



Richard Wathy
Technical Manager
Regulatory Applications
Regulatory Affairs

Cell: 519-365-5376
Email: Richard.Wathy@enbridge.com
EGIRegulatoryProceedings@enbridge.com

Enbridge Gas Inc.
P.O. Box 2001
50 Keil Drive N.
Chatham, Ontario, N7M 5M1
Canada

January 19, 2022

VIA RESS AND EMAIL

Nancy Marconi
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. (Enbridge Gas)
Ontario Energy Board (OEB) File No.: EB-2021-0209
2022 Federal Carbon Pricing Program Application
Enbridge Gas – Reply Argument**

In accordance with the OEB's Procedural Order No. 1 dated, November 17, 2021, enclosed please find the reply argument of Enbridge Gas.

If you have any questions, please contact the undersigned.

Sincerely,

Richard Wathy
Technical Manager, Regulatory Applications

c.c.: T. Dyck (Enbridge Gas Counsel)
M. Parkes (OEB Staff)
L. Murray (OEB Counsel)
EB-2020-0212 (2021 FCPP Application Intervenors)

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an Application by Enbridge Gas Inc., pursuant to section 36(1) of the *Ontario Energy Board Act, 1998* for an order or orders for gas distribution rate changes related to compliance obligations under the *Greenhouse Gas Pollution Pricing Act, S.C. 2018, c. 12, s. 186*.

REPLY ARGUMENT OF ENBRIDGE GAS INC.

January 19, 2022

A. Introduction and Overview

1. Enbridge Gas Inc. (“Enbridge Gas”), the Applicant, was formed by the amalgamation of Enbridge Gas Distribution Inc. (“EGD”) and Union Gas Limited (“Union”) on January 1, 2019 pursuant to the *Ontario Business Corporations Act*, R.S.O. 1990, c. B. 16. Enbridge Gas carries on the business of distributing, transmitting and storing natural gas within the meaning of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Sched. B (the “Act”), in Ontario.
2. On September 29, 2021, Enbridge Gas applied to the Ontario Energy Board (“OEB”) pursuant to section 36(1) of the Act, for:
 - (i) An order or orders allowing Enbridge Gas to charge customers a Federal Carbon Charge of 9.79 ¢/m³ (i.e., the amount of the Federal Carbon Charge required under the federal carbon pricing program (“FCPP”), as established by the *Greenhouse Gas Pollution Pricing Act*, S.C. 2018, c. 12, s. 186 (“GGPPA”)), on a final basis effective April 1, 2022.
 - (ii) An order or orders approving or fixing just and reasonable rates for all Enbridge Gas rate zones (EGD, Union Northeast, Union Northwest and Union South),¹ on a final basis effective April 1, 2022, to allow Enbridge Gas to recover other costs (including Facility Carbon Charge costs of 0.0070 ¢/m³ for the EGD rate zone and 0.0141 ¢/m³ for the Union rate

¹ Collectively, the Union Northeast, Union Northwest and Union South rate zones are referred to as the “Union rate zones”.

zones) in compliance with the federal GGPPA and Ontario Emissions Performance Standards (“EPS”).²

- (iii) An order or orders approving the 2020 balances for all FCPP-related deferral and variance accounts, for all Enbridge Gas rate zones, and an order to dispose of those balances as part of the April 1, 2022 QRAM.
 - (iv) An order or orders approving an amendment to the wording of the FCPP-related deferral and variance accounting orders to recognize the change from the federal Output-Based Pricing System (“OBPS”) to the Ontario EPS.
- 3. In accordance with the OEB’s Procedural Order No. 1 (dated November 17, 2021), this is the Reply Argument of Enbridge Gas in response to the written submissions (“Submissions”) of OEB Staff and intervenors. Enbridge Gas is in receipt of Submissions from: OEB Staff; Anwaatin Inc. (“Anwaatin”); Canadian Manufacturers & Exporters (“CME”); Energy Probe Research Foundation (“EP”); School Energy Coalition (“SEC”); and Vulnerable Energy Consumers Coalition (“VECC”).
 - 4. Notably, OEB Staff and intervenors generally support all aspects of Enbridge Gas’s Application, including the requested rate increases, the disposition of the deferral and variance accounts and Enbridge Gas’s efforts to manage facility related FCPP costs, with few exceptions. Anwaatin, EP and VECC raised limited concerns with certain aspects of the Application and/or requested the OEB to direct certain changes to the Application or issue guidance for future proceedings.
 - 5. The rest of this Reply Argument addresses the Submissions of Anwaatin, EP and VECC, as well as a Staff comment regarding whether a Draft Rate Order is needed in this proceeding.
 - 6. Defined acronyms and terms not otherwise defined in this Reply Argument have the meanings assigned to them in Enbridge Gas’s Application and responses to interrogatories.

² On September 21, 2020, the Province of Ontario announced that the federal government accepted Ontario’s carbon pricing system for industrial emitters, known as the Ontario EPS, as an alternative to the federal output-based pricing system (“OBPS”). On March 29, 2021, the federal government announced that effective January 1, 2022 the EPS will replace the OBPS in Ontario. The GGPPA was amended on September 1, 2021 to remove Ontario from Part 2 of Schedule 1 of the GGPPA, enabling the EPS to take effect in Ontario as of January 1, 2022.

B. OEB Staff Submission

7. OEB Staff supports all aspects of Enbridge Gas's Application, including the approval of the proposed Federal Carbon Charge and Facility Carbon Charge on a final basis effective April 1, 2022,³ the disposition of the 2020 FCPP administration costs and Federal Carbon Charge Facility Variance Account ("FCCFVA") balance,⁴ and amendments to the wording of the accounting orders due to the OBPS-to-EPS transition.⁵ In addition, Staff has no concerns with Enbridge Gas's requested changes relating to the Parkway Delivery Commitment Incentive ("PDCI"),⁶ and submits that Enbridge Gas has been reasonable in identifying ways to reduce its facility-related emissions.⁷
8. With respect to the implementation of rates, OEB Staff notes that a Draft Rate Order in this proceeding is likely unnecessary.⁸ However, Enbridge Gas submits that OEB approval of a Draft Rate Order is necessary to address the update to PDCI costs since the Application was filed. The Parkway Delivery Obligation ("PDO") forecast used to estimate the change in PDCI costs for the Union rate zones in the Application was based on the 2021 PDO forecast since the 2022 PDO forecast had not yet been approved by the OEB or implemented in rates at the time of filing. The 2022 PDO forecast was approved with the 2022 Rates (Phase 1) proceeding (EB-2021-0147) and implemented in rates effective January 1, 2022 on an interim basis.⁹ The PDCI cost increases from \$0.092 million to \$0.097 million as a result of the update to the 2022 PDO forecast.
9. For this reason, Enbridge Gas has attached a Draft Rate Order reflecting the update to this reply argument to expedite the process. Enbridge Gas requires approval of the Draft Rate Order by March 3, 2022 to ensure implementation with the April 1, 2022 QRAM application. Appendix A contains the Draft Rate Order for the EGD rate zone and Appendix B contains the Draft Rate Order for the Union rate zones.

³ OEB Staff Submission, p. 4.

⁴ *Ibid*, pp. 6-7.

⁵ *Ibid*, p. 8.

⁶ *Ibid*, pp. 8-9.

⁷ *Ibid*, p. 10. OEB Staff also notes that "more emissions reductions opportunity may become viable as Enbridge Gas's facility-related costs continue to increase in the coming years".

⁸ *Ibid*, p. 10.

⁹ EB-2021-0147, Decision on Settlement Proposal and Interim Rate Order, October 28, 2021, p.1.

C. Anwaatin Submission

10. In its Submission, Anwaatin argues that the OEB should order Enbridge Gas to:
- 1) “track the use of alternative compliance obligations under the EPS, such as [Emission Performance Units (“EPUs”)], in a manner that provides transparency and accountability as to whether [Enbridge Gas] is adequately making use of such alternative compliance measures to reduce the cost of its compliance;¹⁰ and
 - 2) “set meaningful targets for reducing its obligations and costs under the EPS/OBPS for its own company use volumes and transmission and storage compression volumes that it seeks to recover for compliance with the GGPPA and the [EPS] Regulation in a manner that provides accountability as to whether [Enbridge Gas] is adequately making use of opportunities to reduce its emissions and the cost of its compliance”.¹¹
11. In reply to Anwaatin’s first argument, Enbridge Gas notes that it will seek OEB approval of costs related to its 2021 OBPS and 2022 EPS compliance obligations in future applications. Those applications will include evidence on how Enbridge Gas has complied with these obligations. The cost of any alternative compliance options, such as EPUs, will be reflected in the facility carbon charge variance account balance, and intervenors, Staff and the OEB will have an opportunity to review and make submissions on those costs at that time. Therefore, Enbridge Gas submits that there is no need for the OEB to make such an order.
12. Furthermore, with respect to EPUs in particular, it is not yet known to Enbridge Gas to what extent EPUs will be available as a potentially economical compliance option. The Ontario EPS only took effect on January 1, 2022, and the first compliance period has just begun. As such, it is unclear whether and to what extent there will be surplus EPUs that can be purchased for compliance at an economical price. In Enbridge Gas’s submission, it is unnecessary for the OEB to order the implementation of a tracking system in respect of alternative compliance options that may not be available, particularly since the facility carbon charge variance account will already track any relevant costs.
13. In reply to Anwaatin’s second argument, Enbridge Gas notes that, consistent with its commitment in the FCPP application for 2021, it has been identifying and pursuing “emission reduction opportunities using criteria that effectively balance

¹⁰ Anwaatin Submission, para. 7.

¹¹ *Ibid*, para. 12.

management of its compliance obligations under the FCPP, estimated capital costs, safety and operational reliability”.¹² As detailed in the Application, the relevant initiatives to date include Enbridge Inc.’s Carbon and Energy Efficiency Plan to identify emission reduction opportunities, Enbridge Inc.’s expanded ESG targets related to emissions reductions from operations, and Enbridge Gas’s ongoing Facility GHG Emission Reduction project (through which a number of specific facility projects have been assessed, implemented and/or planned to date).¹³ Enbridge Gas will continue to provide details of cost-effective emission reduction opportunities (and resulting reductions in emissions and compliance costs), as appropriate, in future FCPP applications. As such, Enbridge Gas submits that there is no need for OEB-ordered targets as proposed by Anwaatin.

14. Even if the proposal were to be entertained, Anwaatin has not made any submission to inform what “meaningful targets” means, nor is there any relevant evidentiary basis in this proceeding to evaluate this proposal. The issue of establishing targets for reducing compliance obligations and costs was not an issue before the OEB in this proceeding. Therefore, Enbridge Gas submits there is no basis in this proceeding on which Anwaatin’s proposal could be accepted.
15. In addition, the fact that 2022 will be the first year under the EPS for Enbridge Gas (and other EPS-regulated emitters in Ontario) further highlights the difficulty and complexity of trying to predict what “meaningful targets” should entail at this time.
16. For these reasons, Enbridge Gas submits that Anwaatin’s request for target-setting should not be accepted by the OEB.

D. EP Submission

17. In its Submission, EP accepts Enbridge Gas’s “2022 forecasts and agrees that these should be approved as final”.¹⁴ EP also accepts the 2020 balances for all FCPP-related deferral and variance accounts for disposition as part of the April 1, 2022 QRAM.¹⁵ Regarding EP’s reference to “2022 forecasts” and “final” approval thereof, Enbridge Gas would like to clarify that it is not seeking OEB approval of the 2022 forecast costs in this Application; these costs were provided for informational purposes only. Customers will be billed based on their actual

¹² EB-2020-0212, Enbridge Gas FCPP Application, September 30, 2020, Exhibit A, para. 28, p. 14. Also see Exhibit A-2-1 of the current Application, paras. 33-34.

¹³ Exhibit A-2-1, pp. 14-17.

¹⁴ EP Submission, p. 4.

¹⁵ *Ibid*, p. 5.

consumption (with any variances captured in the applicable deferral and variance accounts).

18. EP also submits that the OEB should limit the increase in Enbridge Gas's administration costs (other than bad debt costs) to the inflator in the utility's Rate Cap Index.¹⁶ Enbridge Gas disagrees with this proposal. The company's GHG emission compliance program is subject to ongoing adjustments in order to ensure compliance with new and evolving government regulations. For example, beginning in 2022, Enbridge Gas must transition from the federal OBPS to the new Ontario EPS program, an entirely new program with new rules and requirements that must be understood and implemented. As another example, the ongoing development of the emerging offset credit markets necessarily requires Enbridge Gas to allocate resources accordingly to consider all potential compliance options. As a result, the administration of Enbridge Gas's GHG emission compliance program cannot be compared to a static, ordinary course business function that undergoes relatively little change or expansion from year to year, and that might only be subject to inflationary cost increases. Therefore, Enbridge Gas submits that the OEB should not accept EP's proposal for an inflationary cap on administration costs.
19. Finally, EP requests the OEB to indicate to Enbridge Gas that the forecast increase in bad debt related to the COVID-19 pandemic should continue to be considered under the OEB's review of COVID-19 expenses.¹⁷ Enbridge Gas notes that it will continue to assess the impacts of COVID-19 on an actual basis when finalizing applicable deferral and variance account balances, and adjust as needed.¹⁸ It is also important to recognize that bad debts are increasing for reasons that go beyond COVID-19 impacts. Such reasons include, for example, the annual increase in the Federal Carbon Charge rate in proportion to the total bill and the year-over-year increase to total bad debt as a function of historic arrear balances, bankruptcy, unemployment, inflation and general economic forecasts.¹⁹

¹⁶ EP Submission, p.5.

¹⁷ *Ibid.*

¹⁸ Exhibit I.VECC.7, p. 3.

¹⁹ Exhibit I.EP.3, p. 3.

E. VECC Submission

20. In its Submission, VECC indicates that it is not in opposition to Enbridge Gas's proposals in this Application and that it agrees with the Submission of OEB Staff.²⁰
21. In addition, as to how GHG emission reductions and carbon pricing costs will be addressed in Enbridge Gas's next cost of service application, VECC submits that "it may be beneficial for the Board, subsequent to understanding any concerns of interested parties, to provide guidance as to its filing expectations for this part of the upcoming cost of service application".²¹ Enbridge Gas does not agree with the VECC request for formal guidance (which is beyond the scope of the Application).
22. Lastly, VECC notes its concern that "the cost of administering the FCCP and associated programs has yet to receive detailed review by the Board" and "no scrutiny has been applied to the efforts of [Enbridge Gas] to minimize costs through reducing facility-related emissions".²² This is not accurate. The current Application represents the second time Enbridge Gas has sought to clear the balances of applicable FCCP deferral and variance accounts, which have previously been reviewed in detail and approved by the OEB for disposition in respect of 2019 balances.²³

All of which is respectfully submitted this 19th day of January 2022.

Richard Wathy
Technical Manager, Regulatory Applications

²⁰ VECC Submission, p. 1.

²¹ *Ibid.*

²² *Ibid.*

²³ See: Exhibit I.VECC.5(b); and EB-2019-0247, OEB Decision and Order, September 3, 2020.

Enbridge Gas Inc.

Appendix A

(EGD Rate Zone)

EB-2021-0209

EGD RATE ZONE

TABLE 1: 2022 CUSTOMER-RELATED VOLUMES AND DERIVATION OF FEDERAL CARBON CHARGE UNIT RATE

		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
Line	Rate	Forecast Volumes ¹	Less: Transportation Volumes	Customer-Related Forecast Volumes ²	EPS Participant & Other Exempt Volumes ³	Net Volumes ⁴	Federal Carbon Charge ⁵	Federal Carbon Cost ⁶	Federal Carbon Charge Unit Rate ⁷
		(10 ³ m ³)	(10 ³ m ³)	(10 ³ m ³)	(10 ³ m ³)	(10 ³ m ³)	(\$/m ³)	(\$)	(¢/m ³)
1.1	1	5,117,476	0	5,117,476	774	5,116,702	0.0979	500,925,158	
1.2	6	4,751,842	0	4,751,842	132,463	4,619,379	0.0979	452,237,230	
1.3	9	0	0	0	0	0	0.0979	0	
1.4	100	31,239	0	31,239	0	31,239	0.0979	3,058,259	
1.5	110	1,088,282	0	1,088,282	367,201	721,081	0.0979	70,593,783	
1.6	115	363,479	0	363,479	359,267	4,212	0.0979	412,379	
1.7a	125	558,826	0	558,826	558,826	0	0.0979	0	
1.8	135	55,554	0	55,554	0	55,554	0.0979	5,438,707	
1.9	145	17,407	0	17,407	4,218	13,189	0.0979	1,291,232	
1.10	170	243,158	0	243,158	197,665	45,493	0.0979	4,453,809	
1.11	200	188,317	0	188,317	188,317	0	0.0979	0	
1.12	300	0	0	0	0	0	0.0979	0	
1.13	332	3,100,386	3,100,386	0	0	0	0.0979	0	
1	Total	15,515,967	3,100,386	12,415,581	1,808,731	10,606,849		1,038,410,558	9.7900

Notes:

(1) Exhibit B, Tab 1, Schedule 1, Col. 1 + Rate 332 forecast volume.

(2) Col. 1 - Col. 2.

(3) Exhibit B, Tab 1, Schedule 1, Col. 2.

(4) Col. 3 - Col. 4.

(5) Exhibit B, Tab 1, Schedule 5, Line 2.

(6) Col. 5 x Col. 6 x 1000.

(7) (Col. 7 / (Col. 5 x 1000)) x 100.

EGD RATE ZONE

TABLE 2: 2022 FACILITY-RELATED VOLUMES AND DERIVATION OF FACILITY CARBON CHARGE UNIT RATE

		Col. 1	Col. 2	Col. 3	Col. 4
Line		Utility Forecast Volume (Regulated) ¹ (10 ³ m ³)	Carbon Charge ² (\$/m ³)	Facility Carbon Cost (\$)	Facility Carbon Charge Unit Rate (¢/m ³)
	Company Use				
2.1.1	Buildings	1,412			
2.1.2	Boilers/Line Heaters	3,692			
2.1.3	NGV Fleet	841			
2.1	Total Company Use	5,946	0.0979	582,086	³
2.2	Compressor Fuel	16,134	-	503,434	⁴
2	Total	22,080		1,085,520	0.0070 ⁵

Notes:

(1) Exhibit B, Tab 1, Schedule 2, Col. 1.

The Company Use forecast volumes for April 1, 2022 to March 31, 2023 and the Compressor Fuel forecast volume for January 1 to December 31, 2022.

(2) Exhibit B, Tab 1, Schedule 5, Line 5.

(3) Col. 2 x Col. 3 x 1000.

(4) Exhibit B, Tab 1, Schedule 5, Line 11.

(5) Facility Carbon Cost / Total forecast volume = [Line 2, Col. 3 / (Table 1, Line 1, Col. 1 x 1000)] x 100.

EGD RATE ZONE

TABLE 3: 2022 CARBON CHARGE UNIT RATE SUMMARY

		Col. 1	
Line		Unit Rate	
		(¢/m ³)	
1	Federal Carbon Charge	9.7900	1
2	Facility Carbon Charge	0.0070	2
3	Total	9.7970	3

Notes:

(1) Table 1, Line 1, Col. 8.

(2) Table 2, Line 2, Col. 4.

(3) Line 1 + Line 2.

EGD RATE ZONE

TABLE 4: 2022 CARBON CHARGE UNIT RATE BY RATE CLASS

Rate Class		(¢/m ³)
Rate 1	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070
Rate 6	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070
Rate 9	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070
Rate 100	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070
Rate 110	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070
Rate 115	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070
Rate 125	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070
Rate 135	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070
Rate 145	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070

Rate Class		(¢/m ³)
Rate 170	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070
Rate 200	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0070
Rate 300	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070
Rate 300 Interruptible	Federal Carbon Charge (If Applicable)	9.7900
	Facility Carbon Charge	0.0070
Rate 315	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0070
Rate 316	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0070
Rate 320	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0000
Rate 325	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0070
Rate 330	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0070
Rate 331	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0070
Rate 332	Federal Carbon Charge (If Applicable)	0.0000
	Facility Carbon Charge	0.0070

EGD RATE ZONE

TABLE 5: SUMMARY OF 2020 FEDERAL CARBON DEFERRAL AND VARIANCE ACCOUNTS

		Col. 1	Col. 2	Col. 3	Col. 4
Line	Rate	Federal Carbon Charge - Customer Variance Account ¹	Federal Carbon Charge - Facility Variance Account ²	Greenhouse Gas Emissions Administration Deferral Account ³	Total
		(\$000's)	(\$000's)	(\$000's)	(Col. 1 + Col. 2 + Col. 3) (\$000's)
1.1	Balance	-	(40)	1,579	1,539
1.2	Interest	-	(4)	14	11
1	Total	-	(44)	1,593	1,550

Notes:

(1) EB-2021-0209, Exhibit C, Page 8, Paragraph 18.

(2) EB-2021-0209, Exhibit C, Page 8, Paragraph 20 .

(3) EB-2021-0209, Exhibit I.VECC.7.

EGD RATE ZONE

TABLE 6: SUMMARY OF ALLOCATION OF 2020 FEDERAL CARBON DEFERRAL AND VARIANCE ACCOUNTS

		Col. 1	Col. 2	Col. 3	Col. 4
Line	Rate	Federal Carbon Charge - Customer Variance Account ¹	Federal Carbon Charge - Facility Variance Account ²	Greenhouse Gas Emissions Administration Deferral Account ³	Total
		(\$000's)	(\$000's)	(\$000's)	(Col. 1 + Col. 2 + Col. 3) (\$000's)
1.1	1	-	(15)	1,472	1,457
1.2	6	-	(14)	121	106
1.3	9	-	0	0	0
1.4	100	-	(0)	0	(0)
1.5	110	-	(3)	0	(3)
1.6	115	-	(1)	0	(1)
1.7	125	-	(2)	0	(2)
1.8	135	-	(0)	0	(0)
1.9	145	-	(0)	0	(0)
1.10	170	-	(1)	0	(1)
1.11	200	-	(1)	0	(1)
1.12	300	-	(0)	0	0
1.13	315	-	0	0	0
1.14	332	-	(7)	0	(7)
1	Total	-	(44)	1,593	1,550

Notes:

(1) Exhibit D, Tab 1, Schedule 4, Page 1, Table 7.

(2) Exhibit D, Tab 1, Schedule 4, Page 2, Table 8.

(3) Exhibit D, Tab 1, Schedule 4, Page 3, Table 9.

EGD RATE ZONE

TABLE 7: 2020 FEDERAL CARBON CHARGE - CUSTOMER VARIANCE ACCOUNT CLEARANCE UNIT RATES

		Col. 1	Col. 2	Col. 3
Line	Rate	Balance to be Cleared ¹	Interest ²	Total Balance to be Cleared ³
		(Col. 1 + Col. 2)		
		(\$000's)	(\$000's)	(\$000's)
1.1	1	-	-	-
1.2	6	-	-	-
1.3	9	-	-	-
1.4	100	-	-	-
1.5	110	-	-	-
1.6	115	-	-	-
1.7	125	-	-	-
1.8	135	-	-	-
1.9	145	-	-	-
1.10	170	-	-	-
1.11	200	-	-	-
1.12	300	-	-	-
1.13	315	-	-	-
1.14	332	-	-	-
1	Total	-	-	-

Notes:

- (1) The balance by rate class = The total balance in Line 1, Col. 1 x (volume for each rate class in Col. 4 / total volume in Line 1, Col. 4).
(2) The interest amount by rate class = The total interest in Line 1, Col. 2 x (the balance for each rate class in Col. 1 / the total balance in Line 1, Col. 1).
(3) Exhibit D, Tab 1, Schedule 3, Page 1, Line 1, Col. 1.

EGD RATE ZONE

TABLE 8: 2020 FEDERAL CARBON CHARGE - FACILITY VARIANCE ACCOUNT CLEARANCE UNIT RATES

		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
Line	Rate	Balance to be Cleared ¹	Interest ²	Total Balance to be Cleared ³	Actual Volumes (Jan - Dec 2020)	Unit Rate
				(Col. 1 + Col. 2)		(Col. 3 / Col. 4)
		(\$000's)	(\$000's)	(\$000's)	(10 ³ m ³)	(¢/m ³)
1.1	1	(14)	(1)	(15)	4,894,404	(0.0003)
1.2	6	(13)	(1)	(14)	4,650,326	(0.0003)
1.3	9	0	0	0	0	0.0000
1.4	100	(0)	(0)	(0)	20,111	(0.0003)
1.5	110	(3)	(0)	(3)	981,141	(0.0003)
1.6	115	(1)	(0)	(1)	378,039	(0.0003)
1.7	125	(1)	(0)	(2)	526,029	(0.0003)
1.8	135	(0)	(0)	(0)	65,287	(0.0003)
1.9	145	(0)	(0)	(0)	23,396	(0.0003)
1.10	170	(1)	(0)	(1)	247,430	(0.0003)
1.11	200	(1)	(0)	(1)	189,473	(0.0003)
1.12	300	(0)	(0)	(0)	204	(0.0003)
1.13	315	0	0	0	0	0.0000
1.14	332	(6)	(1)	(7)	2,288,139	(0.0003)
1	Total	(40)	(4)	(44)	14,263,977	

Notes:

(1) The balance by rate class = The total balance in Line 1, Col. 1 x (volume for each rate class in Col. 4 / total volume in Line 1, Col. 4).

(2) The interest amount by rate class = The total interest in Line 1, Col. 2 x (the balance for each rate class in Col. 1 / the total balance in Line 1, Col. 1).

(3) Exhibit D, Tab 1, Schedule 3, Page 1, Line 1, Col. 2.

EGD RATE ZONE

TABLE 9: 2020 GREENHOUSE GAS EMISSIONS ADMINISTRATION DEFERRAL ACCOUNT CLEARANCE UNIT RATES

		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
Line	Rate	2020 Number of Customers	Balance to be Cleared ¹	Interest ²	Total Balance to be Cleared ³	Actual Volumes (Jan - Dec 2020)	Unit Rate
			(\$000's)	(\$000's)	(Col. 2 + Col. 3) (\$000's)	(10 ³ m ³)	(Col. 4 / Col. 5) (¢/m ³)
1.1	1	2,064,531	1,459	13	1,472	4,894,404	0.0301
1.2	6	169,084	120	1	121	4,650,326	0.0026
1.3	9	2	0	0	0	0	0.0000
1.4	100	9	0	0	0	20,111	0.0000
1.5	110	335	0	0	0	981,141	0.0000
1.6	115	20	0	0	0	378,039	0.0000
1.7	125	4	0	0	0	526,029	0.0000
1.8	135	40	0	0	0	65,287	0.0000
1.9	145	22	0	0	0	23,396	0.0001
1.10	170	21	0	0	0	247,430	0.0000
1.11	200	1	0	0	0	189,473	0.0000
1.12	300	1	0	0	0	204	0.0003
1.13	315	0	0	0	0	0	0.0000
1.14	332	1	0	0	0	2,288,139	0.0000
1	Total	2,234,071	1,579	14	1,593	14,263,977	

Notes:

- (1) The balance by rate class = The total balance in Line 1, Col. 2 x (number of customer for each rate class in Col. 1 / total number of customer in Line 1, Col. 1).
(2) The interest amount by rate class = The total interest in Line 1, Col. 3 x (the balance for each rate class in Col. 2 / the total balance in Line 1, Col. 2).
(3) Exhibit D, Tab 1, Schedule 3, Page 1, Line 1, Col. 3.

EGD RATE ZONE

TABLE 10: 2020 FEDERAL CARBON DEFERRAL AND VARIANCE ACCOUNT CLEARANCE
UNIT RATE SUMMARY BY RATE CLASS

The following adjustment is applicable to consumption volumes for the period January 1 to December 31, 2020.

Rate Class	Non-OBPS	OBPS ¹
	Unit Rate (¢/m ³)	Unit Rate (¢/m ³)
Rate 1	0.0298	0.0298
Rate 6	0.0023	0.0023
Rate 9	0.0000	0.0000
Rate 100	(0.0003)	(0.0003)
Rate 110	(0.0003)	(0.0003)
Rate 115	(0.0003)	(0.0003)
Rate 125	(0.0003)	(0.0003)
Rate 135	(0.0003)	(0.0003)
Rate 145	(0.0002)	(0.0002)
Rate 170	(0.0003)	(0.0003)
Rate 200	(0.0003)	(0.0003)
Rate 300	0.0000	0.0000
Rate 300 Interruptible	0.0000	0.0000
Rate 315	0.0000	0.0000
Rate 332	(0.0003)	(0.0003)

(1) Includes Voluntary Participants and Other Exempt Gas Volumes.

EGD RATE ZONE

TABLE 11: 2020 FEDERAL CARBON DEFERRAL AND VARIANCE ACCOUNT CLEARANCE
UNIT RATE BREAKDOWN BY RATE CLASS

The following adjustment is applicable to consumption volumes for the period January 1 to December 31, 2020.

Rate Class		Non-OBPS (¢/m ³)	OBPS ¹ (¢/m ³)
Rate 1	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	GGEADA	0.0301	0.0301
	Total	0.0298	0.0298
Rate 6	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	GGEADA	0.0026	0.0026
	Total	0.0023	0.0023
Rate 9	Customer-Related	0.0000	
	Facility-Related	0.0000	0.0000
	GGEADA	0.0000	0.0000
	Total	0.0000	0.0000
Rate 100	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	GGEADA	0.0000	0.0000
	Total	(0.0003)	(0.0003)
Rate 110	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	GGEADA	0.0000	0.0000
	Total	(0.0003)	(0.0003)

Rate Class		Non-OBPS (¢/m ³)	OBPS ¹ (¢/m ³)
Rate 115	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	<u>GGEADA</u>	<u>0.0000</u>	<u>0.0000</u>
	Total	(0.0003)	(0.0003)
Rate 125	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	<u>GGEADA</u>	<u>0.0000</u>	<u>0.0000</u>
	Total	(0.0003)	(0.0003)
Rate 135	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	<u>GGEADA</u>	<u>0.0000</u>	<u>0.0000</u>
	Total	(0.0003)	(0.0003)
Rate 145	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	<u>GGEADA</u>	<u>0.0001</u>	<u>0.0001</u>
	Total	(0.0002)	(0.0002)
Rate 170	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	<u>GGEADA</u>	<u>0.0000</u>	<u>0.0000</u>
	Total	(0.0003)	(0.0003)
Rate 200	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	<u>GGEADA</u>	<u>0.0000</u>	<u>0.0000</u>
	Total	(0.0003)	(0.0003)

Rate Class		Non-OBPS (¢/m ³)	OBPS ¹ (¢/m ³)
Rate 300	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	<u>GGEADA</u>	<u>0.0003</u>	<u>0.0003</u>
	Total	0.0000	0.0000
Rate 300 Interruptible	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	<u>GGEADA</u>	<u>0.0003</u>	<u>0.0003</u>
	Total	0.0000	0.0000
Rate 315	Customer-Related	0.0000	
	Facility-Related	0.0000	0.0000
	<u>GGEADA</u>	<u>0.0000</u>	<u>0.0000</u>
	Total	0.0000	0.0000
Rate 332	Customer-Related	0.0000	
	Facility-Related	(0.0003)	(0.0003)
	<u>GGEADA</u>	<u>0.0000</u>	<u>0.0000</u>
	Total	(0.0003)	(0.0003)

(1) Includes Voluntary Participants and Other Exempt Gas Volumes.

Enbridge Gas Inc.

Appendix B

(Union Rate Zone)

EB-2021-0209

UNION RATE ZONES

2022 Customer-Related Volumes and Derivation of Federal Carbon Charge Unit Rate

Effective April 1, 2022

Line No	Rate Class	Forecast Volumes (10 ³ m ³) (1)	Less: Transportation Volumes (10 ³ m ³)	Customer-Related Forecast Volumes (10 ³ m ³) (2)	EPS Participant & Other Exempt Volumes (10 ³ m ³) (3)	Net Volumes (10 ³ m ³)	Federal Carbon Charge (\$/m ³) (4)	Federal Carbon Cost (\$)	Federal Carbon Charge Unit Rate (¢/m ³)
		(a)	(b)	(c) = (a - b)	(d)	(e) = (c - d)	(f)	(g) = (e * f * 1000)	(h) = (g/(e*1000))*100
Union South In-Franchise Delivery									
1	Rate M1	3,138,672	-	3,138,672	2,932	3,135,740	0.0979	306,988,977	
2	Rate M2	1,290,399	-	1,290,399	85,030	1,205,369	0.0979	118,005,649	
3	Rate M4	593,748	-	593,748	230,441	363,307	0.0979	35,567,741	
4	Rate M5	62,137	-	62,137	15,072	47,065	0.0979	4,607,652	
5	Rate M7	685,559	-	685,559	533,307	152,251	0.0979	14,905,387	
6	Rate M9	88,845	-	88,845	88,845	-	0.0979	-	
7	Rate M10	360	-	360	91	269	0.0979	26,319	
8	Rate T1	416,900	-	416,900	315,758	101,141	0.0979	9,901,718	
9	Rate T2	4,226,389	-	4,226,389	4,226,389	-	0.0979	-	
10	Rate T3	264,209	-	264,209	264,209	-	0.0979	-	
11	Total Union South In-Franchise	10,767,217	-	10,767,217	5,762,075	5,005,142		490,003,443	
Union North In-Franchise Delivery									
12	Rate 01	1,027,027	-	1,027,027	430	1,026,597	0.0979	100,503,890	
13	Rate 10	368,229	-	368,229	12,741	355,488	0.0979	34,802,267	
14	Rate 20	796,103	-	796,103	666,156	129,947	0.0979	12,721,782	
15	Rate 25	91,136	-	91,136	82,109	9,027	0.0979	883,733	
16	Rate 100	1,036,246	-	1,036,246	1,036,246	-	0.0979	-	
17	Total Union North In-Franchise	3,318,742	-	3,318,742	1,797,683	1,521,059		148,911,672	
18	Total In-Franchise	14,085,959	-	14,085,959	7,559,758	6,526,201		638,915,115	
Ex-Franchise									
19	Rate M12 - Firm Transportation	20,024,339	20,024,339	-	-	-	0.0979	-	
20	Rate M13	60,493	60,493	-	-	-	0.0979	-	
21	Rate M16	284,851	284,851	-	-	-	0.0979	-	
22	Rate M17	26,325	26,325	-	-	-	0.0979	-	
23	Rate C1 - Firm Transportation	4,187,306	4,187,306	-	-	-	0.0979	-	
24	Total Ex-Franchise	24,583,315	24,583,315	-	-	-		-	
25	Total In-Franchise & Ex-Franchise	38,669,274	24,583,315	14,085,959	7,559,758	6,526,201		638,915,115	9.7900

Notes:

- (1) Application and Evidence, Exhibit B, Tab 2, Schedule 1, Col. 1 + ex-franchise forecast volumes.
- (2) Application and Evidence, Exhibit B, Tab 2, Schedule 1, Col. 1.
- (3) Application and Evidence, Exhibit B, Tab 2, Schedule 1, Col. 2.
- (4) Application and Evidence, Exhibit B, Tab 2, Schedule 5, Line 2.

UNION RATE ZONES
2022 Facility-Related Volumes and Derivation of Facility Carbon Charge Unit Rate
Effective April 1, 2022

Line No.	Particulars	Forecast Volumes (10 ³ m ³) (1) (a)	Federal Carbon Charge (\$/m ³) (2) (b)	Facility Carbon Cost (\$) (c)	Facility Carbon Charge Unit Rate (¢/m ³) (d)
	Company Use				
1	Buildings	1,636			
2	Boilers/Line Heaters	20,199			
3	NGV Fleet	-			
4	Total Company Use	21,835	0.0979	2,137,624 (3)	
5	Compressor Fuel	151,067		3,306,207 (4)	
6	Total	172,901		5,443,831	0.0141 (5)

Notes:

- (1) Application and Evidence, Exhibit B, Tab 2, Schedule 2, Col 1.
- (2) Application and Evidence, Exhibit B, Tab 2, Schedule 5, Line 5.
- (3) Application and Evidence, Exhibit B, Tab 2, Schedule 5, Line 6. The Company Use cost is for April 1, 2022 to March 31, 2023.
- (4) Application and Evidence, Exhibit B, Tab 2, Schedule 5, Line 11. The Compressor Fuel cost is for January 1 to December 31, 2022.
- (5) Total Facility Carbon Cost / Total Forecast Volumes = [column (c) / (Exhibit D, Tab 2, Schedule 1, p. 1, line 25, column (a) x 1000)] x 100.

UNION RATE ZONES
2022 Carbon Charge Unit Rate Summary
Effective April 1, 2022

Line No.	Particulars (ϕ/m^3)	Unit Rate (a)
1	Federal Carbon Charge	9.7900 (1)
2	Facility Carbon Charge	0.0141 (2)
3	Total (line 1 + line 2)	<u>9.8041</u>

Notes:

- (1) Appendix B, Schedule 1, p. 1, line 25, column (h).
(2) Appendix B, Schedule 1, p. 2, line 6, column (d).

UNION RATE ZONES

Calculation of Union South In-franchise Unit Rate Change

Parkway Delivery Commitment Incentive (PDCI) Costs Updated to Include Facility Carbon Charge

Effective April 1, 2022

Line No.	Particulars	Billing Units	2022 PDCI Cost Change (\$000's) (1) (a)	2022 Forecast Usage (2) (b)	Unit Rate Change (cents / m³) (c)=(a / b*100)
<u>Rate M1</u>					
	Monthly Delivery Commodity Charge				
1	First 100 m³	10³m³	14	1,032,537	0.0013
2	Next 150 m³	10³m³	11	893,607	0.0013
3	All over 250 m³	10³m³	13	1,208,626	0.0011
4	Total Rate M1		<u>38</u>	<u>3,134,770</u>	<u>0.0012</u>
<u>Rate M2</u>					
	Monthly Delivery Commodity Charge				
5	First 1,000 m³	10³m³	1	85,970	0.0013
6	Next 6,000 m³	10³m³	5	374,643	0.0013
7	Next 13,000 m³	10³m³	4	358,606	0.0012
8	All over 20,000 m³	10³m³	5	471,637	0.0011
9	Total Rate M2		<u>15</u>	<u>1,290,856</u>	<u>0.0012</u>
<u>Rate M4</u>					
	Monthly Demand Charge				
10	First 8,450 m³	10³m³/d	2	21,114	0.0106
11	Next 19,700 m³	10³m³/d	1	20,556	0.0047
12	All over 28,150 m³	10³m³/d	0	5,153	0.0040
	Monthly Delivery Commodity Charge				
13	First Block	10³m³	2	639,049	0.0004
14	All remaining use	10³m³	0	206	0.0001
15	Total Rate M4		<u>6</u>	<u>639,255</u>	<u>0.0009</u>
<u>Rate M5A</u>					
	Firm contracts				
16	Monthly Delivery Commodity Charge	10³m³	0	4,874	0.0004
17	Total Delivery - Firm M5A		<u>0</u>	<u>4,874</u>	<u>0.0005</u>
	Interruptible contracts				
18	Delivery Commodity Charge (Avg Price)	10³m³	1	62,056	0.0010
19	Total Delivery -Interruptible M5A		<u>1</u>	<u>62,056</u>	<u>0.0010</u>
20	Total Rate M5A		<u>1</u>	<u>66,929</u>	<u>0.0010</u>
<u>Rate M7</u>					
	Firm Contracts				
21	Monthly Delivery Commodity Charge	10³m³	3	604,724	0.0005
22	Total Delivery - Firm M7		<u>3</u>	<u>604,724</u>	<u>0.0005</u>
	Interruptible / Seasonal Contracts				
23	Monthly Delivery Commodity Charge	10³m³	1	93,732	0.0011
24	Total Rate M7		<u>4</u>	<u>698,456</u>	<u>0.0006</u>
<u>Rate M9</u>					
25	Monthly Delivery Commodity Charge	10³m³	1	88,845	0.0016
26	Total Rate M9		<u>1</u>	<u>88,845</u>	<u>0.0016</u>
<u>Rate M10</u>					
27	Monthly Delivery Commodity Charge	10³m³	0	360	0.0016
28	Total Rate M10		<u>0</u>	<u>360</u>	<u>0.0015</u>

Notes:

(1) Appendix B, Schedule 2, p. 3, column (i).

(2) EB-2021-0147, Exhibit D, Tab 2, Rate Order, Working Papers, Schedule 11, column (a).

UNION RATE ZONES
Calculation of Union South In-franchise Unit Rate Change
Parkway Delivery Commitment Incentive (PDCI) Costs Updated to Include Facility Carbon Charge
Effective April 1, 2022

Line No.	Particulars	Billing Units	2022 PDCI Cost Change (\$000's) (1) (a)	2022 Forecast Usage (2) (b)	Unit Rate Change (cents / m ³) (c)=(a / b*100)
	<u>Rate T1</u>				
	Transportation				
	Firm				
1	All Volumes	10 ³ m ³	5	380,463	0.0012
2	Interruptible	10 ³ m ³	1	34,865	0.0016
3	Total Rate T1		<u>5</u>	<u>415,327</u>	<u>0.0013</u>
	<u>Rate T2</u>				
	Transportation				
	Firm				
4	All Volumes	10 ³ m ³	20	4,686,927	0.0004
5	Interruptible	10 ³ m ³	2	178,978	0.0011
6	Total Rate T2		<u>22</u>	<u>4,865,905</u>	<u>0.0005</u>
	<u>Rate T3</u>				
	Transportation				
7	Commodity	10 ³ m ³	4	264,209	0.0016
8	Total Rate T3		<u>4</u>	<u>264,209</u>	<u>0.0015</u>
9	Total PDCI Cost Change		<u>97</u>		

Notes:

- (1) Appendix B, Schedule 2, p. 3, column (i).
(2) EB-2021-0147, Exhibit D, Tab 2, Rate Order, Working Papers, Schedule 11, column (a).

UNION RATE ZONES

Rate Adjustment Summary based on

Changes to the Parkway Delivery Commitment Incentive (PDCI) Costs Updated for the 2022 Facility Carbon Charge

Line No.	Particulars (\$000's)	PDCI Costs per EB-2021-0147 (1)			Updated PDCI Costs			Difference		
		Dawn-Parkway Demand Costs	Commodity Costs	Total PDCI Costs	Dawn-Parkway Demand Costs (2)	Commodity Costs (3)	Total PDCI Costs	Dawn-Parkway Demand Costs	Commodity Costs	Total Costs
		(a)	(b)	(c) = (a + b)	(d)	(e)	(f) = (d + e)	(g) = (d - a)	(h) = (e - b)	(i) = (g + h)
1	Rate M1	5,838	1,457	7,295	5,838	1,495	7,333	-	38	38
2	Rate M2	2,173	586	2,759	2,173	601	2,774	-	15	15
3	Rate M4	467	216	683	467	222	689	-	6	6
4	Rate M5 - Firm	2	1	3	2	1	3	-	0	0
5	Rate M5 - Interruptible	-	24	24	-	25	25	-	1	1
6	Rate M7 - Firm	369	125	494	369	128	497	-	3	3
7	Rate M7 - Interruptible	-	38	38	-	39	39	-	1	1
8	Rate M9	120	54	174	120	55	175	-	1	1
9	Rate M10	1	0	1	1	0	1	-	0	0
10	Rate T1 - Firm	300	177	477	300	182	482	-	5	5
11	Rate T1 - Interruptible	-	21	21	-	22	22	-	1	1
12	Rate T2 - Firm	1,886	760	2,646	1,886	780	2,666	-	20	20
13	Rate T2 - Interruptible	-	73	73	-	75	75	-	2	2
14	Rate T3	600	160	760	600	165	765	-	4	4
15	Total Costs	11,756	3,692	15,448	11,756	3,789	15,545	-	97	97

Notes:

- (1) EB-2021-0147, Exhibit D, Tab 2, Rate Order, Working Papers, Schedule 11, p. 2, columns (d), (e), and (f).
- (2) Appendix B, Schedule 2, p. 4, column (b) + Appendix B, Schedule 2, p. 5, column (b).
- (3) Appendix B, Schedule 2, p. 4, column (d) + Appendix B, Schedule 2, p. 5, column (d).

UNION RATE ZONES
Derivation of the 2022 Sales Service PDCI Costs Updated for the 2022 Facility Carbon Charge

Line No.	Particulars	Demand Costs		Commodity Costs		Total Sales Service PDCI Costs (\$000's) (e) = (b + d)
		2022 Forecast Dawn-Parkway Design Day Demands (10 ³ m ³ /d) (a)	11 TJ Sales Service Demand Costs (1) (\$000's) (b)	2022 Forecast Delivery Volumes East of Dawn (10 ³ m ³) (c)	11 TJ Sales Service Fuel and UFG Costs (3) (\$000's) (d)	
1	Rate M1	24,434	241	2,399,885	62	303
2	Rate M2	9,095	90	964,904	25	115
3	Rate M4	1,953	19	356,353	9	28
4	Rate M5 Firm	10	0	1,300	0	0
5	Rate M5 Interruptible	-	-	39,710	1	1
6	Rate M7 Firm	1,544	15	205,328	5	21
7	Rate M7 Interruptible	-	-	62,816	2	2
8	Rate M9	502	5	88,845	2	7
9	Rate M10	5	0	360	0	0
10	Rate T1 Firm	1,255	12	292,396	8	20
11	Rate T1 Interruptible	-	-	34,865	1	1
12	Rate T2 Firm	7,894	78	1,252,061	32	110
13	Rate T2 Interruptible	-	-	120,028	3	3
14	Rate T3	2,512	25	264,209	7	32
15	Total	49,203	486 (2)	6,083,058	157 (4)	642

Notes:

- (1) Allocated in proportion to column (a). Parkway Delivery Obligation of 11 TJ/d as per EB-2021-0147, Exhibit B, Tab 1, Appendix A, column (g), line 25.
- (2) Calculated as 11 TJ x \$0.121/GJ/d x 365 = \$0.486 million. Rate represents the M12 Dawn-Parkway demand rate per EB-2021-0147.
- (3) Allocated in proportion to column (c).
- (4) Calculated as 11 TJ x \$0.039/GJ/d x 365 = \$0.157 million. Rate represents the average Dawn-Parkway (TCPL / EGT) fuel rate per EB-2021-0147 Rate M12 Schedule 'C' at October 2021 QRAM Dawn Reference WACOG and updated Facility Carbon Charge.

UNION RATE ZONES
Derivation of the 2022 Direct Purchase (DP) PDCI Costs Updated for the 2022 Facility Carbon Charge

Line No.	Particulars	Demand Costs		Commodity Costs		Total DP PDCI Costs (\$000's) (e) = (b+d)
		2022 Forecast Dawn-Parkway Design Day Demands (10 ³ m ³ /d) (a)	255 TJ DP Demand Costs (1) (\$000's) (b)	2022 Forecast Delivery Volumes East of Dawn (10 ³ m ³) (c)	255 TJ DP Fuel and UFG Costs (3) (\$000's) (d)	
1	Rate M1	24,434	5,597	2,399,885	1,433	7,030
2	Rate M2	9,095	2,083	964,904	576	2,660
3	Rate M4	1,953	447	356,353	213	660
4	Rate M5 Firm	10	2	1,300	1	3
5	Rate M5 Interruptible	-	-	39,710	24	24
6	Rate M7 Firm	1,544	354	205,328	123	476
7	Rate M7 Interruptible	-	-	62,816	38	38
8	Rate M9	502	115	88,845	53	168
9	Rate M10	5	1	360	0	1
10	Rate T1 Firm	1,255	287	292,396	175	462
11	Rate T1 Interruptible	-	-	34,865	21	21
12	Rate T2 Firm	7,894	1,808	1,252,061	748	2,556
13	Rate T2 Interruptible	-	-	120,028	72	72
14	Rate T3	2,512	575	264,209	158	733
15	Total	<u>49,203</u>	<u>11,270</u> (2)	<u>6,083,058</u>	<u>3,633</u> (4)	<u>14,903</u>

Notes:

- (1) Allocated in proportion to column (a). Parkway Delivery Obligation of 264 TJ/d as per Exhibit B, Tab 1, Appendix A, column (g), line 13 + line 19 adjusted by 9 TJ/d to reflect the annual impact of a seasonal Parkway Delivery Obligation.
- (2) Calculated as 255 TJ x \$0.121/GJ/d x 365 = \$11.27 million. Rate represents the M12 Dawn-Parkway demand rate per EB-2021-0147.
- (3) Allocated in proportion to column (c).
- (4) Calculated as 255 TJ x \$0.039/GJ/d x 365 = \$3.633 million. Rate represents the average Dawn-Parkway (TCPL / EGT) fuel rate per EB-2021-0147 Rate M12 Schedule 'C' at October 2021 QRAM Dawn Reference WACOG and updated Facility Carbon Charge.

ENBRIDGE GAS INC.
Union Rate Zones
Summary of 2020 Federal Carbon Deferral and Variance Accounts

Line No.	Particulars (\$000's)	Federal Carbon Charge - Customer Variance Account 179-421 (a)	Federal Carbon Charge - Facility Variance Account 179-420 (b)	Greenhouse Gas Emissions Administration Deferral Account 179-422 (c)	Total (d) = (a+b+c)
1	Balance	-	(730)	838	108
2	Interest	-	(26)	8	(19)
3	Total (1)	<u>-</u>	<u>(756)</u>	<u>845</u>	<u>89</u>

Notes:

(1) Appendix B, Schedule 3, p. 2.

ENBRIDGE GAS INC.
Union Rate Zones
Summary of Allocation of 2020 Federal Carbon Deferral and Variance Accounts

Line No.	Particulars (\$000's)	Allocators		Account Balances			
		Jan - Dec 2020		Federal Carbon Charge	Federal Carbon Charge	Greenhouse Gas	
		Total Volumes	Total 2013 A&G	- Customer Variance Account	- Facility Variance Account	Emissions Administration Deferral Account	
		10 ³ m ³	(\$000's)	179-421	179-420 (1)	179-422 (2)	Total
		(a)	(b)	(c)	(d)	(e)	(f) = (c+d+e)
	<u>Union South In-Franchise</u>						
1	Rate M1	3,003,878	80,159	-	(60)	427	367
2	Rate M2	1,204,341	7,513	-	(24)	40	16
3	Rate M4	621,380	2,801	-	(12)	15	3
4	Rate M5	61,817	3,131	-	(1)	17	15
5	Rate M7	618,372	787	-	(12)	4	(8)
6	Rate M9	88,765	108	-	(2)	1	(1)
7	Rate M10	360	25	-	(0)	0	0
8	Rate T1	430,312	2,036	-	(9)	11	2
9	Rate T2	4,017,975	5,624	-	(80)	30	(50)
10	Rate T3	264,209	627	-	(5)	3	(2)
11	Total South In-Franchise	10,311,409	102,812	-	(206)	548	342
	<u>Union North In-Franchise</u>						
12	Rate 01	982,736	31,817	-	(20)	170	150
13	Rate 10	342,656	2,759	-	(7)	15	8
14	Rate 20	778,476	2,373	-	(16)	13	(3)
15	Rate 25	92,838	2,089	-	(2)	11	9
16	Rate 100	996,605	953	-	(20)	5	(15)
17	Total North In-Franchise	3,193,310	39,992	-	(64)	213	149
	<u>Ex-Franchise</u>						
18	Rate M12	19,511,464	14,918	-	(389)	79	(309)
19	Rate M13	45,910	0	-	(1)	0	(1)
20	Rate M16	341,757	21	-	(7)	0	(7)
21	Rate M17	7,685	-	-	(0)	-	(0)
22	Rate C1	4,522,884	323	-	(90)	2	(88)
23	Excess Utility Storage Space	-	597	-	-	3	3
24	Total Ex-Franchise	24,429,699	15,859	-	(487)	85	(403)
25	Total In-Franchise & Ex-Franchise	37,934,418	158,663	-	(756)	845	89

Notes:

- (1) Allocated in proportion to column (a).
(2) Allocated in proportion to column (b).

ENBRIDGE GAS INC.
Union Rate Zones
Unit Rates for One-Time Adjustment - Delivery
2020 Federal Carbon Deferral and Variance Account Disposition

Line No.	Particulars	Rate Class	Deferral Balance for Disposition (\$000's) (1) (a)	Volume (10 ³ m ³) (b)	Unit Rate (cents/m ³) (c) = (a / b)*100
	<u>Union North</u>				
1	Small Volume General Service	01	150	982,736	0.0153
2	Large Volume General Service	10	8	342,656	0.0023
3	Medium Volume Firm Service	20	(3)	778,476	(0.0004)
4	Large Volume Interruptible	25	9	92,838	0.0100
5	Large Volume High Load Factor	100	(15)	996,605	(0.0015)
	<u>Union South</u>				
6	Small Volume General Service	M1	367	3,003,878	0.0122
7	Large Volume General Service	M2	16	1,204,341	0.0013
8	Firm Com/Ind Contract	M4	3	621,380	0.0004
9	Interruptible Com/Ind Contract	M5	15	61,817	0.0250
10	Special Large Volume Contract	M7	(8)	618,372	(0.0013)
11	Large Wholesale	M9	(1)	88,765	(0.0013)
12	Small Wholesale	M10	0	360	0.0355
13	Contract Carriage Service	T1	2	430,312	0.0005
14	Contract Carriage Service	T2	(50)	4,017,975	(0.0012)
15	Contract Carriage- Wholesale	T3	(2)	264,209	(0.0007)
16	Total		<u>492</u>		

Notes:

(1) Appendix B, Schedule 3, p. 2, column (f).

ENBRIDGE GAS INC.
Union Rate Zones
Ex-Franchise Amounts for Disposition
2020 Federal Carbon Deferral and Variance Account Disposition

Line No.	Particulars (\$000's) (1)	Rate Class	Deferral Balance for Disposition (\$000's) (2) (a)
1	Storage and Transportation	M12	(309)
2	Local Production	M13	(1)
3	Storage Transportation Service	M16	(7)
4	Transportation Service	M17	(0)
5	Short-Term Cross Franchise	C1	<u>(88)</u>
6	Total Ex-Franchise		(406)

Notes:

- (1) Appendix B, Schedule 3, p. 2, column (f).
(2) Ex-franchise M12, M13, M16, M17 and C1 customer specific amounts determined using approved deferral account allocation methodologies.