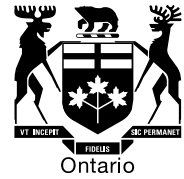


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BY EMAIL

February 25, 2021

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

Dear Ms. Long:

**Re: Draft Rate Order: 2017 & 2018 Demand Side Management Deferral and
Variance Accounts
OEB Staff Submission
Enbridge Gas Inc. – EB-2020-0067**

In accordance with the Decision and Order dated January 28, 2021, please find attached OEB staff's submission on the draft Rate Order in the above noted proceeding.

Sincerely,

Alexander Di Ilio
Project Advisor, Application Policy & Conservation



ONTARIO ENERGY BOARD

OEB STAFF SUBMISSION on DRAFT RATE ORDER

February 25, 2021

**Enbridge Gas Inc.
2017 & 2018 Demand Side Management Deferral and Variance
Accounts
EB-2020-0067**

Background

On July 17, 2020, Enbridge Gas Inc. (EGI) filed an application for an order of the Ontario Energy Board (OEB) seeking approval to dispose of 2017 and 2018 balances in the Demand Side Management (DSM) deferral and variance accounts.

On January 28, 2021, the OEB issued its Decision and Order on the application approving lost revenue, shareholder incentive and DSM program related amounts.

In response to the OEB's Decision and Order, EGI filed a draft Rate Order on February 17, 2021. The draft Rate Order outlines the proposed disposition of approved amounts in EGI's Enbridge Gas Distribution (EGD) rate zone and Union Gas (Union) rate zones.

Draft Rate Order

Union Rate Zones

EGI calculated the unit rates for disposition of the approved account balances in the Union rate zones. Consistent with the OEB's Decision and Order, the disposition is proposed in the following manner:

- For general service Rate M1, M2, 01, and 10 customers, the disposition is to take place prospectively over a six-month period beginning with the April 2021 QRAM.
- For all remaining customers in the Union rate zones, the disposition is to take place over a three-month period beginning with the April 2021 QRAM.

EGI calculated interest on the Union rate zones account balances up to March 31, 2021.

EGD Rate Zone

EGI calculated the unit rates for disposition of the approved account balances in the EGD rate zone. The disposition is to take place over a three-month period beginning with the April 2021 QRAM. EGI has calculated interest on the EGD rate zone account balances up to March 31, 2021.

OEB Staff Submission

OEB staff submits that EGI's draft Rate Order for the Union rate zones, and EGD rate zone is consistent with the OEB's Decision and Order. EGI used the amounts approved

for disposition, including carrying charges up to the time of disposition (i.e., March 31, 2021), and allocated these amounts in accordance to the Decision and Order.

The unit rates were derived based on actual consumption for the January 1, 2018 to December 31, 2018 period for the EGD rate zone. Notably, EGI disposed of its 2016 DSM deferral and variance account balances using unit rates based on the same period.¹

The unit rates for general service Rate M1, M2, 01, and 10 customers in the Union rate zones are based on forecast volume for the 6-month period of April 1, 2021 to September 30, 2021. The unit rates for all remaining customers in the Union rate zones on actual consumption for the January 1, 2018 to December 31, 2018 period.

OEB staff submits that the common historical consumption period of January 1, 2018 to December 31, 2018 used to derive the respective unit rates, and the disposition methodology for the EGD and Union rate zones in the current proceeding is appropriate.

OEB staff is supportive of EGI's plan to implement a common disposition period, and a common disposition approach between the EGD and Union rate zones as early as mid-2021.² OEB staff submits that it will then be appropriate for EGI to request the disposition of any future DSM variance and deferral account balances in the EGD and Union rate zones through a common disposition period and a common disposition approach.

- All of which is respectfully submitted -

¹ EB-2018-0300 / EB-2018-0301, Decision and Rate Order, May 23, 2019

² EB-2020-0067, Application and Evidence, July 17, 2020