

Asha Patel Applications Regulatory Affairs

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VIA RESS and EMAIL

March 12, 2021

Christine Long **Board Secretary** Ontario Energy Board 2300 Yonge Street, 27th Floor Toronto, Ontario M4P 1E4

Dear Ms. Long:

Re: EB-2020-0070 - Enbridge Gas Inc. - April 1, 2021

Quarterly Rate Adjustment Mechanism ("QRAM") Application

Effective January 1, 2019, Enbridge Gas Distribution Inc. ("EGD") and Union Gas Limited ("Union") amalgamated to become Enbridge Gas Inc. ("Enbridge Gas"). Enclosed is an application and supporting evidence from Enbridge Gas requesting an order approving or fixing rates within both the EGD rate zone and Union rate zones for the sale, distribution, storage, and transmission of natural gas effective April 1, 2021.

On February 24, 2021, Enbridge Gas filed a letter notifying the OEB that Enbridge Gas expected the commodity-related portion of the bill to decrease by more than 25% for sales service customers in the Union North West rate zone. Based on the 21-day strip ending March 1, 2021, the actual commodity-related portion of the bill is decreasing by 16% for these customers. For sales service customers in Enbridge Gas's other rate zones, the actual commodity-related impact is an increase of 6% or less.

This application is submitted in accordance with the Board's EB-2008-0106 Decision, and includes a schedule for: the review and comment of intervenors and Board staff; Enbridge Gas's response to any comments; and the Board's Decision and Order. A full list of the evidence supporting this application is provided in the exhibit list found at Exhibit A, Tab 1, Schedule 1.

EGD Rate Zone

Relevant to the EGD rate zone the proposed EGD Rate Zone Purchased Gas Variance Account Reference Price ("PGVA Reference Price") is \$166.192/103m3 (\$4.313/GJ @ 38.53 MJ/m³), representing an increase of \$4.390/10³m³ (\$0.114/GJ @ 38.53 MJ/m³). The result of the change noted above, in addition to the items as noted in the Additional Items section below, is an increase to the total bill for a typical residential customer on system gas of approximately \$76.79 or 7.9%².

¹ Collectively, the Union North West, Union North East and Union South rate zones are referred to as "Union rate zones". Union North West and Union North East are collectively referred to as "Union North".

² Amounts provided include EGD Rider C

Union Rate Zones

Relevant to the Union rate zones the proposed Alberta Border Reference Price, based on the current 21-day strip price, is \$3.066/GJ. This represents an increase of \$0.193/GJ. The proposed Dawn Reference Price, based on the current 21-day strip price, is \$3.449/GJ. This represents an increase of \$0.103/GJ. Enbridge Gas is also proposing to prospectively dispose of a projected 12-month gas cost deferral account balance of \$6.705 million specific to the Union rate zones.

The result of the change noted above, in addition to the items as noted in the Additional Items section below, is a net annual bill increase for residential sales service customers of \$75.26 or 9.0% in Union South, a net annual bill decrease of \$(10.58) or (1.0)% in Union North West, and a net annual bill increase of \$52.03 or 4.9% in Union North East.

Additional Items

In addition to updating rates in the EGD and Union rate zones in accordance with Enbridge Gas's Board-approved QRAM methodologies, April 1, 2021 rates will reflect implementation of two additional Board Decisions:

- On January 28, 2021, the Board approved unit rates for the 2017/2018 DSM Deferral and Variance Accounts in EB-2020-0067
- On February 11, 2021 the Federal Carbon Pricing Program was approved by the Board in EB-2020-0212

Enbridge Gas is serving an electronic copy of the application with supporting evidence in PDF format on all interested parties in the EB-2008-0106, EB-2019-0194 and EB-2020-0095 proceedings. This complete evidence package is also available electronically in searchable PDF format through the following link on Enbridge Gas's website: https://www.enbridgegas.com/en/Regulatory-Proceedings

Should you have any questions on this matter please contact the undersigned at 416-495-5642.

Sincerely,

Asha Patel Technical Manager, Regulatory Applications

cc: Tania Persad, Enbridge Gas
All Interested Parties EB-2008-0106, EB-2019-0194 & EB-2020-0095