

## ONTARIO ENERGY BOARD

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B);

**AND IN THE MATTER OF** an application by Enbridge Gas Inc. pursuant to Section 36(1) of the *Ontario Energy Board Act, 1998*, S.O. 1998, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of April 1, 2021.

### APPLICATION

1. Enbridge Gas Distribution Inc. (“EGD”) and Union Gas Limited (“Union”) (together the “Utilities”) were Ontario corporations incorporated under the laws of the Province of Ontario carrying on the business of selling, distributing, transmitting, and storing natural gas within the meaning assigned in the *Ontario Energy Board Act, 1998* (the “Act”). Effective January 1, 2019 the Utilities amalgamated to become Enbridge Gas Inc. (“Enbridge Gas” or “Applicant”). Following amalgamation, Enbridge Gas has maintained the existing rates zones of EGD and Union (the EGD, Union North West, Union North East and Union South rate zones).<sup>1</sup>
2. Enbridge Gas applied to the Ontario Energy Board (“Board”) on June 30, 2020 to fix just and reasonable rates and other charges for the sale, distribution and storage of natural gas effective January 1, 2021 for both the EGD and Union rate zones under Board docket number EB-2020-0095. On November 6, 2020 the Board issued a Decision and Order approving January 1, 2021 rates on an interim basis, subject to a final decision on Phase 2 of the IRM application under EB-2020-0181. Enbridge Gas makes this application in accordance with the Board-approved quarterly rate adjustment mechanism (“QRAM”)<sup>2</sup> to adjust its gas commodity prices and make related rate changes effective April 1, 2021.

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<sup>1</sup> Collectively, the Union North West, Union North East and Union South rates zones are referred to as “Union rate zones”. Union North West and Union North East are collectively referred to as “Union North”.

<sup>2</sup> See Board’s decision in EB-2008-0106.

### **EGD Rate Zone**

3. Pursuant to section 36(1) of the Act, and the QRAM approved by the Board, the Applicant hereby applies to the Board for orders effective April 1, 2021 applicable to the EGD rate zone as follows:
  - (a) an order establishing an updated PGVA Reference Price for the second quarter of 2021 using the prescribed methodology. The PGVA Reference Price approved for the EGD rate zone in EB-2020-0264 was \$161.802/10<sup>3</sup>m<sup>3</sup> (\$4.199/GJ @ 38.53 MJ/m<sup>3</sup>). The recalculated utility price is \$166.192/10<sup>3</sup>m<sup>3</sup> (\$4.313/GJ @ 38.53 MJ/m<sup>3</sup>);
  - (b) an order establishing the Rider C unit rate for residential customers. The unit rate shall be (1.2043) ¢/m<sup>3</sup> for sales service, (0.2380) ¢/m<sup>3</sup> for Western T-service, and (0.1821) ¢/m<sup>3</sup> for Ontario T-service and Dawn T-service; and,
  - (c) such further order or orders as Enbridge Gas may request and the Board may deem appropriate or necessary.

### **Union Rate Zones**

4. Pursuant to section 36(1) of the Act, and the QRAM approved by the Board, the Applicant hereby applies to the Board for orders effective April 1, 2021 applicable to the Union rate zones as follows:

(a) an order establishing the reference prices specified in the table below:

	Previous QRAM (Effective Jan. 1, 2021)	Proposed (Effective April. 1, 2021)
Alberta Border Reference Price <sup>1</sup>	2.873 \$/GJ 11.2851 cents/m <sup>3</sup>	3.066 \$/GJ 12.0555 cents/m <sup>3</sup>
Dawn Reference Price <sup>2</sup>	3.346 \$/GJ 13.1431 cents/m <sup>3</sup>	3.449 \$/GJ 13.5615 cents/m <sup>3</sup>

Notes:

<sup>1</sup> *The Alberta Border Reference Price represents the Union North West Purchase Gas Variance Account (Deferral Account No. 179-147) reference price, and the Spot Gas Variance Account (Deferral Account No. 179-107) reference price for incremental gas purchased at Empress.*

<sup>2</sup> *The Dawn Reference Price represents the South Purchase Gas Variance Account ("SPGVA") (Deferral Account No. 179-106) reference price, the Union North East Purchase Gas Variance Account (Deferral Account No. 179-148) reference price, the Spot Gas Variance Account (Deferral Account No. 179-107) reference price for incremental gas purchased at Dawn.*

- (b) an order to reflect the inventory revaluation adjustment resulting from changes in gas costs as of April 1, 2021;
- (c) an order reflecting the prospective disposition of the projected balance for the twelve month period ending March 31, 2022 recorded in the gas-supply deferral accounts;
- (d) an order reflecting adjustments to delivery rates to account for cost of gas changes in the carrying costs of gas in inventory, compressor fuel, and UFG;
- (e) an order reflecting adjustments to Union North storage and transportation rates to account for changes in upstream costs; and,
- (f) such further order or orders as Enbridge Gas may request and the Board may deem appropriate or necessary.

### **Regulatory Framework**

5. This application is supported by written evidence that has been pre-filed with the Board and provided by Enbridge Gas to all intervenors of record in EB-2020-0095, and EB-2008-0106.
6. In accordance with the prescribed QRAM timelines below are the submission dates for processing this application:
  - Any responsive comments from interested parties are filed with the Board, and served on Enbridge Gas and the other interested parties, on or before March 19, 2021.
  - Any reply comments from Enbridge Gas are filed with the Board, and served on all interested parties, on or before March 23, 2021.
7. Enbridge Gas requests the Board issue its decision and order by March 25, 2021 for implementation effective April 1, 2021.
8. The following procedures are prescribed for cost claims relating to QRAM applications, as directed by the Board:
  - Parties that meet the eligibility criteria contained in the Board's *Practice Direction on Cost Awards* may submit costs with supporting rationale as to how their participation contributed to the Board's ability to decide on this matter.
  - Any party eligible for an award of costs must file a claim with the Board and Enbridge Gas no later than ten days from the date of the Board's decision and order. Should Enbridge Gas have any comments concerning any of the claims, these concerns shall be forwarded to the Board and to the claimant within seven days of receiving the claims. Any response to Enbridge Gas's comments must be filed with the Board and Enbridge Gas within seven days of receiving the comments

9. Enbridge Gas requests that all documents in relation to the application and its supporting evidence, including the responsive comments of any interested party, be served on Enbridge Gas and its counsel as follows:

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Dated: March 12, 2021

**ENBRIDGE GAS INC.**

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