in what is now Norfolk County. The proposed pipeline system will provide natural gas to a forecasted 478 customers (464 residential, 13 commercial / institutional and 1 industrial).

The proposed tie-in point will be near the intersection of _____ and _____ connecting to an existing 4" steel pipeline. From the tie-in point, the potential distribution system will extend _____ along _____ then _____ along _____ to cover the community _____ up to _____ and _____ and _____ to reach the end of _____. The proposed distribution pipeline will consist of 10,600 m of 2" polyethylene pipe, 3,450 m of 4" polyethylene pipe and 9,500 m of 4" steel pipe.

Due to additional loads onto the system, there will be 2 reinforcement segments required. Approximately 600 m of 6" steel pipe along _____ near the intersection of _____ and _____ as well as approximately 1,675 m of 6" steel pipe along _____ starting near the intersection of _____ and _____.

In addition, 2 new stations are required. A small station to feed a few customers in Forestville along the route to Turkey Point and a second station for Turkey Point to accommodate the loads.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	10,600

The approximate length and size of the reinforcement required:

Pipe Type	Diameter (NPS)	Length (m)
Steel	6	600
Steel	6	1,675

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	4	3,450
Steel	4	9,500

Please refer to Schedule BBB1 for Project Map.

3.2	Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible. Please refer to Schedule BBB2, Table 3.2.
3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule BBB2, Table 3.3.
3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule BBB3, Table 3.4.

3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule BBB4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule BBB5.
3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule BBB6 for Enbridge's CPCN for Norfolk County (EB-2017-0108-A1) which covers the entire area of the proposed project.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.

4.2

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

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

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

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

Please refer to Schedule BBB2, Table 4.2.

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

Please refer to Schedule BBB2, Table 4.3.

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$15,912,080 Please refer to Schedule BBB2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$33,289 Please refer to Schedule BBB2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$23.39 Please refer to Schedule BBB2, Table 5.3.

Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule BBB2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule BBB2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule BBB2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB’s website and where applicable assume a written hearing process. Please refer to Schedule BBB4.

Schedule BBB1
Enbridge Gas Community Expansion Project Proposal
Turkey Point

Turkey Point



Schedule BBB2
Enbridge Gas Community Expansion Project Proposal
Turkey Point

Table 3.2 - Customer Attachments Over The Rate Stability Period

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

Project Year	1	2	3	4	5	6	7	8	9	10	Total
	124	110	42	30	25	30	25	29	25	24	464
	-	8	3	1	1	-	-	-	-	-	13
	-	-	-	-	-	-	-	-	-	-	-
	-	1	-	-	-	-	-	-	-	-	1
	-	-	-	-	-	-	-	-	-	-	-
	124	119	45	31	26	30	25	29	25	24	478
	124	243	288	319	345	375	400	429	454	478	

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

Customer Type
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

Project Year	1	2	3	4	5	6	7	8	9	10	Total
	84,673	244,365	348,343	397,760	435,270	472,780	510,290	547,223	584,155	617,678	4,242,535
	-	19,400	43,500	49,300	51,500	52,600	52,600	52,600	52,600	52,600	426,700
	-	-	-	-	-	-	-	-	-	-	-
	-	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	85,000
	-	-	-	-	-	-	-	-	-	-	-
	84.673	268.765	401.843	457.060	496.770	535.380	572.890	609.823	646.755	680.278	4,754.235

Customer Type
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

Project Year	1	2	3	4	5	6	7	8	9	10
	84,673	329,038	677,380	1,075,140	1,510,410	1,983,190	2,493,480	3,040,703	3,624,858	4,242,535
	-	19,400	62,900	112,200	163,700	216,300	268,900	321,500	374,100	426,700
	-	-	-	-	-	-	-	-	-	-
	-	5,000	15,000	25,000	35,000	45,000	55,000	65,000	75,000	85,000
	-	-	-	-	-	-	-	-	-	-
	84.673	353.438	755.280	1,212.340	1,709.110	2,244.490	2,817.380	3,427.203	4,073.958	4,754.235

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

Total Capital Costs

Year 10

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

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

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

Year 10

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ 15,912,080
--	---------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> \$ 33,289
---	-----------------------------

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

Section 36.2 Funding Amount Per Year 10 Volume (m3)	<u>Year 10</u> \$ 23.39
---	----------------------------

Table 6.1 - Distribution Charge

	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Distribution Revenue	\$	18,706	55,874	81,209	92,770	101,393	109,852	118,148	126,296	134,444	141,838	\$ 980,529
SES Revenue		19,475	61,816	92,424	105,124	114,257	123,137	131,765	140,259	148,754	156,464	1,093,474
Total Distribution Charge	\$	<u>38,181</u>	<u>117,690</u>	<u>173,633</u>	<u>197,894</u>	<u>215,650</u>	<u>232,989</u>	<u>249,912</u>	<u>266,555</u>	<u>283,197</u>	<u>298,302</u>	<u>\$ 2,074,004</u>

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

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

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

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

Schedule BBB3
Enbridge Gas Community Expansion Project Proposal
Turkey Point

Section 3.4 Turkey Point

Total Forecasted Customers 478 Penetration Rate 59%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	0	0%	\$ 5,000	\$ 2,829	\$ 1,258	\$ 1,571	\$ -	6.7	-2.5	-	-
Electricity F/A	27	6%	\$ 5,000	\$ 2,028	\$ 1,258	\$ 770	\$ 21,043	0.5	3.6	15	98
Electricity Baseboard	100	21%	\$ 12,000	\$ 1,626	\$ 1,258	\$ 368	\$ 36,848	0.5	3.6	54	359
Propane	287	60%	\$ 600	\$ 1,626	\$ 1,258	\$ 368	\$ 105,519	5.2	-1.1	1,486	(304)
Wood	41	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	23	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	478	100%	\$ 31,100	\$ 8,109	\$ 5,031	\$ 3,077	\$ 163,410	12.9	3.6	1,555	153

1 Based on completed Market Research for this community. Fuel percentages may not add up to 100% due to rounding error.

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

Rate M1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.572
Heating oil	L	2433	Heating oil	\$/L	1.163
Electricity	kWh	18046	Electricity	\$/kWh	0.112
Propane	L	3359	Propane	\$/L	0.484

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule BBB4
Enbridge Gas Community Expansion Project Proposal
Turkey Point

Turkey Point Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule BBB5
Enbridge Gas Community Expansion Project Proposal
Turkey Point



Council Services Department
Office of the CAO
50 Colborne Street S. Simcoe Ontario N3Y 4H3
519-426-5870
Fax: 519-426-8573
norfolkcounty.ca

April 29, 2020

Brian Lennie
Senior Advisor, Municipal Affairs & Stakeholder Relations
Ontario South/West
Enbridge Gas Inc.
50 Keil Drive North,
Chatham, ON N7M 5M1

brian.lennie@enbridge.com

Re: Resolution of Council Support

Norfolk County Council at their meeting of April 28, 2020 passed Resolution No. 25 which reads as follows:

RES No. 25.

THAT the Council of Norfolk County formally support an application submitted by Enbridge Gas Inc. to the Government of Ontario, for a grant from the provincial Natural Gas Grant Program, to expand the natural gas system in Normandale and Turkey Point;

AND THAT Council supports making a financial contribution towards the proposed project in an amount equivalent to the incremental property tax that would be recovered on the new natural gas infrastructure for a period of 10 years;

AND FURTHER THAT Council directs the Clerk and the CAO to execute the relevant letters of support and other documentation to support this application.

Attached is a copy of staff report CAO 20-07 respecting Incremental Tax Waiver - Enbridge Program along with a certified true copy of the Council Minutes. Please advise if there is anything further Norfolk County can do to assist in your application.



Working together with our community

Council Meeting – April 28, 2020

Subject: Incremental Tax Waiver – Enbridge Program
Report Number: CAO 20-07
Division: Office of the Chief Administrative Officer
Department: Administration
Purpose: For Decision

Executive Summary:

In December 2019, the Government of Ontario announced its plans to further increase access to natural gas by making financial support available for new expansion projects. The Government's Natural Gas Expansion Program offers *"an opportunity to drive economic development and enhance the quality of life and prosperity of families and businesses across Ontario."* This report is to seek Council's approval to forego 10 years of incremental property taxes associated with the pipeline as part of its application to apply for the program. This program was approved by a previous Council.

Discussion:

Enbridge Gas Inc. ("Enbridge") has agreed to apply to the Province for financial support to provide a natural gas line to the communities of Normandale and Turkey Point. Generally, providing gas to these locations would not be economical, however, with Provincial and Municipal financial support, the gas line becomes viable. Norfolk County's support would be in the form of a reimbursement or waiver of property taxes for the first ten (10) years of assessment.

A similar application was previously submitted and the Council at the time had supported the application and the incremental tax waiver contribution (Res. No 6, June 13, 2017).

The provision of gas would be beneficial to the community members in Normandale and Turkey Point and could lead to some incremental development.

Financial Services Comments:

The only contribution required from Norfolk County is the incremental tax revenue on the pipeline. Since the County would not have had the opportunity to tax the pipeline without this program there is no real lost revenue. There will be tax revenue from the pipeline after the 10 year waiver period. Additionally, the gas line may allow for some incremental development in those areas which will generate incremental tax revenue to the County.

Interdepartmental Implications:

Public Works had raised concerns regarding the lack of road allowance and restoration considerations. Enbridge confirmed the following in an email from Mr. Brian Lennie Senior Advisor, Municipal Affairs & Stakeholder Relations to Jason Burgess on April 16, 2020; *"that prior to the start of construction Enbridge will re-confirm the plans with the appropriate staff from the County in order to meet our typical standards for these types of installations. There is no anticipated additional costs to the County at this point."*

Planning and Development had commented that incremental development would be limited, however positive. Additionally, they commented that the extension of this service would be beneficial to the residents.

Consultation(s):

Public Works, Planning and Development

Strategic Plan Linkage:

This report aligns with the 2019-2022 Council Strategic Priority "Build and Maintain Reliable, Quality Infrastructure".

Explanation:

The provision of natural gas is a more reliable source of energy for the businesses and residents of the areas.

Conclusion:

The County should renew its support for the Gas Line.

Recommendation(s):

THAT that the Council of Norfolk County formally support an application submitted by Enbridge Gas Inc. to the Government of Ontario, for a grant from the provincial Natural Gas Grant Program, to expand the natural gas system in Normandale and Turkey Point;

AND THAT Council supports making a financial contribution towards the proposed project in an amount equivalent to the incremental property tax that would be recovered on the new natural gas infrastructure for a period of 10 years;

AND FURTHER THAT Council directs the Clerk and the CAO to execute the relevant letters of support and other documentation to support this application.

Attachment(s): none

Prepared and Submitted By:
Jason Burgess
Chief Administrative Officer
For more information, call:
519-426-5870 ext.1225



Working together with our community

Council Minutes
The Corporation of Norfolk County

April 28, 2020
Immediately Following Board of Health at 3:00 p.m.
Council Chambers
2nd Floor County Administration Building
50 Colborne Street South, Simcoe

Present: Mayor Kristal Chopp, Tom Masschaele, Roger Geysens, Michael Columbus, Chris Van Paassen, Ian Rabbitts, Ryan Taylor, Amy Martin, Kim Huffman

Absent with Regrets:

Also Present: Jason Burgess, Shelley Darlington, Jason Godby Kathy Laplante, Paula Boutis, Marlene Miranda, Sue Boughner, Shelley Darlington, Andy Grozelle

Ceremonial Activities (Item 1)

Approval of Agenda/Changes to the Agenda (Item 2)

1. (Rabbitts/Martin)

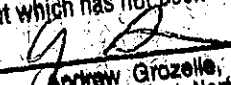
THAT the agenda be with the following amendments:

- i) Deferral of By—Law 4-OP-2014
- ii) Addition of a Motion to appoint staff as Municipal Law Enforcement Officers

Carried.

Disclosure of Pecuniary Interest (Item 3)

None were declared.

CERTIFIED TRUE COPY
"This photocopy conforms to the original document which has not been altered in any way".

Andrew Grozelle, Clerk
The Corporation of Norfolk County
Dated: April 30, 2020

Consent Items (Item 4)**A) Staff Report DCS 20-29**

Re: PLPL2020052 - An application has been received requesting exemption from part lot control to construct a 14 unit Townhouse development on three blocks of land located on Windham Street in the Urban Area of Simcoe. It is proposed that these dwellings be sold as freehold lots. Mr. M. Quattrociocchi of Mayberry Homes and agent JH Cohoon Engineering Ltd. have put forth the application affecting the lands described as Part of Blocks 1, 2 and 3 Registered Plan 37M-71.

2. (Taylor/Masschaele)

THAT the application by Mike Quattrociocchi of Mayberry Homes, 32 Dunsdon Street, Brantford Ontario N3R 3 J3 affecting lands described as Part of Blocks 1, 2 and 3 Registered Plan 37M-71 in the Urban Area of Simcoe, Norfolk County to exempt the lands from part lot control, File Number PLPL2020052, BE APPROVED, for reasons set out in Report Number DCS 20-29.

Carried.

Communications (Item 5)**A) Dennis Travale**

Re: Resignation from the Committee of Adjustment

3. (Rabbitts/Martin)

THAT the communication from Dennis Travale regarding his resignation from the Committee of Adjustment be received as information and that the Committees membership be referred to Staff for review and report back to Council.

Carried.

B) Grand River Conservation Authority

Re: Municipal Levy & Budget 2020

4. (Martin/Masschaele)

THAT the communication from Grand River Conservation Authority regarding the Municipal Levy & Budget 2020 be received as information.

Carried.

- C) Cam Carter, Chair, Downtown Simcoe BIA
Re: Request for a meeting re: Secondary Plan

5. (Taylor/Rabbitts)

THAT the communication from Cam Carter, Chair of the Downtown Simcoe BIA Board of Management regarding the request for a meeting regarding Secondary Plan be received as information and referred to staff for a response.

Carried.

- D) Kendell Zajac, President, Langton and Area Minor Hockey Association
Re: Future of Our Local Arenas

6. (Masschaele/Rabbitts)

THAT the communication from Kendell Zajac, President, Langton and Area Minor Hockey Association regarding the Future of Our Local Arenas be received as information and referred to staff for response.

Carried.

- E) Steve Clark, Minister of Municipal Affairs and Housing
Re: ROMA Follow-Up

7. (Martin/Taylor)

THAT the communication from Steve Clark, Minister of Municipal Affairs and Housing regarding ROMA Follow-Up be received as information.

Carried.

- F) Steve Clark, Minister of Municipal Affairs and Housing
Re: Protecting Tenants and Strengthening Community Housing Act

8. (Masschaele/Taylor)

THAT the communication from Steve Clark, Minister of Municipal Affairs and Housing regarding Protecting Tenants and Strengthening Community Housing Act be received as information.

Carried.

G) Jeff Yurek, Minister of the Environment, Conservation and Parks

Re: Provincial Day of Action on Litter

Staff Recommendation (Be received for information)

9. (Taylor/Martin)

THAT the communication from Jeff Yurek, Minister of the Environment, Conservation and Parks regarding Provincial Day of Action on Litter be received as information.

Carried.

H) Laura Pettigrew, General Counsel

Re: Ombudsman Investigation

10. (Taylor/Columbus)

THAT the communication from Laura Pettigrew, General Counsel regarding the Ombudsman Investigation be received as information.

Carried.

I) John Mascarin, Integrity Commissioner

Re: 2019 Annual Report of the Integrity Commissioner

11. (Martin/Taylor)

THAT the communication from John Mascarin, Integrity Commissioner regarding 2019 Annual Report of the Integrity Commissioner be received as information.

Carried.

J) Town of Bracebridge

Re: Item for Discussion – Motion of Support for Ban of Single-Use Disposable Wipes

12. (Masschaele/Huffman)

THAT the motion from the Town of Bracebridge regarding Support for Ban of Single-Use Disposable Wipes be endorsed.

AND THAT this resolution be forwarded to the Right Honourable Prime Minister of Canada; the Honourable Premier of Ontario; the Minister of the Environment, Conservation and Parks; the Minister of Municipal Affairs and Housing; the Association of Municipalities of Ontario (AMO); the Local Members of Provincial Parliament.

Carried.

- K) Municipality of West Nipissing
Re: Provincially Significant Wetlands Designation
Staff Recommendation (For Council consideration of endorsement)

13. (Taylor/Huffman)

THAT Norfolk County Council endorse the motion from the Village of Merrickville-Wolford requesting that the Ministry of Natural Resources and Forestry to respectfully provide supporting evidence with respect to the expansion of wetlands designations within their boundaries;

AND that Norfolk County Council calls upon the Ministry of Natural Resources and Forestry to respectfully review its practices and procedures to include a requirement to provide supporting evidence, to impacted municipalities, when designating Provincially Significant Wetlands within their boundaries;

AND that a copy of this resolution be forwarded to the Premier of Ontario, the Minister of Natural Resources and Forestry, the Minister of Municipal Affairs and Housing, the Association of Municipalities of Ontario (AMO), the Rural Ontario Municipal Association (ROMA).

Carried.

Approval of Minutes (Item 6)

- A) Regular Council - February 18, 2020
B) Special Council - April 7, 2020

The open and closed minutes of the regular Council Minutes of February 18, 2020 and the Special Council Minutes of April 7, 2020, having been circulated and no errors or omissions noted, were declared as adopted, signed by the Mayor and Clerk and affixed with the Corporate Seal.

Reports of Committees (Item 7)

- A) Recreational Facilities Advisory Board - March 9, 2020

14. (Taylor/Martin)

THAT Staff be directed to bring a future report back upon the Recreation Facilities Advisory Board.

Carried.

B) Energy Conservation Committee Minutes - March 06, 2020

15. (Taylor /Masschaele)

THAT the Energy Conservation Committee Minutes of March 06, 2020 be received as information.

Carried.

C) Climate Change Adaptation Committee Minutes - February 21, 2020

16. (Masschaele/Martin)

THAT the Climate Change Adaptation Committee Minutes of February 21, 2020 be received as information.

Carried.

D) Delhi BIA Minutes - February 13, 2020

17. (Martin/Masschaele)

THAT the Delhi BIA Minutes of February 13, 2020 be received as information.

Carried.

E) Norfolk County Public Library Board Minutes - January 22, 2020

18. (/Masschaele/Taylor)

THAT the Norfolk County Public Library Board Minutes of January 22, 2020 be received as information.

Carried.

F) Norfolk County Accessibility Advisory Committee Minutes - January 21, 2020

19. (Columbus/Taylor)

THAT the Norfolk County Accessibility Advisory Committee Minutes of January 21, 2020 be received as information.

Carried.

G) Downtown Simcoe BIA Minutes - January 15, 2019

20. (Taylor/Rabbitts)

THAT the Downtown Simcoe BIA Minutes of January 15, 2019 be received as information.

Carried.

Staff Reports/Discussion Items (Item 8)

A) Staff Report ECS 20-09

Re: Summary of Bid Awards for the period February 25, 2020 to April 21, 2020

21. (Rabbitts/Masschaele)

THAT Staff Report Corporate Services 20-01, Summary of Bid Awards for the period February 25, 2020 to April 21, 2020, be received as information;

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with the firm of Robert M Simon Construction Ltd. for Request for Tender PWE-20-54 Cedar Street Well Field Culvert Replacement in the amount of \$199,984.71 (excluding HST);

AND THAT the Approved 2020 Capital Plan be amended to increase the Cedar Street Well Field Culvert Replacement project from \$150,000 to \$237,000 with funding to be provided from Water Capital Replacement Reserve Fund;

AND THAT the Approved Capital Plan be amended to reduce the Repair/Replacement of the Sanitary Siphon Simcoe project from \$2,760,000 to \$2,560,000 and defer the Watermain Extension component in the amount of \$200,000;

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Guild Electric Ltd. for Request for Tender PW-R-20-45 Roadway Pavement Markings 2020-2022 for a three-year term in the amount of \$972,405.70 (excluding HST);

AND THAT the 2020 operating budget for Roadway Pavement Markings program be amended to increase from \$259,000 to \$339,000 with funding to be provided through reductions in various road maintenance services;

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Weathertech Restoration Services Incorporated for Request for Tender PW-E-20-52 Big Creek Bridge Rehabilitation on Forestry Farm Road in the amount of \$1,105,951.55 (excluding HST);

AND THAT the funding for the Big Creek Bridge (Forestry Farm Road) be provided from the issuance of debentures up to \$1,383,000 with a term not to exceed 25 years;

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with the firm of Dufferin Construction Company for Request for Tender PW-E20-30 Cold In-Place Recycling and Hot Mix Resurfacing, in the amount of \$6,117,424.15 (excluding HST);

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Cassidy Construction London, Ltd for Request for Tender PW-D-20-01 Deroo-Vanhove Drain in the amount of \$118,897.55 (excluding HST);

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Neil Montague Construction Limited for Request for Tender PW-E-20-51 Fertilizer Road Culvert Replacement and Delhi Transmission Watermain, in the amount of \$2,240,716.00 (excluding HST);

AND THAT the Approved 2020 Capital Plan be amended to increase the Structure 002510 – North Fertilizer Road Replacement project from \$576,000 to \$582,000;

AND THAT the funding for the Structure 002510 – North Fertilizer Road Replacement project be provided from the issuance of debentures up to \$582,000 with a term not to exceed 20 years;

AND THAT the funding for the Delhi Well Trunk Installation project be provided from the issuance of debentures up to \$944,000 with a term not to exceed 20 years;

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Bill's Septic Limited for Request for Tender PW-R-20-33B Catch Basin Cleaning 2020-2022 in the amount of \$396,726.00 (excluding HST);

AND THAT THE 2020 operating budget be amended to increase the 2020 Catch Basin Cleaning program from \$60,500 to \$134,600 with funding to be provided through reductions in various road maintenance services.;

AND THAT the Interim General Manager, Public Works be authorized to execute contracts with Coco Paving Inc and Dufferin Construction Company for Request for Tender PW-R-20-05 Supply of Hot Mix Asphalt for 2020 & 2021 in the amount of \$1,241,000 (excluding HST);

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Gedco Excavating Ltd. for Request for Tender PW-E-20-34 Urban Asphalt Resurfacing, Hot Mix Paving In the amount of \$340,625.39 (excluding HST);

AND FURTHER THAT the necessary By-Laws be prepared.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

B) Staff Report FS 20-14

Re: Capital Status Report as at December 31, 2019

22. (Taylor/Martin)

THAT Report FS 20-14 December 31, 2019 Capital Status Report be received;

AND THAT the recommendations, as set out in the schedule included with Report FS 20-14, be approved.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

C) Staff Report FS 20-16
Re: 2020 Tax Policies

23. (Rabbitts/Masschaele)

THAT Report FS 20-16 entitled 2020 Tax Policies be received,

AND THAT the 2020 Tax Ratios be set at:

Multi-Residential 1.6929
Commercial 1.6929
Industrial 1.6929
Pipeline 1.4894
Farmland 0.2300
Managed Forest 0.2500

AND FURTHER THAT Norfolk County continue to apply a municipal tax rate reduction of 33% to commercial and industrial properties in vacant or excess prescribed tax classes for the 2020 tax year;

AND FURTHER THAT Staff be directed to communicate to affected property owners Norfolk County's intentions to phase out this reduction for 2021, 2022 and 2023.

AND FURTHER THAT the 2020 Final Tax Levy be due and payable in two installments, on September 30, 2020 and November 30, 2020;

AND FURTHER THAT the 2020 tax rates resulting from the above tax policy decisions form a schedule to the 2020 Tax Policy By-Law;

AND FURTHER THAT Norfolk County adopts the optional subclasses for small scale on-farm business for commercial and industrial subclasses;

AND FURTHER THAT the municipal tax rate reduction be set at 75% for the prescribed tax sub-classes for small scale on-farm business in 2020;

AND FURTHER THAT a 2020 Tax Policy By-Law be passed to give effect to the above;

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

D) Staff Report FS 20-18

Re: Water and Wastewater Financial Sustainability Rate Study

24. (Taylor/Masschaele)

THAT Report FS 20-18, "Water and Wastewater Financial Sustainability Rate Study", be received as information;

AND THAT staff be directed to initiate the 2020 Water and Wastewater Financial Sustainability Rate Study;

AND FURTHER THAT Council permit a single source supply as outlined in Norfolk County Purchasing Policy ECS-02, section 4.8.4 permitting staff to engage Watson & Associates Economists Ltd., to complete the 2020 Water and Wastewater Financial Sustainability Rate Study.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

E) Staff Report CAO 20-07

Re: Incremental Tax Waiver - Enbridge Program

25. (Van Paassen/Taylor)

THAT the Council of Norfolk County formally support an application submitted by Enbridge Gas Inc. to the Government of Ontario, for a grant from the provincial Natural Gas Grant Program, to expand the natural gas system in Normandale and Turkey Point;

AND THAT Council supports making a financial contribution towards the proposed project in an amount equivalent to the incremental property tax that would be recovered on the new natural gas infrastructure for a period of 10 years;

AND FURTHER THAT Council directs the Clerk and the CAO to execute the relevant letters of support and other documentation to support this application.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

F) Staff Report CAO 20-10
Re: Coronavirus Recovery Plan

26. (Martin/Masschaele)

THAT Council adopt the attached recovery plan as our initial framework in moving the County forward during this Pandemic;

AND FURTHER THAT Council directs the CAO to report back as to the progress of the plan, recommended actions or changes to the plan.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

G) Staff Report CAO 20-11
Re: Public Works and Procurement Matters

27. (Van Paassen/Martin)

THAT Report CAO 20-11, Public Works and Procurement Matters be received as information;

AND THAT Council exempt staff from Norfolk County Policy ECS-02 to permit a modified procurement process to select an engineering firm or firms to undertake a peer review on the Port Dover Waste Water Treatment Plant (WWTP) and Simcoe Waste Water Treatment Plant (WWTP) projects;

AND THAT Council direct staff to report back to Council on the findings of the peer review;

AND FURTHER THAT Council direct staff to review adherence to the existing policies and processes and look to make procedural or policy changes based on its findings.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

H) Staff Report PW 20-28

Re: Utility Easement for Enbridge Gas - Port Rowan

28. (Taylor/Martin)

THAT Staff Report PW 20-28, Utility Easement for Enbridge Gas – Port Rowan, be received as information;

AND THAT The Mayor and Clerk/Manager of Council Services be authorized to sign a Utility Easement Agreement with Enbridge Gas on the lands described above.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

- I) Staff Report PW 20-31
Re: Waste Management Programs Update

29. (Martin/Taylor)

THAT Staff Report PW 20-31 Waste Management Programs Update be received as information.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

By-Laws (Item 9)

A) By-Law 4-OP-2020 (DEFERRED)

Being a By-Law to Adopt Amendment Number 131 to the Norfolk County Official Plan in respect of lands described as Lot 18, Concession 11, Geographic Township of Windham, Norfolk County, in the Name of Abel and Emily Kupi.

B) By-Law 2020-30

Being a By-Law to Designate Lands Within Part of Blocks 1, 2 and 3 of Registered Plan 37M-71 in the Urban Area of Simcoe, Norfolk County in the Name of Mayberry Homes, Exempt From Part Lot Control.

C) By-Law 2020-31

Being a By-Law to Authorize the Execution of an Encroachment Agreement for the property at 80 Alice Street, Waterford to Permit Recognize an Encroachment of a Barrier Free Ramp on 80 Alice Street, Waterford. (Part Lot 3, Block 24, Plan 19B; and Part 1 on Reference Plan 37R-8547; Norfolk County, PIN 50278-0273LT)

D) By-Law 2020-32

Being a By-Law to provide for Abandonment of a section of the Big Marsh Drain

Water Control Structures, situated in the former Geographic Township of Middleton, now Norfolk County.

30. (Martin/Masschaele)

THAT By-Law 2020-30, By-Law 2020-31, and By-Law 2020-32 be approved, signed by the Mayor and Clerk and affixed with the Corporate Seal.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

Motions (Item 10)

- A) Motion to Reconsider - Councillor Martin
Re: Donjon Sidewalks

Motion Withdrawn.

- B) Appointment of Municipal Law Enforcement Officer

31. (Martin/Taylor)

THAT Jason Burgess be appointed as a Municipal Law Enforcement Officer for Norfolk County effective immediately.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

Closed Session (Item 13)

- A) Staff Report FS 20-17
Re: Changes to Service Delivery at Transfer Stations

Council Members indicated that a Closed Session was not required to address the matter.

32. (Martin/Rabbitts)

THAT Report FS 20-17 Changes to Service Delivery at Transfer Stations be received;

AND THAT cash no longer be accepted at Norfolk County's transfer stations effective immediately;

AND FURTHER THAT this change be include in corporate communications to the residents of Norfolk County.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

Confirming By-Law (Item 14)

A) By-Law 2020-33

Being a By-Law to Confirm the Proceedings of the Council of Norfolk County at this Council Meeting Held on the 28th Day of April, 2020.

33. (Masschaele/Rabbitts)

THAT By-Law 2020-33 Being a By-Law to Confirm the Proceedings of the Council of Norfolk County at this Council Meeting Held on the 28th Day of April, 2020, be approved, signed by the Mayor and Clerk and affixed with the Corporate Seal.

Carried.

Adjournment (Item 15)

34. (Masschaele/Taylor)

THAT Council be adjourned at 7:38pm.

Carried.

County Clerk

Mayor

Schedule BBB6
Enbridge Gas Community Expansion Project Proposal
Turkey Point

Schedule A1
EB-2017-0108-A1

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Enbridge Gas Inc.

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

Norfolk County

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

All of the former Townships of Windham and Charlotteville

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

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

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

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

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

Former Township of Houghton:

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

DATED at Toronto, October 17, 2019

ONTARIO ENERGY BOARD

Pascale Duguay
Manager, Natural Gas

Schedule CCC
Enbridge Gas Community Expansion Project Proposal
Turkey Point and Normandale

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to serve the communities of Turkey Point and Normandale in the former township of Charlotteville in what is now Norfolk County. The proposed pipeline system will provide natural gas to a forecasted 537 customers (520 residential and 17 commercial / institutional).

The proposed tie-in point will be near the intersection of _____ and _____ connecting to an existing 4" steel pipeline. From the tie-in point, the proposed distribution system will extend _____ along _____ then branch _____ along _____ to cover the Turkey Point, _____ up to _____ and _____ and _____ to reach end of _____. In addition, the system will branch along _____ to _____ to reach Normandale.

The proposed distribution pipeline will consist of 17,240 m of 2" polyethylene pipe, 3,130 m of 4" polyethylene pipe, 1,025 m of 6" polyethylene pipe, 6,075 m of 4" steel pipe and 3,450 m of 6" steel pipe.

Due to additional loads onto the system, there will be 2 reinforcement segments required. Approximately 600 m of 6" steel pipe along _____ near the intersection of _____ and _____ as well as 2,125 m of 6" steel pipe along _____ starting near the intersection of _____ and _____.

In addition, 2 new stations are required. A small station to feed a few customers in Forestville along the route to Turkey Point and a second station for Turkey Point and Normandale to accommodate the loads.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	17,240

The approximate length and size of the reinforcement required:

Pipe Type	Diameter (NPS)	Length (m)
Steel	6	600
Steel	6	2,125

	The approximate length and size of the supply laterals required: <table><tr><td>Pipe Type</td><td>Diameter (NPS)</td><td>Length (m)</td></tr><tr><td>Polyethylene</td><td>4</td><td>3,130</td></tr><tr><td>Polyethylene</td><td>6</td><td>1,025</td></tr><tr><td>Steel</td><td>4</td><td>6,075</td></tr><tr><td>Steel</td><td>6</td><td>3,450</td></tr></table> Please refer to Schedule CCC1 for Project Map.	Pipe Type	Diameter (NPS)	Length (m)	Polyethylene	4	3,130	Polyethylene	6	1,025	Steel	4	6,075	Steel	6	3,450
Pipe Type	Diameter (NPS)	Length (m)														
Polyethylene	4	3,130														
Polyethylene	6	1,025														
Steel	4	6,075														
Steel	6	3,450														
3.2	Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible. Please refer to Schedule CCC2, Table 3.2.															
3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule CCC2, Table 3.3.															

3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule CCC3 Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule CCC4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule CCC5.
3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule CCC6 for Enbridge's CPCN for Norfolk County (EB-2017-0108-A1) which covers the entire area of the proposed project.

Part IV – Cost of Project															
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.														
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule CCC2, Table 4.2.														
4.3	Provide the total annual forecast revenue requirement of the project over the ten-year rate stability period (using fully allocated OM&A costs) and rate base amount at the end of year ten. Complete the tables below: Revenue Requirement <table border="1"> <thead> <tr> <th>Description</th> <th>Year 1</th> <th>Year 2...</th> <th>Year 10</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Revenue Requirement</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Description</th> <th>Year 10</th> </tr> </thead> <tbody> <tr> <td>Closing Rate Base</td> <td></td> </tr> </tbody> </table> Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). Please refer to Schedule CCC2, Table 4.3.	Description	Year 1	Year 2...	Year 10	Total	Revenue Requirement					Description	Year 10	Closing Rate Base	
Description	Year 1	Year 2...	Year 10	Total											
Revenue Requirement															
Description	Year 10														
Closing Rate Base															

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$19,543,541 Please refer to Schedule CCC2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$36,394 Please refer to Schedule CCC2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$24.32 Please refer to Schedule CCC2, Table 5.3.

Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule CCC2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule CCC2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule CCC2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB’s website and where applicable assume a written hearing process. Please refer to Schedule CCC4.

Schedule CCC1
Enbridge Gas Community Expansion Project Proposal
Turkey Point and Normandale

Turkey Point & Normandale



Schedule CCC2
Enbridge Gas Community Expansion Project Proposal
Turkey Point and Normandale

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	<u>\$ 19,543,541</u>
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> <u>\$ 36,394</u>
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Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)

Section 36.2 Funding Amount Per Year 10 Volume (m3)	<u>Year 10</u> <u>\$ 24.32</u>
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Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	21,195	63,298	92,392	105,886	115,294	124,391	133,635	142,880	152,272	160,599	\$ 1,111,843
SES Revenue		22,561	71,840	109,503	126,179	136,337	146,109	156,014	165,919	175,957	184,825	1,295,244
Total Distribution Charge	\$	<u>43,756</u>	<u>135,138</u>	<u>201,895</u>	<u>232,066</u>	<u>251,631</u>	<u>270,500</u>	<u>289,650</u>	<u>308,799</u>	<u>328,229</u>	<u>345,424</u>	<u>\$ 2,407,087</u>

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

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

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

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

Schedule CCC3
Enbridge Gas Community Expansion Project Proposal
Turkey Point and Normandale

Section 3.4 Turkey Point and Normandale

Total Forecasted Customers 537 Penetration Rate 59%

	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Existing Fuel / Heating Type											
Oil	113	21%	\$ 5,000	\$ 2,829	\$ 1,258	\$ 1,571	\$ 177,160	6.7	-2.5	750	(285)
Electricity F/A	48	9%	\$ 5,000	\$ 2,028	\$ 1,258	\$ 770	\$ 37,233	0.5	3.6	26	173
Electricity Baseboard	64	12%	\$ 12,000	\$ 1,626	\$ 1,258	\$ 368	\$ 23,709	0.5	3.6	35	231
Propane	236	44%	\$ 600	\$ 1,626	\$ 1,258	\$ 368	\$ 86,932	5.2	-1.1	1,224	(250)
Wood	48	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	27	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	537	100%	\$ 31,100	\$ 8,109	\$ 5,031	\$ 3,077	\$ 325,034	12.9	3.6	2,036	(131)

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

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

Rate M1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.572
Heating oil	L	2433	Heating oil	\$/L	1.163
Electricity	kWh	18046	Electricity	\$/kWh	0.112
Propane	L	3359	Propane	\$/L	0.484

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule CCC4
Enbridge Gas Community Expansion Project Proposal
Turkey Point and Normandale

Turkey Point and Normandale Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule CCC5
Enbridge Gas Community Expansion Project Proposal
Turkey Point and Normandale



Council Services Department
Office of the CAO
50 Colborne Street S. Simcoe Ontario N3Y 4H3
519-426-5870
Fax: 519-426-8573
norfolkcounty.ca

April 29, 2020

Brian Lennie
Senior Advisor, Municipal Affairs & Stakeholder Relations
Ontario South/West
Enbridge Gas Inc.
50 Keil Drive North,
Chatham, ON N7M 5M1

brian.lennie@enbridge.com

Re: Resolution of Council Support

Norfolk County Council at their meeting of April 28, 2020 passed Resolution No. 25 which reads as follows:

RES No. 25.

THAT the Council of Norfolk County formally support an application submitted by Enbridge Gas Inc. to the Government of Ontario, for a grant from the provincial Natural Gas Grant Program, to expand the natural gas system in Normandale and Turkey Point;

AND THAT Council supports making a financial contribution towards the proposed project in an amount equivalent to the incremental property tax that would be recovered on the new natural gas infrastructure for a period of 10 years;

AND FURTHER THAT Council directs the Clerk and the CAO to execute the relevant letters of support and other documentation to support this application.

Attached is a copy of staff report CAO 20-07 respecting Incremental Tax Waiver - Enbridge Program along with a certified true copy of the Council Minutes. Please advise if there is anything further Norfolk County can do to assist in your application.



Working together with our community

Council Meeting – April 28, 2020

Subject: Incremental Tax Waiver – Enbridge Program
Report Number: CAO 20-07
Division: Office of the Chief Administrative Officer
Department: Administration
Purpose: For Decision

Executive Summary:

In December 2019, the Government of Ontario announced its plans to further increase access to natural gas by making financial support available for new expansion projects. The Government's Natural Gas Expansion Program offers *"an opportunity to drive economic development and enhance the quality of life and prosperity of families and businesses across Ontario."* This report is to seek Council's approval to forego 10 years of incremental property taxes associated with the pipeline as part of its application to apply for the program. This program was approved by a previous Council.

Discussion:

Enbridge Gas Inc. ("Enbridge") has agreed to apply to the Province for financial support to provide a natural gas line to the communities of Normandale and Turkey Point. Generally, providing gas to these locations would not be economical, however, with Provincial and Municipal financial support, the gas line becomes viable. Norfolk County's support would be in the form of a reimbursement or waiver of property taxes for the first ten (10) years of assessment.

A similar application was previously submitted and the Council at the time had supported the application and the incremental tax waiver contribution (Res. No 6, June 13, 2017).

The provision of gas would be beneficial to the community members in Normandale and Turkey Point and could lead to some incremental development.

Financial Services Comments:

The only contribution required from Norfolk County is the incremental tax revenue on the pipeline. Since the County would not have had the opportunity to tax the pipeline without this program there is no real lost revenue. There will be tax revenue from the pipeline after the 10 year waiver period. Additionally, the gas line may allow for some incremental development in those areas which will generate incremental tax revenue to the County.

Interdepartmental Implications:

Public Works had raised concerns regarding the lack of road allowance and restoration considerations. Enbridge confirmed the following in an email from Mr. Brian Lennie Senior Advisor, Municipal Affairs & Stakeholder Relations to Jason Burgess on April 16, 2020; *"that prior to the start of construction Enbridge will re-confirm the plans with the appropriate staff from the County in order to meet our typical standards for these types of installations. There is no anticipated additional costs to the County at this point."*

Planning and Development had commented that incremental development would be limited, however positive. Additionally, they commented that the extension of this service would be beneficial to the residents.

Consultation(s):

Public Works, Planning and Development

Strategic Plan Linkage:

This report aligns with the 2019-2022 Council Strategic Priority "Build and Maintain Reliable, Quality Infrastructure".

Explanation:

The provision of natural gas is a more reliable source of energy for the businesses and residents of the areas.

Conclusion:

The County should renew its support for the Gas Line.

Recommendation(s):

THAT that the Council of Norfolk County formally support an application submitted by Enbridge Gas Inc. to the Government of Ontario, for a grant from the provincial Natural Gas Grant Program, to expand the natural gas system in Normandale and Turkey Point;

AND THAT Council supports making a financial contribution towards the proposed project in an amount equivalent to the incremental property tax that would be recovered on the new natural gas infrastructure for a period of 10 years;

AND FURTHER THAT Council directs the Clerk and the CAO to execute the relevant letters of support and other documentation to support this application.

Attachment(s): none

Prepared and Submitted By:
Jason Burgess
Chief Administrative Officer
For more information, call:
519-426-5870 ext.1225



Working together with our community

Council Minutes
The Corporation of Norfolk County

April 28, 2020
Immediately Following Board of Health at 3:00 p.m.
Council Chambers
2nd Floor County Administration Building
50 Colborne Street South, Simcoe

Present: Mayor Kristal Chopp, Tom Masschaele, Roger Geysens, Michael Columbus, Chris Van Paassen, Ian Rabbitts, Ryan Taylor, Amy Martin, Kim Huffman

Absent with Regrets:

Also Present: Jason Burgess, Shelley Darlington, Jason Godby Kathy Laplante, Paula Boutis, Marlene Miranda, Sue Boughner, Shelley Darlington, Andy Grozelle

Ceremonial Activities (Item 1)

Approval of Agenda/Changes to the Agenda (Item 2)

1. (Rabbitts/Martin)

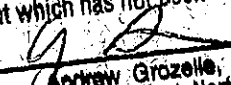
THAT the agenda be with the following amendments:

- i) Deferral of By—Law 4-OP-2014
- ii) Addition of a Motion to appoint staff as Municipal Law Enforcement Officers

Carried.

Disclosure of Pecuniary Interest (Item 3)

None were declared.

CERTIFIED TRUE COPY
"This photocopy conforms to the original document which has not been altered in any way".

Andrew Grozelle, Clerk
The Corporation of Norfolk County
Dated: April 30, 2020

Consent Items (Item 4)**A) Staff Report DCS 20-29**

Re: PLPL2020052 - An application has been received requesting exemption from part lot control to construct a 14 unit Townhouse development on three blocks of land located on Windham Street in the Urban Area of Simcoe. It is proposed that these dwellings be sold as freehold lots. Mr. M. Quattrociocchi of Mayberry Homes and agent JH Cohoon Engineering Ltd. have put forth the application affecting the lands described as Part of Blocks 1, 2 and 3 Registered Plan 37M-71.

2. (Taylor/Masschaele)

THAT the application by Mike Quattrociocchi of Mayberry Homes, 32 Dunsdon Street, Brantford Ontario N3R 3 J3 affecting lands described as Part of Blocks 1, 2 and 3 Registered Plan 37M-71 in the Urban Area of Simcoe, Norfolk County to exempt the lands from part lot control, File Number PLPL2020052, BE APPROVED, for reasons set out in Report Number DCS 20-29.

Carried.

Communications (Item 5)**A) Dennis Travale**

Re: Resignation from the Committee of Adjustment

3. (Rabbitts/Martin)

THAT the communication from Dennis Travale regarding his resignation from the Committee of Adjustment be received as information and that the Committees membership be referred to Staff for review and report back to Council.

Carried.

B) Grand River Conservation Authority

Re: Municipal Levy & Budget 2020

4. (Martin/Masschaele)

THAT the communication from Grand River Conservation Authority regarding the Municipal Levy & Budget 2020 be received as information.

Carried.

- C) Cam Carter, Chair, Downtown Simcoe BIA
Re: Request for a meeting re: Secondary Plan

5. (Taylor/Rabbitts)

THAT the communication from Cam Carter, Chair of the Downtown Simcoe BIA Board of Management regarding the request for a meeting regarding Secondary Plan be received as information and referred to staff for a response.

Carried.

- D) Kendell Zajac, President, Langton and Area Minor Hockey Association
Re: Future of Our Local Arenas

6. (Masschaele/Rabbitts)

THAT the communication from Kendell Zajac, President, Langton and Area Minor Hockey Association regarding the Future of Our Local Arenas be received as information and referred to staff for response.

Carried.

- E) Steve Clark, Minister of Municipal Affairs and Housing
Re: ROMA Follow-Up

7. (Martin/Taylor)

THAT the communication from Steve Clark, Minister of Municipal Affairs and Housing regarding ROMA Follow-Up be received as information.

Carried.

- F) Steve Clark, Minister of Municipal Affairs and Housing
Re: Protecting Tenants and Strengthening Community Housing Act

8. (Masschaele/Taylor)

THAT the communication from Steve Clark, Minister of Municipal Affairs and Housing regarding Protecting Tenants and Strengthening Community Housing Act be received as information.

Carried.

G) Jeff Yurek, Minister of the Environment, Conservation and Parks

Re: Provincial Day of Action on Litter

Staff Recommendation (Be received for information)

9. (Taylor/Martin)

THAT the communication from Jeff Yurek, Minister of the Environment, Conservation and Parks regarding Provincial Day of Action on Litter be received as information.

Carried.

H) Laura Pettigrew, General Counsel

Re: Ombudsman Investigation

10. (Taylor/Columbus)

THAT the communication from Laura Pettigrew, General Counsel regarding the Ombudsman Investigation be received as information.

Carried.

I) John Mascarin, Integrity Commissioner

Re: 2019 Annual Report of the Integrity Commissioner

11. (Martin/Taylor)

THAT the communication from John Mascarin, Integrity Commissioner regarding 2019 Annual Report of the Integrity Commissioner be received as information.

Carried.

J) Town of Bracebridge

Re: Item for Discussion – Motion of Support for Ban of Single-Use Disposable Wipes

12. (Masschaele/Huffman)

THAT the motion from the Town of Bracebridge regarding Support for Ban of Single-Use Disposable Wipes be endorsed.

AND THAT this resolution be forwarded to the Right Honourable Prime Minister of Canada; the Honourable Premier of Ontario; the Minister of the Environment, Conservation and Parks; the Minister of Municipal Affairs and Housing; the Association of Municipalities of Ontario (AMO); the Local Members of Provincial Parliament.

Carried.

- K) Municipality of West Nipissing
Re: Provincially Significant Wetlands Designation
Staff Recommendation (For Council consideration of endorsement)

13. (Taylor/Huffman)

THAT Norfolk County Council endorse the motion from the Village of Merrickville-Wolford requesting that the Ministry of Natural Resources and Forestry to respectfully provide supporting evidence with respect to the expansion of wetlands designations within their boundaries;

AND that Norfolk County Council calls upon the Ministry of Natural Resources and Forestry to respectfully review its practices and procedures to include a requirement to provide supporting evidence, to impacted municipalities, when designating Provincially Significant Wetlands within their boundaries;

AND that a copy of this resolution be forwarded to the Premier of Ontario, the Minister of Natural Resources and Forestry, the Minister of Municipal Affairs and Housing, the Association of Municipalities of Ontario (AMO), the Rural Ontario Municipal Association (ROMA).

Carried.

Approval of Minutes (Item 6)

- A) Regular Council - February 18, 2020
B) Special Council - April 7, 2020

The open and closed minutes of the regular Council Minutes of February 18, 2020 and the Special Council Minutes of April 7, 2020, having been circulated and no errors or omissions noted, were declared as adopted, signed by the Mayor and Clerk and affixed with the Corporate Seal.

Reports of Committees (Item 7)

- A) Recreational Facilities Advisory Board - March 9, 2020

14. (Taylor/Martin)

THAT Staff be directed to bring a future report back upon the Recreation Facilities Advisory Board.

Carried.

B) Energy Conservation Committee Minutes - March 06, 2020

15. (Taylor /Masschaele)

THAT the Energy Conservation Committee Minutes of March 06, 2020 be received as information.

Carried.

C) Climate Change Adaptation Committee Minutes - February 21, 2020

16. (Masschaele/Martin)

THAT the Climate Change Adaptation Committee Minutes of February 21, 2020 be received as information.

Carried.

D) Delhi BIA Minutes - February 13, 2020

17. (Martin/Masschaele)

THAT the Delhi BIA Minutes of February 13, 2020 be received as information.

Carried.

E) Norfolk County Public Library Board Minutes - January 22, 2020

18. (/Masschaele/Taylor)

THAT the Norfolk County Public Library Board Minutes of January 22, 2020 be received as information.

Carried.

F) Norfolk County Accessibility Advisory Committee Minutes - January 21, 2020

19. (Columbus/Taylor)

THAT the Norfolk County Accessibility Advisory Committee Minutes of January 21, 2020 be received as information.

Carried.

G) Downtown Simcoe BIA Minutes - January 15, 2019

20. (Taylor/Rabbitts)

THAT the Downtown Simcoe BIA Minutes of January 15, 2019 be received as information.

Carried.

Staff Reports/Discussion Items (Item 8)

A) Staff Report ECS 20-09

Re: Summary of Bid Awards for the period February 25, 2020 to April 21, 2020

21. (Rabbitts/Masschaele)

THAT Staff Report Corporate Services 20-01, Summary of Bid Awards for the period February 25, 2020 to April 21, 2020, be received as information;

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with the firm of Robert M Simon Construction Ltd. for Request for Tender PWE-20-54 Cedar Street Well Field Culvert Replacement in the amount of \$199,984.71 (excluding HST);

AND THAT the Approved 2020 Capital Plan be amended to increase the Cedar Street Well Field Culvert Replacement project from \$150,000 to \$237,000 with funding to be provided from Water Capital Replacement Reserve Fund;

AND THAT the Approved Capital Plan be amended to reduce the Repair/Replacement of the Sanitary Siphon Simcoe project from \$2,760,000 to \$2,560,000 and defer the Watermain Extension component in the amount of \$200,000;

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Guild Electric Ltd. for Request for Tender PW-R-20-45 Roadway Pavement Markings 2020-2022 for a three-year term in the amount of \$972,405.70 (excluding HST);

AND THAT the 2020 operating budget for Roadway Pavement Markings program be amended to increase from \$259,000 to \$339,000 with funding to be provided through reductions in various road maintenance services;

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Weathertech Restoration Services Incorporated for Request for Tender PW-E-20-52 Big Creek Bridge Rehabilitation on Forestry Farm Road in the amount of \$1,105,951.55 (excluding HST);

AND THAT the funding for the Big Creek Bridge (Forestry Farm Road) be provided from the issuance of debentures up to \$1,383,000 with a term not to exceed 25 years;

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with the firm of Dufferin Construction Company for Request for Tender PW-E20-30 Cold In-Place Recycling and Hot Mix Resurfacing, in the amount of \$6,117,424.15 (excluding HST);

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Cassidy Construction London, Ltd for Request for Tender PW-D-20-01 Deroo-Vanhove Drain in the amount of \$118,897.55 (excluding HST);

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Neil Montague Construction Limited for Request for Tender PW-E-20-51 Fertilizer Road Culvert Replacement and Delhi Transmission Watermain, in the amount of \$2,240,716.00 (excluding HST);

AND THAT the Approved 2020 Capital Plan be amended to increase the Structure 002510 – North Fertilizer Road Replacement project from \$576,000 to \$582,000;

AND THAT the funding for the Structure 002510 – North Fertilizer Road Replacement project be provided from the issuance of debentures up to \$582,000 with a term not to exceed 20 years;

AND THAT the funding for the Delhi Well Trunk Installation project be provided from the issuance of debentures up to \$944,000 with a term not to exceed 20 years;

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Bill's Septic Limited for Request for Tender PW-R-20-33B Catch Basin Cleaning 2020-2022 in the amount of \$396,726.00 (excluding HST);

AND THAT THE 2020 operating budget be amended to increase the 2020 Catch Basin Cleaning program from \$60,500 to \$134,600 with funding to be provided through reductions in various road maintenance services.;

AND THAT the Interim General Manager, Public Works be authorized to execute contracts with Coco Paving Inc and Dufferin Construction Company for Request for Tender PW-R-20-05 Supply of Hot Mix Asphalt for 2020 & 2021 in the amount of \$1,241,000 (excluding HST);

AND THAT the Interim General Manager, Public Works be authorized to execute a contract with Gedco Excavating Ltd. for Request for Tender PW-E-20-34 Urban Asphalt Resurfacing, Hot Mix Paving In the amount of \$340,625.39 (excluding HST);

AND FURTHER THAT the necessary By-Laws be prepared.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

B) Staff Report FS 20-14

Re: Capital Status Report as at December 31, 2019

22. (Taylor/Martin)

THAT Report FS 20-14 December 31, 2019 Capital Status Report be received;

AND THAT the recommendations, as set out in the schedule included with Report FS 20-14, be approved.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

C) Staff Report FS 20-16
Re: 2020 Tax Policies

23. (Rabbitts/Masschaele)

THAT Report FS 20-16 entitled 2020 Tax Policies be received,

AND THAT the 2020 Tax Ratios be set at:

Multi-Residential 1.6929
Commercial 1.6929
Industrial 1.6929
Pipeline 1.4894
Farmland 0.2300
Managed Forest 0.2500

AND FURTHER THAT Norfolk County continue to apply a municipal tax rate reduction of 33% to commercial and industrial properties in vacant or excess prescribed tax classes for the 2020 tax year;

AND FURTHER THAT Staff be directed to communicate to affected property owners Norfolk County's intentions to phase out this reduction for 2021, 2022 and 2023.

AND FURTHER THAT the 2020 Final Tax Levy be due and payable in two installments, on September 30, 2020 and November 30, 2020;

AND FURTHER THAT the 2020 tax rates resulting from the above tax policy decisions form a schedule to the 2020 Tax Policy By-Law;

AND FURTHER THAT Norfolk County adopts the optional subclasses for small scale on-farm business for commercial and industrial subclasses;

AND FURTHER THAT the municipal tax rate reduction be set at 75% for the prescribed tax sub-classes for small scale on-farm business in 2020;

AND FURTHER THAT a 2020 Tax Policy By-Law be passed to give effect to the above;

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

D) Staff Report FS 20-18

Re: Water and Wastewater Financial Sustainability Rate Study

24. (Taylor/Masschaele)

THAT Report FS 20-18, "Water and Wastewater Financial Sustainability Rate Study", be received as information;

AND THAT staff be directed to initiate the 2020 Water and Wastewater Financial Sustainability Rate Study;

AND FURTHER THAT Council permit a single source supply as outlined in Norfolk County Purchasing Policy ECS-02, section 4.8.4 permitting staff to engage Watson & Associates Economists Ltd., to complete the 2020 Water and Wastewater Financial Sustainability Rate Study.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

E) Staff Report CAO 20-07

Re: Incremental Tax Waiver - Enbridge Program

25. (Van Paassen/Taylor)

THAT the Council of Norfolk County formally support an application submitted by Enbridge Gas Inc. to the Government of Ontario, for a grant from the provincial Natural Gas Grant Program, to expand the natural gas system in Normandale and Turkey Point;

AND THAT Council supports making a financial contribution towards the proposed project in an amount equivalent to the incremental property tax that would be recovered on the new natural gas infrastructure for a period of 10 years;

AND FURTHER THAT Council directs the Clerk and the CAO to execute the relevant letters of support and other documentation to support this application.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

F) Staff Report CAO 20-10
Re: Coronavirus Recovery Plan

26. (Martin/Masschaele)

THAT Council adopt the attached recovery plan as our initial framework in moving the County forward during this Pandemic;

AND FURTHER THAT Council directs the CAO to report back as to the progress of the plan, recommended actions or changes to the plan.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

G) Staff Report CAO 20-11
Re: Public Works and Procurement Matters

27. (Van Paassen/Martin)

THAT Report CAO 20-11, Public Works and Procurement Matters be received as information;

AND THAT Council exempt staff from Norfolk County Policy ECS-02 to permit a modified procurement process to select an engineering firm or firms to undertake a peer review on the Port Dover Waste Water Treatment Plant (WWTP) and Simcoe Waste Water Treatment Plant (WWTP) projects;

AND THAT Council direct staff to report back to Council on the findings of the peer review;

AND FURTHER THAT Council direct staff to review adherence to the existing policies and processes and look to make procedural or policy changes based on its findings.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

H) Staff Report PW 20-28

Re: Utility Easement for Enbridge Gas - Port Rowan

28. (Taylor/Martin)

THAT Staff Report PW 20-28, Utility Easement for Enbridge Gas – Port Rowan, be received as information;

AND THAT The Mayor and Clerk/Manager of Council Services be authorized to sign a Utility Easement Agreement with Enbridge Gas on the lands described above.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

- I) Staff Report PW 20-31
Re: Waste Management Programs Update

29. (Martin/Taylor)

THAT Staff Report PW 20-31 Waste Management Programs Update be received as information.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

By-Laws (Item 9)

A) By-Law 4-OP-2020 (DEFERRED)

Being a By-Law to Adopt Amendment Number 131 to the Norfolk County Official Plan in respect of lands described as Lot 18, Concession 11, Geographic Township of Windham, Norfolk County, in the Name of Abel and Emily Kupi.

B) By-Law 2020-30

Being a By-Law to Designate Lands Within Part of Blocks 1, 2 and 3 of Registered Plan 37M-71 in the Urban Area of Simcoe, Norfolk County in the Name of Mayberry Homes, Exempt From Part Lot Control.

C) By-Law 2020-31

Being a By-Law to Authorize the Execution of an Encroachment Agreement for the property at 80 Alice Street, Waterford to Permit Recognize an Encroachment of a Barrier Free Ramp on 80 Alice Street, Waterford. (Part Lot 3, Block 24, Plan 19B; and Part 1 on Reference Plan 37R-8547; Norfolk County, PIN 50278-0273LT)

D) By-Law 2020-32

Being a By-Law to provide for Abandonment of a section of the Big Marsh Drain

Water Control Structures, situated in the former Geographic Township of Middleton, now Norfolk County.

30. (Martin/Masschaele)

THAT By-Law 2020-30, By-Law 2020-31, and By-Law 2020-32 be approved, signed by the Mayor and Clerk and affixed with the Corporate Seal.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

Motions (Item 10)

A) Motion to Reconsider - Councillor Martin
Re: Donjon Sidewalks

Motion Withdrawn.

B) Appointment of Municipal Law Enforcement Officer

31. (Martin/Taylor)

THAT Jason Burgess be appointed as a Municipal Law Enforcement Officer for Norfolk County effective immediately.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp
Total: 9
Nays:
Total: 0

Closed Session (Item 13)

A) Staff Report FS 20-17
Re: Changes to Service Delivery at Transfer Stations

Council Members indicated that a Closed Session was not required to address the matter.

32. (Martin/Rabbitts)

THAT Report FS 20-17 Changes to Service Delivery at Transfer Stations be received;

AND THAT cash no longer be accepted at Norfolk County's transfer stations effective immediately;

AND FURTHER THAT this change be include in corporate communications to the residents of Norfolk County.

The Motion CARRIED on the Following Recorded Vote:

Yeas: Columbus, Geysens, Huffman, Van Paassen, Rabbitts, Martin, Taylor,
Masschaele, Chopp

Total: 9

Nays:

Total: 0

Confirming By-Law (Item 14)

A) By-Law 2020-33

Being a By-Law to Confirm the Proceedings of the Council of Norfolk County at this Council Meeting Held on the 28th Day of April, 2020.

33. (Masschaele/Rabbitts)

THAT By-Law 2020-33 Being a By-Law to Confirm the Proceedings of the Council of Norfolk County at this Council Meeting Held on the 28th Day of April, 2020, be approved, signed by the Mayor and Clerk and affixed with the Corporate Seal.

Carried.

Adjournment (Item 15)

34. (Masschaele/Taylor)

THAT Council be adjourned at 7:38pm.

Carried.

County Clerk

Mayor

Schedule CCC6
Enbridge Gas Community Expansion Project Proposal
Turkey Point and Normandale

Schedule A1
EB-2017-0108-A1

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Enbridge Gas Inc.

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

Norfolk County

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

All of the former Townships of Windham and Charlotteville

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

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

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

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

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

Former Township of Houghton:

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

DATED at Toronto, October 17, 2019

ONTARIO ENERGY BOARD

Pascale Duguay
Manager, Natural Gas

Schedule DDD
Enbridge Gas Community Expansion Project Proposal
Tweed

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to extend gas distribution services to currently unserved parts of the Municipality of Tweed. The proposed facilities will provide access to natural gas to a forecasted 62 customers (54 residential, 6 commercial / institutional and 2 industrial).

There are 4 different sections being addressed so there are 4 tie-ins into the existing system in Tweed. The first tie-in will be along _____ connecting to an existing 2" polyethylene pipe. The second tie-in will be along _____ connecting to an existing 2" polyethylene pipe for a segment extending to _____, _____ and _____ to _____. The third tie-in will be along _____ for a segment along _____ connecting to an existing 2" polyethylene pipe. The proposed distribution pipeline will consist of 8,950 m of 2" polyethylene pipe.

Approximately 570 m of 4" polyethylene reinforcement pipe is required in Tweed along _____ to accommodate all the load additions onto the system. An existing station will also require upsizing.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	8,950

The approximate length and size of the reinforcement required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	4	570

Please refer to Schedule DDD1 for Project Map.

3.2

Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.

Please refer to Schedule DDD2, Table 3.2.

3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule DDD2, Table 3.3.
3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule DDD3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule DDD4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule DDD5.

3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule DDD6 for Enbridge's CPCN for the Municipality of Tweed (EB-2016-0038) which covers the entire area of the proposed project.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule DDD2, Table 4.2.

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

Please refer to Schedule DDD2, Table 4.3.

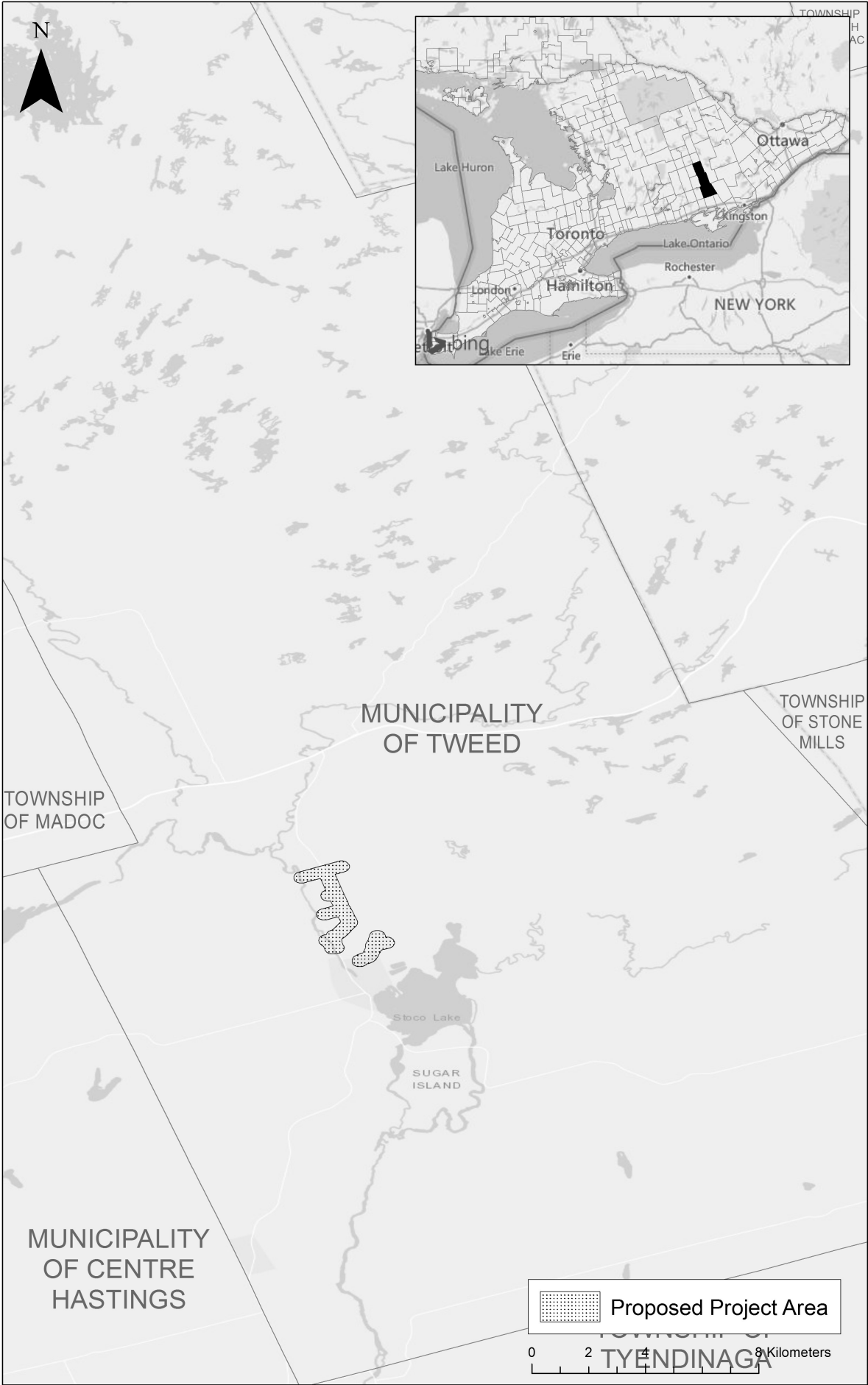
Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$3,800,656 Please refer to Schedule DDD2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$61,301 Please refer to Schedule DDD2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$9.90 Please refer to Schedule DDD2, Table 5.3.

Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule DDD2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule DDD2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule DDD2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's website and where applicable assume a written hearing process. Please refer to Schedule DDD4.

Schedule DDD1
Enbridge Gas Community Expansion Project Proposal
Tweed



Schedule DDD2
Enbridge Gas Community Expansion Project Proposal
Tweed

Table 3.2 - Customer Attachments Over The Rate Stability Period

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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
	16	12	8	4	4	2	2	2	2	2	54
	-	3	1	-	-	-	-	-	-	-	4
	-	-	-	-	-	-	-	-	-	-	-
	-	2	-	-	-	-	-	-	-	-	2
	-	2	-	-	-	-	-	-	-	-	2
	<u>16</u>	<u>19</u>	<u>9</u>	<u>4</u>	<u>4</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>62</u>
	16	35	44	48	52	54	56	58	60	62	

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

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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Annual Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
	17,600	48,400	70,400	83,600	92,400	99,000	103,400	107,800	112,200	116,600	851,400
	-	8,600	22,200	27,200	27,200	27,200	27,200	27,200	27,200	27,200	221,200
	-	-	-	-	-	-	-	-	-	-	-
	-	20,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	340,000
	-	100,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,700,000
	<u>17,600</u>	<u>177,000</u>	<u>332,600</u>	<u>350,800</u>	<u>359,600</u>	<u>366,200</u>	<u>370,600</u>	<u>375,000</u>	<u>379,400</u>	<u>383,800</u>	<u>3,112,600</u>

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

<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Cumulative Volumes - m3</u>		<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
	17,600	66,000	136,400	220,000	312,400	411,400	514,800	622,600	734,800	851,400	
	-	8,600	30,800	58,000	85,200	112,400	139,600	166,800	194,000	221,200	
	-	-	-	-	-	-	-	-	-	-	
	-	20,000	60,000	100,000	140,000	180,000	220,000	260,000	300,000	340,000	
	-	100,000	300,000	500,000	700,000	900,000	1,100,000	1,300,000	1,500,000	1,700,000	
	<u>17,600</u>	<u>194,600</u>	<u>527,200</u>	<u>878,000</u>	<u>1,237,600</u>	<u>1,603,800</u>	<u>1,974,400</u>	<u>2,349,400</u>	<u>2,728,800</u>	<u>3,112,600</u>	

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

Total Capital Costs

Year 10

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

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

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

Section 36.2 Funding Needed to Support the Project	\$ 3,800,656
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Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	<u>Year 10</u> \$ 61,301
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Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)

Section 36.2 Funding Amount Per Year 10 Volume (m3)	<u>Year 10</u> \$ 9.90
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Table 6.1 - Distribution Charge

	<u>Project Year</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>Total</u>
Distribution Revenue	\$	3,707	20,953	36,914	40,262	42,116	43,506	44,432	45,359	46,285	47,212	\$ 370,746
SES Revenue		4,048	40,710	76,498	80,684	82,708	84,226	85,238	86,250	87,262	88,274	715,898
Total Distribution Charge	\$	<u>7,755</u>	<u>61,663</u>	<u>113,412</u>	<u>120,946</u>	<u>124,824</u>	<u>127,732</u>	<u>129,670</u>	<u>131,609</u>	<u>133,547</u>	<u>135,486</u>	<u>\$ 1,086,644</u>

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

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

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

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

Schedule DDD3
Enbridge Gas Community Expansion Project Proposal
Tweed

Section 3.4 Municipality of Tweed

Total Forecasted Customers 62 Penetration Rate 65%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	13	21%	\$ 5,000	\$ 2,787	\$ 1,495	\$ 1,292	\$ 16,823	6.6	-2.4	85	(32)
Electricity F/A	6	9%	\$ 5,000	\$ 1,998	\$ 1,495	\$ 503	\$ 2,806	0.5	3.6	3	20
Electricity Baseboard	7	12%	\$ 12,000	\$ 1,998	\$ 1,495	\$ 503	\$ 3,741	0.5	3.6	4	27
Propane	27	44%	\$ 600	\$ 1,611	\$ 1,495	\$ 116	\$ 3,172	5.1	-1.0	139	(27)
Wood	6	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	3	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	62	100%	\$ 31,100	\$ 8,395	\$ 5,981	\$ 2,414	\$ 26,542	12.7	3.8	232	(12)

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

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

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

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule DDD4
Enbridge Gas Community Expansion Project Proposal
Tweed

Tweed Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule DDD5
Enbridge Gas Community Expansion Project Proposal
Tweed

The Corporation of the
MUNICIPALITY OF TWEED

EB-2019-0255
Schedule DDD5

255 Metcalf St., Postal Bag 729
Tweed, ON K0K 3J0
Tel.: (613) 478-2535
Fax: (613) 478-6457



Email: info@twp.tweed.on.ca
Website: www.tweed.ca
facebook.com/tweedontario

March 13, 2020

Luke Skaarup
Director, Northern Region Operations
Enbridge Gas Inc.

Dear Mr. Skaarup,

Re: Expression of Support for Natural Gas Expansion

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

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

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

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

Sincerely,

Gloria Raybone
CAO/Treasurer

Schedule DDD6
Enbridge Gas Community Expansion Project Proposal
Tweed

EB-2016-0038

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Union Gas Limited

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

Municipality of Tweed

DATED at Toronto, March 31, 2016

ONTARIO ENERGY BOARD

Original Signed By

Pascale Duguay
Manager, Natural Gas Applications

Schedule EEE
Enbridge Gas Community Expansion Project Proposal
Warsaw (Douro-Dummer)

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to extend gas distribution services to the community of Warsaw in the Township of Douro-Dummer. The proposed facilities will provide access to natural gas to a forecasted 169 customers (151 residential, 17 commercial / institutional and 1 industrial).

The project proposes to tie-in to the existing system at the intersection of _____ and _____ in the Township of Asphodel–Norwood and run _____ approximately 2 km to the proposed station location. The proposed station will be located at _____ and _____ in the Township of Asphodel–Norwood. From the proposed station, the lateral feed will run _____ along _____ to _____, _____ along _____ to _____, and then _____ along _____ to the community of Warsaw.

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Steel	4	1,725

The approximate length and size of the distribution pipeline required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	4,889
Polyethylene	4	11,926
Polyethylene	6	11,142

Please refer to Schedule EEE1 for Project Map.

3.2

Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.

Please refer to Schedule EEE2, Table 3.2.

3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule EEE2, Table 3.3.
3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule EEE3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule EEE4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule EEE5.

3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule EEE6 for Enbridge's CPCNs for the Township of Douro-Dummer (RP-2004-0217 / EB-2004-0455) and the Township of Asphodel-Norwood (EBC 273) which cover the entire area of the proposed project.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule EEE2, Table 4.2.

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

Please refer to Schedule EEE2, Table 4.3.

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$14,583,426 Please refer to Schedule EEE2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$86,292 Please refer to Schedule EEE2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$25.85 Please refer to Schedule EEE2, Table 5.3.

Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule EEE2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule EEE2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule EEE2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's website and where applicable assume a written hearing process. Please refer to Schedule EEE4.

Schedule EEE1
Enbridge Gas Community Expansion Project Proposal
Warsaw (Douro-Dummer)



Schedule EEE2
Enbridge Gas Community Expansion Project Proposal
Warsaw (Douro-Dummer)

Table 3.2 - Customer Attachments Over The Rate Stability Period

Customer Type	Firm / IT	Project Year	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	Total
Residential	Firm		41	36	14	10	8	9	8	9	8	8	151
Commercial	Firm		-	9	5	1	1	-	-	-	-	-	16
Institutional	Firm		-	1	-	-	-	-	-	-	-	-	1
Agricultural	Firm		-	-	-	-	-	-	-	-	-	-	-
Industrial	Firm		-	1	-	-	-	-	-	-	-	-	1
Total Customers			<u>41</u>	<u>47</u>	<u>19</u>	<u>11</u>	<u>9</u>	<u>9</u>	<u>8</u>	<u>9</u>	<u>8</u>	<u>8</u>	<u>169</u>
Cumulative Customers			41	88	107	118	127	136	144	153	161	169	

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

Customer Type	Project Year	Annual Volumes - m3										Total
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Residential		49,200	141,600	201,600	230,400	252,000	272,400	292,800	313,200	333,600	352,800	2,439,600
Commercial		-	17,200	45,500	57,800	60,200	61,400	61,400	61,400	61,400	61,400	487,700
Institutional		-	25,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	425,000
Agricultural		-	-	-	-	-	-	-	-	-	-	-
Industrial		-	50,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	850,000
Total Volumes		<u>49,200</u>	<u>233,800</u>	<u>397,100</u>	<u>438,200</u>	<u>462,200</u>	<u>483,800</u>	<u>504,200</u>	<u>524,600</u>	<u>545,000</u>	<u>564,200</u>	<u>4,202,300</u>

Customer Type	Project Year	Cumulative Volumes - m3									
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
Residential		49,200	190,800	392,400	622,800	874,800	1,147,200	1,440,000	1,753,200	2,086,800	2,439,600
Commercial		-	17,200	62,700	120,500	180,700	242,100	303,500	364,900	426,300	487,700
Institutional		-	25,000	75,000	125,000	175,000	225,000	275,000	325,000	375,000	425,000
Agricultural		-	-	-	-	-	-	-	-	-	-
Industrial		-	50,000	150,000	250,000	350,000	450,000	550,000	650,000	750,000	850,000
Total Volumes		<u>49,200</u>	<u>283,000</u>	<u>680,100</u>	<u>1,118,300</u>	<u>1,580,500</u>	<u>2,064,300</u>	<u>2,568,500</u>	<u>3,093,100</u>	<u>3,638,100</u>	<u>4,202,300</u>

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

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

Table 4.3 - Revenue Requirement Over The Rate Stability Period

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

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project

\$14,583,426

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served

Year 10

\$86,292

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

Section 36.2 Funding Amount Per Volume (m3)

Year 10

\$25.85

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	8,621	34,149	56,959	65,492	70,328	74,429	78,004	81,578	85,153	88,517	\$643,230
SES Revenue		11,316	53,774	91,333	100,786	106,306	111,274	115,966	120,658	125,350	129,766	966,529
Total Distribution Charge	\$	19,937	87,923	148,292	166,278	176,634	185,703	193,970	202,236	210,503	218,283	\$1,609,759

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

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

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

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

Schedule EEE3
Enbridge Gas Community Expansion Project Proposal
Warsaw (Douro-Dummer)

Section 3.4 Warsaw (Douro-Dummer)

Total Forecasted Customers 169 Penetration Rate 65%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	35	21%	\$ 5,000	\$ 3,050	\$ 1,481	\$ 1,570	\$ 55,710	7.2	-2.7	255	(95)
Electricity F/A	15	9%	\$ 5,000	\$ 2,187	\$ 1,481	\$ 706	\$ 10,745	0.6	3.9	9	60
Electricity Baseboard	20	12%	\$ 12,000	\$ 2,187	\$ 1,481	\$ 706	\$ 14,327	0.6	3.9	12	79
Propane	74	44%	\$ 600	\$ 1,764	\$ 1,481	\$ 283	\$ 21,068	5.6	-1.1	416	(81)
Wood	15	9%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	8	5%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	169	100%	\$ 31,100	\$ 9,188	\$ 5,923	\$ 3,266	\$ 101,850	13.9	4.1	691	(37)

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

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

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

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

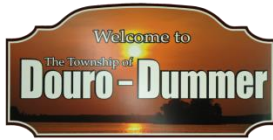
Carbon price is included for all energy types as reported. All costs exclude HST.

Schedule EEE4
Enbridge Gas Community Expansion Project Proposal
Warsaw (Douro-Dummer)

Warsaw (Douro-Dummer) Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule EEE5
Enbridge Gas Community Expansion Project Proposal
Warsaw (Douro-Dummer)



Township of Douro-Dummer

894 South Street
PO Box 92
Warsaw ON K0L 3A0

www.dourodummer.on.ca

Martina Chait-Hartwig
Temporary CAO
Ph 705-652-8392 Ext. 210
F 705-652-5044
martinac@dourodummer.on.ca

March 11, 2020

Sent Via Email Only

Steven McGivery,
Director, GTA East Region Operation
Enbridge Gas Inc.
101 Honda Blvd.
Markham, ON L6C 0M6

Re: Natural Gas Expansion Program to Hamlet of Warsaw

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

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

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

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

Yours truly,

Martina Chait-Hartwig

Martina Chait-Hartwig,
Temporary CAO
martinac@dourodummer.on.ca
705-652-8392 Ext. 210

Schedule EEE6
Enbridge Gas Community Expansion Project Proposal
Warsaw (Douro-Dummer)

RP-2004-0217
EB-2004-0455

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Enbridge Gas Distribution Inc.

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

Corporation of the Township of Douro-Dummer

This certificate replaces the certificate of the former municipalities that are now within the Corporation of the Township of Douro-Dummer.

Dated at Toronto, February 10, 2005

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary



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

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

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

J. B. Simon
Board Member

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

The Consumers' Gas Company Ltd. ("Consumers Gas") filed with the Ontario Energy Board ("the Board") an Application dated June 1, 1998 ("the Application") under section 8 of the Municipal Franchises Act, for a certificate of public convenience and necessity to construct works to supply gas and to supply gas to the Township of Asphodel-Norwood in the County of Peterborough. The Application was assigned file number E.B.C. 273.

The Board's Notice of Application, dated June 25, 1998, was served upon the Clerks of the Township of Asphodel-Norwood, and the Village of Hastings. The Board issued Procedural Order No.1 dated July 14, 1998 and a Notice of Hearing dated August 10, 1998.

- 2 -

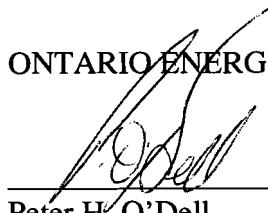
The Application was heard in Toronto on August 19, 1998 in the presence of counsel for Consumers Gas and counsel for Board Staff. The Board issued an oral decision on August 19, 1998, in which the Board found the Application to be in the public interest and approved the granting of a certificate of public convenience and necessity, subject to certain Undertakings.

THEREFORE THE BOARD ORDERS THAT:

1. A Certificate of Public Convenience and Necessity ("the Certificate") is granted to Consumers Gas to construct works to supply gas and to supply gas in the Township of Asphodel-Norwood, County of Peterborough.
2. If Consumers Gas should fail to substantially complete construction of the gas mains proposed in the Application within twenty-four months following the issuance of the Board's Certificate, the Certificate shall expire.
3. Consumers Gas shall comply with the Undertakings attached as Appendix "A" to this Order, for the construction of the XHP pipeline along County Road 42 and County Road 45.
4. The Board's costs shall be paid by Consumers Gas forthwith upon the issuance of the Board's invoice.

ISSUED at Toronto, August 24, 1998

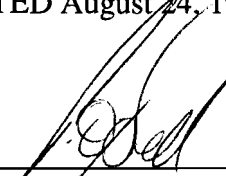
ONTARIO ENERGY BOARD



Peter H. O'Dell

Assistant Board Secretary

APPENDIX "A" TO
BOARD ORDER NO. E.B.C. 273
DATED August 24, 1998

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

Peter H. O'Dell
Assistant Board Secretary

Undertakings Township of Asphodel-Norwood

- a) Consumers Gas shall comply with these Undertakings given to the Board, and with all commitments made by its counsel and witnesses, and shall construct the facilities and shall restore the land according to the evidence filed with the Board.
- b) Consumers Gas shall advise the Board's designated representative of any proposed change in construction or restoration procedures and, except in an emergency, Consumers Gas shall not make such change without prior approval of the Board's designated representative. In the event of an emergency, the Board's designated representative shall be informed forthwith after the fact.
- c) Consumers Gas shall designate one of its employees as project engineer and shall provide the name of the individual to the Board's designated representative. The project engineer will be responsible for the fulfilment of the Undertakings and other commitments on the construction site. Consumers Gas shall provide a copy of the final Undertakings to the project engineer, within seven days of the Board's Decision being issued.
- d) Consumers Gas shall give the Board's designated representative at least 10 days written notice of the commencement of construction of the facilities.
- e) Where properties or structures exist within 200 metres of the pipeline and blasting is necessary, Consumers Gas shall:
 - 1. use restricted blasting techniques by ensuring that all charged areas are covered with blasting mats to eliminate fly rocks.;
 - 2. have the vibrations from blasting operations monitored and measured by a vibration measurement specialist;
 - 3. notify all property owners within 200 metres of the pipeline of the proposed blasting in writing at least one week prior to the blasting and provide confirmation (if necessary) of the actual day or days on which blasting will occur;
 - 4. have buildings within 200 metres of the pipeline inspected by an independent examiner before and after operations to check for problem areas;
- f) Where blasting is required, the well location and water quality of all wells within 100 metres of the pipeline shall be tested before and after blasting operations.
- g) Consumers Gas shall furnish the Board's designated representative with five (5) copies of written confirmation of the completion of construction in compliance with the Board's Order. This written confirmation shall be provided within one month of the test date, and shall contain the following:
 - 1. The date upon which construction commenced;
 - 2. The date upon which construction was completed;

3. The date on which the installed pipeline was tested and energized;
 4. Copies of all notices given pursuant to these Undertakings;
 5. In the event of any change in route alignment, representative drawings of the pipeline route in relation to that originally approved;
 6. An explanation for any deviations in compliance with these Undertakings; and,
 7. A list of any outstanding complaints.
- h) The Board shall be notified prior to any changes in the proposed routing of the pipeline sections described in the Application.
- i) The environmental mitigation plan for the Trent River crossing shall be filed with the Board for its review no later than September 30, 1998 and at least two weeks prior to construction of the river crossing.
- j) The Board's designated representative for the purposes of these Undertakings shall be the project Case Manager, or in his/her absence the Manager, Applications/Monitoring.

Schedule FFF
Enbridge Gas Community Expansion Project Proposal
Township of Warwick

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

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

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

Part II – Description of Proponent’s Technical Expertise and Financial Capability	
2.1	Describe the proponent’s technical expertise to develop, construct, operate and maintain a natural gas distribution system. N/A
2.2	Describe the proponent’s financial capability to develop, construct, operate and maintain a natural gas distribution system, and provide the following: • Current credit rating of the proponent, its parent or associated companies. • Financial statements for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information. If the proponent does not have financial statements (because it is a new entrant), the proponent is instead to provide pro forma financial statements for two years along with notes or business plans explaining the assumptions used in preparing the pro forma statements, where the documents must be signed by at least one key individual. • If the proponent needs to raise additional debt or equity to finance the proposed project, evidence of the proponent’s ability to access the debt and equity markets. New entrants that cannot provide the information identified in this section should explain why that is the case and provide the best information that they have available. N/A

Part III – Description of and Support for Project

3.1

Redacted

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

Enbridge Gas is proposing to provide gas distribution services to unserved areas within the Township of Warwick. The proposed facilities will provide access to natural gas to a forecasted 115 customers (96 residential, 18 commercial / institutional and 1 industrial).

The proposed tie-in point will be near the intersection of _____ and _____ connecting to existing 4" steel pipeline. The proposed distribution pipeline will consist of 10,600 m of 2" polyethylene pipe and 7,000 m of 4" polyethylene pipe. The proposed distribution system will extend _____ on _____ to Warwick directly and include _____, _____ and _____ up to _____ and _____. The distribution system will reach _____ (_____) on the _____ side of Warwick.

There will be no reinforcement required to accommodate additional loads for the system. A new distribution station is required for the new proposed system.

The approximate length and size of the distribution pipelines required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	2	10,600

The approximate length and size of the supply laterals required:

Pipe Type	Diameter (NPS)	Length (m)
Polyethylene	4	7,000

Please refer to Schedule FFF1 for Project Map.

3.2

Provide the annual and cumulative forecast of the number of customer attachments over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. Indicate for each customer type whether the service to be provided would be firm or interruptible.

Please refer to Schedule FFF2, Table 3.2.

3.3	Provide the annual and cumulative forecast of volumes (in m³) over the ten-year rate stability period by residential, commercial/institutional and industrial sectors for each community. For the residential segment, the default value for the average consumption level is 2,200 m³ per year. A proponent that has more accurate information regarding the annual consumption for residential customers in a given community may use that value, in which case it must explain how it has determined that it is more accurate than the default. Please refer to Schedule FFF2, Table 3.3.
3.4	Provide the estimated conversion costs to convert each of the existing heating systems (e.g., propane forced air, oil forced air, electric forced air and electric baseboard) and water-heating systems (e.g., electric, oil and propane) to natural gas. To the extent available, provide information on the current proportion of customers on each type of heating system. Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas. The calculation of household energy costs for natural gas should include conversion costs, commodity costs, associated upstream transportation costs to Ontario, incremental CNG and LNG costs (where applicable), costs under the federal <i>Greenhouse Gas Pollution Pricing Act</i> and distribution costs. The assessment of household energy cost impacts should include greenhouse gas (GHG) emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas. The major assumptions (e.g., conversion factors) used in the calculations must also be provided. Please refer to Schedule FFF3, Table 3.4.
3.5	Provide the proposed schedule for construction including the start date, all major milestones (with any phases) and the projected in-service date. Please refer to Schedule FFF4 for Proposed Construction Schedule.
3.6	Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support. Please refer to Schedule FFF5.

3.7	Provide a copy of the Certificate of Public Convenience and Necessity (Certificate) for the area to be served, if held by the project proponent. If not, indicate whether another entity holds the Certificate for the area to be served, if known, and if so, identify the Certificate holder. Where the project proponent holds a Certificate for the areas to be served, specify the boundaries of the Certificate and indicate whether the boundaries encompass the entire area that would be supplied by the proposed project. Please refer to Schedule FFF6 for Enbridge's CPCN for the Township of Warwick and the Village of Watford (EBC 42) which covers the entire area of the proposed project.
Part IV – Cost of Project	
4.1	Confirm that the proposed project includes a ten-year rate stability period. The proposed project does include a ten-year rate stability period.
4.2	Provide the total forecast of capital costs (including any forecast of upstream reinforcement costs) of the project at the end of the rate stability period (i.e., year ten). Where applicable, the inflation rate to be used is the most recent quarter average GDP IPI FDD. For interest during construction, the proponent is to use the OEB-prescribed interest rate for construction work in progress (CWIP). For projects proposing to use CNG and/or LNG, the costs of required infrastructure and other associated costs must be included as part of the total project capital costs. Include any upstream reinforcement costs in the total cost of the project. To the extent that the reinforcement costs for an incumbent utility's proposed project are materially different from the reinforcement costs that the utility has estimated for another proponent's project in the same area, the incumbent utility must identify in its filing that two separate estimates exist and explain the reasons for the differences. Please refer to Schedule FFF2, Table 4.2.

4.3

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

Complete the tables below:

Revenue Requirement

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

Description	Year 10
Closing Rate Base	

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

Please refer to Schedule FFF2, Table 4.3.

Part V – Section 36.2 Funding	
5.1	Provide the total amount of section 36.2 funding needed to support the project. \$8,157,371 Please refer to Schedule FFF2, Table 5.1.
5.2	Provide the section 36.2 funding amount per customer number served in year ten of the project. \$70,934 Please refer to Schedule FFF2, Table 5.2.
5.3	Provide the section 36.2 funding amount per volume (m³) in year ten of the project. \$21.94 Please refer to Schedule FFF2, Table 5.3.

Part VI – Distribution Charge	
6.1	Provide the estimated amount that the proponent proposes to recover from residential customers on an annual basis (inclusive of any system expansion surcharge) in the form of an estimated annual distribution charge inclusive of fixed and variable charges over the rate stability period. Provide a confirmation that there would be no material cross-subsidization between rate classes. Please refer to Schedule FFF2, Table 6.1. Enbridge Gas confirms that there will be no material cross-subsidization between rate classes.

Part VII – Profitability Index / Benefit to Cost Ratio	
7.1	Provide, in a summary table, the expected Profitability Index (PI) of the project, inclusive of the proposed section 36.2 funding. Provide any major assumptions used in the calculation, and specify all proposed section 36.2 funding, revenue from rates (including any proposed system expansion surcharges), capital contributions and municipal tax holidays or other municipal financial support. The project must have a PI of 1.0. The PI is to be calculated based on an individual project (i.e., not a “portfolio” of projects). Please refer to Schedule FFF2, Table 7.1.
7.2	Provide, in a summary table that otherwise meets the requirements of section 7.1, the expected PI of the project without the proposed section 36.2 funding. Please refer to Schedule FFF2, Table 7.2.

Part VIII – OEB Approvals	
8.1	Identify any OEB approvals that will be required for the project (Leave to Construct, Certificate of Public Convenience and Necessity, Municipal Franchise Agreement, Rate Order). • Leave to Construct • System Expansion Surcharge (SES) rate approval (subject to OEB determinations in the EB-2020-0094 harmonization proceeding)
8.2	For OEB approvals identified in section 8.1, provide a schedule for applying for them and the date by which each of these approvals is required to meet the proposed in-service date. For this purpose, proponents should reference the performance standards posted on the OEB's website and where applicable assume a written hearing process. Please refer to Schedule FFF4.

Schedule FFF1
Enbridge Gas Community Expansion Project Proposal
Township of Warwick

Warwick



Schedule FFF2
Enbridge Gas Community Expansion Project Proposal
Township of Warwick

Table 3.2 - Customer Attachments Over The Rate Stability Period

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

Project Year	1	2	3	4	5	6	7	8	9	10	Total
	26	24	8	6	5	6	5	6	5	5	96
	-	8	3	2	1	-	-	-	-	-	14
	-	-	-	-	-	-	-	-	-	-	-
	-	4	-	-	-	-	-	-	-	-	4
	-	1	-	-	-	-	-	-	-	-	1
	<u>26</u>	<u>37</u>	<u>11</u>	<u>8</u>	<u>6</u>	<u>6</u>	<u>5</u>	<u>6</u>	<u>5</u>	<u>5</u>	<u>115</u>
	26	63	74	82	88	94	99	105	110	115	

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

Customer Type
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

Project Year	1	2	3	4	Annual Volumes - m3		7	8	9	10	Total
	27,959	81,677	116,236	131,636	143,736	155,836	167,936	180,036	192,136	203,136	1,400,324
	-	18,000	40,700	47,600	50,900	52,000	52,000	52,000	52,000	52,000	417,200
	-	-	-	-	-	-	-	-	-	-	-
	-	8,300	16,600	16,600	16,600	16,600	16,600	16,600	16,600	16,600	141,100
	-	50,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	850,000
	<u>27,959</u>	<u>157,977</u>	<u>273,536</u>	<u>295,836</u>	<u>311,236</u>	<u>324,436</u>	<u>336,536</u>	<u>348,636</u>	<u>360,736</u>	<u>371,736</u>	<u>2,808,624</u>

Customer Type
Residential
Commercial
Institutional
Agricultural
Industrial
Total Volumes

Project Year	1	2	3	4	Cumulative Volumes - m3		7	8	9	10	
	27,959	109,636	225,872	357,508	501,244	657,080	825,016	1,005,052	1,197,188	1,400,324	
	-	18,000	58,700	106,300	157,200	209,200	261,200	313,200	365,200	417,200	
	-	-	-	-	-	-	-	-	-	-	
	-	8,300	24,900	41,500	58,100	74,700	91,300	107,900	124,500	141,100	
	-	50,000	150,000	250,000	350,000	450,000	550,000	650,000	750,000	850,000	
	<u>27,959</u>	<u>185,936</u>	<u>459,472</u>	<u>755,308</u>	<u>1,066,544</u>	<u>1,390,980</u>	<u>1,727,516</u>	<u>2,076,152</u>	<u>2,436,888</u>	<u>2,808,624</u>	

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

Total Capital Costs

[Year 10](#)

Table 4.3 - Revenue Requirement Over The Rate Stability Period

Revenue Requirement

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

[Year 10](#)

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

Table 5.1 - Total Amount of Section 36.2 Funding

Section 36.2 Funding Needed to Support the Project	\$ <u>8,157,371</u>
--	---------------------

Table 5.2 - Section 36.2 Funding Amount Per Customer Served

Section 36.2 Funding Amount Per Customer Served	\$ <u>Year 10</u> <u>70,934</u>
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Table 5.3 - Section 36.2 Funding Amount Per Volume (m3)

Section 36.2 Funding Amount Per Year 10 Volume (m3)	\$ <u>Year 10</u> <u>21.94</u>
---	---

Table 6.1 - Distribution Charge

	Project Year	1	2	3	4	5	6	7	8	9	10	Total
Distribution Revenue	\$	4,228	16,458	26,296	29,438	31,725	33,685	35,481	37,278	39,074	40,707	\$ 294,370
SES Revenue		6,431	36,335	62,913	68,042	71,584	74,620	77,403	80,186	82,969	85,499	645,984
Total Distribution Charge	\$	<u>10,658</u>	<u>52,793</u>	<u>89,209</u>	<u>97,481</u>	<u>103,309</u>	<u>108,305</u>	<u>112,884</u>	<u>117,464</u>	<u>122,043</u>	<u>126,207</u>	<u>\$ 940,353</u>

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

Cash Inflow

Revenue:

Distribution Revenue

System Expansion Surcharge (SES) Revenue

Total Revenue (A)

Expenses:

O&M Expense

Municipal Tax

Income Tax

Total Expenses (B)

Total Cash Inflow (C = A + B)

Cash Outflow

Gross Capital

Proposed Section 36.2 Funding

Change in Working Capital

Total Cash Outflow (D)

Profitability Index (PI) Inclusive of Section 36.2 Funding (C / D)

Net Present Value

1.00

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

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

Schedule FFF3
Enbridge Gas Community Expansion Project Proposal
Township of Warwick

Section 3.4 Warwick

Total Forecasted Customers 115 Penetration Rate 56%

Existing Fuel / Heating Type	Number of Customers	Current proportion of customer ¹	Estimated Conversion Cost ²	Estimated Annual Energy Costs (existing fuel)	Estimated Annual Energy Costs (natural gas)	Estimated Annual Savings per customer	Estimated Annual Savings	Estimated Annual GHG per customer - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) per customer switching to natural gas (tCO2e)	Estimated Annual GHG - Total Community - Existing Fuel (tCO2e)	Estimated Annual GHG Change (increased GHG is +ve/decreased GHG is -ve) total community switching to natural gas (tCO2e)
Oil	20	17%	\$ 5,000	\$ 2,829	\$ 1,258	\$ 1,571	\$ 30,971	6.7	-2.5	131	(50)
Electricity F/A	12	10%	\$ 5,000	\$ 2,028	\$ 1,258	\$ 770	\$ 8,859	0.5	3.6	6	41
Electricity Baseboard	3	3%	\$ 12,000	\$ 1,626	\$ 1,258	\$ 368	\$ 1,209	0.5	3.6	2	12
Propane	64	56%	\$ 600	\$ 1,626	\$ 1,258	\$ 368	\$ 23,573	5.2	-1.1	332	(68)
Wood	12	10%	\$ 3,500	N/A	N/A	\$ -	N/A	N/A	N/A	N/A	N/A
Other	5	4%	\$ 5,000	N/A	N/A	\$ -	N/A				
Total	115	100%	\$ 31,100	\$ 8,109	\$ 5,031	\$ 3,077	\$ 64,612	12.9	3.6	471	(65)

1 Based on completed Market Research for this community. Fuel percentages may not add up to 100% due to rounding error.

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

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

Emission Factor Sources:

Natural gas, heating oil and propane CO2 factors: Guideline for Quantification, Reporting and Verification of GHG Emissions - Ontario Ministry of Environment, Conservation and Parks

Natural gas, heating oil and propane CH4 and N2O factors: Canada's Greenhouse Gas Quantification Requirements, December 2019 - Environment and Climate Change Canada

Electricity factors: 2020 National Inventory Report (Part 3) - Environment and Climate Change Canada (using 2018 consumption intensity for Ontario)

Estimated Annual GHG (tCO2e) = Emission Factors x Consumption Equivalent

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

Rate M1 (Community Expansion, Non-FN)					
Consumption Equivalent			Price per Unit		
Gas	m3	2200	Gas (incl. fixed)	\$/m3	0.572
Heating oil	L	2433	Heating oil	\$/L	1.163
Electricity	kWh	18046	Electricity	\$/kWh	0.112
Propane	L	3359	Propane	\$/L	0.484

Notes:

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

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

Electricity prices correspond to Hydro One (Med Density - R1) distribution rates implemented January 1, 2020 and includes the new Ontario Electricity Rebate (OER)

The calculated annual savings vs electricity do not reflect the COVID-19 Emergency pricing which is effective for 45 days

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

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

Schedule FFF4
Enbridge Gas Community Expansion Project Proposal
Township of Warwick

Warwick Community Expansion Project Pipeline Construction Schedule

[illegible]

Schedule FFF5
Enbridge Gas Community Expansion Project Proposal
Township of Warwick



TOWNSHIP OF WARWICK

"A Community in Action"

6332 Nauvoo Road, R.R. #8, Watford, ON N0M 2S0

Township Office: (519) 849-3926 / 1-877-849-3926
Watford Arena: (519) 876-2808
Website: www.warwicktownship.ca

Works Department: (519) 849-3923
Fax: (519) 849-6136
E-mail: info@warwicktownship.ca

March 16, 2020

Enbridge Gas Inc.
Attention: Steven Jelich, Director of Southwest Region Operations
109 Commissioners Rd. W.
London, ON N6A 4P1

Dear Mr. Jelich:

Re: Expression of Support for Natural Gas Expansion to Warwick Township

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

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

Based on the draft Guidelines issued by the OEB (EB-2019-0255), we are aware that Enbridge Gas Inc. may be required to include support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support in its project submissions. Warwick Township Council is willing to work cooperatively with Enbridge to ensure our municipality is given consideration as a location for this program. In 2017, Warwick Township Council also passed the following resolution regarding support for the program and the decision to provide relief from tax payments for a ten year period:

THAT Warwick Township Council supports the Union Gas application to Ontario's Natural Gas Grant Program to expand natural gas access in the Township of Warwick;

AND THAT Warwick Township Council agrees to provide relief from tax payment for the new infrastructure installed for this expansion for a ten year period.

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

Yours truly,

A handwritten signature in dark ink, appearing to read 'A. Gubbels', written in a cursive style.

Amanda Gubbels

CAO/Clerk

Township of Warwick

P: 519-849-3926

F: 519-849-6136

E: agubbels@warwicktownship.ca

Schedule FFF6
Enbridge Gas Community Expansion Project Proposal
Township of Warwick

ONTARIO ENERGY BOARD

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

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

B E F O R E:

A. R. Crozier, Chairman) Wednesday, the 25th day
) and
A. B. Jackson, Vice-Chairman) of August, 1965.

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

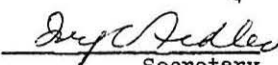
UPON the Application of Union Gas Company of Canada, Limited
for approval of the Ontario Energy Board to construct works to supply and to
supply gas in the Village of Watford and the Township of Warwick, pursuant
to Section 8 of The Municipal Franchises Act, R.S.O. 1960, Chapter 255;
upon the hearing of such Application by the Board on the 25th day of August,
1965, after due Notice of such Hearing had been given as directed by the
Board; in the presence of Counsel for the Applicant and no one else appear-
ing; upon hearing the evidence adduced, the exhibits filed and Counsel
aforesaid;

THIS BOARD DOTH CERTIFY, pursuant to Section 8 of The Municipal
Franchises Act, R.S.O. 1960, Chapter 255, that Public Convenience and Necessity
appear to require that approval of the Ontario Energy Board shall be and the
same is hereby given to Union Gas Company of Canada, Limited to construct
works to supply and to supply gas in the Village of Watford, and to construct
works to supply and to supply gas within Concessions V and VI, S.E.R., in the
Township of Warwick, in the County of Lambton.

AND THIS BOARD DOTH further Order and Direct that the costs of
this Application fixed at the sum of \$50. shall be paid forthwith by the
Applicant to the Board.

DATED at Toronto, Ontario, this 30th day of August, 1965.

ONTARIO ENERGY BOARD


Secretary

ONTARIO ENERGY BOARD

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

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

BEFORE:

A.R. Crozier, Chairman
and
A.B. Jackson, Vice-Chairman,

Wednesday, the 25th day of August, 1965.

-: CERTIFICATE OF PUBLIC CONVENIENCE :-
AND NECESSITY

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