

**REF: Exhibit B, Tab 1, Schedule 1, pg. 8, Exhibit C, Tab 4, Schedule 1, pg. 3,
Exhibit A, Tab 3, Schedule 1, pg. 1, line 2.5
And
EB-2021-0219 Exhibit FRPO.5-7**

Preamble: EGI evidence provides in the first reference:

“The derivation of the January 1, 2022 PGVA Reference Price is based upon TCPL Mainline tolls effective January 1, 2022 pursuant to CER order TG-014-2020 and proposed abandonment surcharges effective January 1, 2022 as filed in CER Filing #C15437. The toll embedded in the January 2022 PGVA Reference Price is \$52.636/10³m³ (\$1.366/GJ). This represents a decrease of \$2.439/10³m³ (\$0.063/GJ) to the Western T-Service unit rate.

In the second reference, EGI provides:

Given that the Empress reference price increased by \$18.3062/10³m³, the basis differential between the PGVA and Empress reference price has increased which results in an increase in load balancing related cost. The basis differential has also increased the transportation related costs which combined with the change in TCPL tolls results in an increase in the transportation rate.

We would like to understand the enduring impacts of the Empress Reference Price.

- 1) Please confirm that EGI experienced a greater than 4% combined transportation toll and abandonment charge decrease for transportation between Empress and the EGD Rate Zone.
- 2) Please confirm that between the October 1, 2021 GRAM transportation increase and the current application, EGI is proposing an approximate 20% increase in the Gas Supply Transportation rate as shown in the proposed additional rate increase in the third reference.
- 3) Please confirm that other than Dawn T-service, Direct Purchase customers can only provide gas at Empress and not from EGI's other transportation paths in the portfolio cited in the response in our fourth reference, specifically FRPO.7.
- 4) Is it fair to say that the transportation rate paid by Direct Purchase customers who choose to deliver at Empress is a function of EGI's portfolio of transportation and the Empress Reference methodology more than a function of the underlying contracted transportation cost from Empress to the EGD rate zone? Please comment on if this approach essentially creates an Ontario landed commodity cost as opposed to an Empress delivery plus TCPL transportation.

REF: Exhibit A, Tab 2, Schedule 2, pg. 7, Table 3

Preamble: We would like to understand the rationale and ratemaking associated with apparent price increase for Union Northwest.

- 5) Please explain the rationale and drivers behind the increase in the commodity bill as a result of proposed "mitigation" for Union Northwest.

REF: Exhibit B, Tab 1, Schedule 1, pg. 4 & Exhibit C, Tab 1, Schedule 1, pg. 1

Preamble: EGI evidence provides: *In executing its gas supply plan to date, Enbridge Gas has entered into gas supply contracts with a number of counterparties for varying volumes and terms (i.e., annual and seasonal arrangements). These gas supply contracts have sometimes included premiums or discounts to actual natural gas market price indices. Enbridge Gas has reflected these premiums/discounts in the derivation of the PGVA Reference Price established as a part of the QRAM process.*

We would like to understand better EGI's approach and level of risk to ratepayers given the gas supply approach and deferred implementation of cost consequences.

- 6) Using the Table in the Exhibit C reference, please provide a breakdown for each line that shows the amount of that is currently contracted at a fixed price on a monthly, seasonal or annual basis and the net that remains to be purchased on index.
- 7) The Exhibit B reference speaks to the EGD Rate Zone. Is EGI using a similar approach for the two Union Rate Zones? Please explain why or why not.
- 8) If EGI is contracting for fixed price gas for the Union Rate zones, please provide the breakdown of the current portfolio for each rate zone in the same format as provided in Question 6 above.
- 9) Please confirm that the market price for an annual 2022 gas supply contract has dropped approximately 10% in the first week of December.

REF: Exhibit C, Tab 4, Schedule 3, Page 1, column 7

Preamble: We would like to understand better the drivers and principles underpinning the impacts on general service delivery rates in the EGD Rate Zone.

- 10) Please explain the underlying drivers and principles that generate a higher impact on delivery rates for Rate 6 vs. Rate 1 in column 7.