ENBRIDGE

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VIA RESS and EMAIL

March 11, 2022

Nancy Marconi
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-2021-0148
2022 Rates (Phase 2)
Reply Argument

In accordance with Procedural Order No. 2 dated February 3, 2022, enclosed please find Reply Argument from Enbridge Gas in the above noted proceeding.

Please contact the undersigned if you have any questions.

Yours truly,

Rakesh Torul Digitally signed by Rakesh Torul Date: 2022.03.11 15:21:40 -05'00'

Rakesh Torul
Technical Manager, Regulatory Applications

cc: Intervenors (EB-2021-0148)
David Stevens, Aird and Berlis LLP

EB-2021-0148

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Sched. B, as amended;

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 approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of January 1, 2022.

ENBRIDGE GAS INC.

2022 RATES - PHASE 2 – ICM FUNDING REQUESTS

REPLY ARGUMENT

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A. INTRODUCTION

1. On October 15, 2021, Enbridge Gas Inc. (Enbridge Gas, or the Company) filed an Application seeking Ontario Energy Board (OEB) approval for the Company's 2022 Incremental Capital Module (ICM) funding requests. Enbridge Gas is seeking OEB approval for ICM funding for five projects in 2022 – the St. Laurent Ottawa North Replacement (Phase 3) and NPS 20 Replacement Cherry to Bathurst in the EGD rate zone, and the Dawn to Cuthbert Replacement and Retrofits, the Byron Transmission Station and the Kirkland Lake Lateral Replacement in the Union rate zones. Collectively, these projects are referred to as the "2022 ICM Projects".

2. Enbridge Gas filed detailed evidence in support of ICM eligibility and funding for the 2022 ICM Projects, and responded to more than 120 interrogatories.[1] Procedural Order No. 2 did not provide for Enbridge Gas to file Argument in Chief. Accordingly, the filed evidence, and in particular Exhibit B, Tab 2, Schedule 1, functions as the Company's Argument in Chief in this case. Enbridge Gas relies on the evidence filed in support of the Application, but will not repeat it except as necessary to respond to the submissions of other parties.

3. In accordance with Procedural Order No. 2, 12 parties[2] filed submissions in response to Enbridge Gas's Application. This Reply Argument sets out Enbridge Gas's response. Given the large number and broad scope of the arguments received from other parties, Enbridge Gas will not attempt to respond to every item noted. However,

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[1] Exhibit B, Tab 2, Schedule 1 sets out the requests for ICM funding for the 2022 ICM Projects, including a description of the Company's budget process, eligibility for ICM funding, description and ICM eligibility for each of the 2022 ICM Projects, calculation of revenue requirement and cost allocation, and proposed ICM unit rates and bill impacts. Supporting calculations are set out in the Appendices to Exhibit B-2-1. The balance of the pre-filed evidence includes business cases for the 2022 ICM Projects in the Union Gas Rate Zone (because those are not subject to Leave to Construct Approval), as well as a 2022 Addendum to the Asset Management Plan (which is to be read in conjunction with the previously filed 2021 Asset Management Plan).

[2] OEB Staff (OEB Staff), Association of Power Producers of Ontario (APPrO), Canadian Manufacturers & Exporters (CME), Consumers Council of Canada (CCC), Energy Probe Research Foundation (EP), Environmental Defence (ED); Federation of Rental-housing Providers of Ontario (FRPO), Industrial Gas Users Association (IGUA), London Property Management Association (LPMA), Pollution Probe (PP), School Energy Coalition (SEC) and Vulnerable Energy Consumers Coalition (VECC).

failure to respond to any particular items should not be interpreted as acceptance or agreement by Enbridge Gas.

4. There is no dispute that the OEB should approve Enbridge Gas's largest ICM request – for the NPS 20 Replacement Cherry to Bathurst project. While a few parties argue that the amount of ICM funding for that project should be reduced, no party argues against ICM funding being approved.

5. On the other ICM requests, there are varying levels of objection from other parties. Some parties support some of these requests (such as Byron Transmission Station and Dawn to Cuthbert Replacement and Retrofits) while other requests are generally disputed (St. Laurent Ottawa North Replacement (Phase 3) and Kirkland Lake Replacement).

6. In this Reply Argument, Enbridge Gas has grouped the submissions opposing aspects of the Company's ICM requests into three categories: Budget Process and Prioritization, EGD Rate Zone Projects, and Union Gas Rate Zone Projects. Intervenor and OEB Staff positions for each category, and Enbridge Gas's position and response on each, are summarized in the sections that follow. Enbridge Gas starts its submissions with a brief overview of items and areas where there is little or no dispute, and concludes its submissions with discussion of ICM implementation, which was not an area of focus for most parties.

7. Enbridge Gas notes that several intervenor arguments raise concerns and issues with the OEB's ICM policy and the way that it operates.[3] Enbridge Gas does not believe that this proceeding is an appropriate place to consider or address changes to an OEB policy. The Company relies on the OEB's current ICM policy in support of its ICM funding requests. As explained in evidence, and in this Reply Argument, each of the

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[3] See, for example, CME Submission, page 8; EP Submission, page 6; FRPO Submission, pages 2-3; PP Submission, page 7; and VECC Submission, pages 5 and 14.

ICM funding requests meets the requirements and expectations of the OEB's current ICM policy.

B. AREAS OF AGREEMENT

8. Enbridge Gas is seeking ICM funding for the five 2022 ICM Projects that are not supported by existing rates. Enbridge Gas explained in its prefiled evidence the reasons why each project meets the OEB's ICM criteria in terms of materiality (including the means test and discrete project criteria), need and prudence.

9. There are several aspects of the OEB's ICM criteria that do not appear to be seriously at issue in this case.

10. No party disagrees with Enbridge Gas's submission that it meets the "means test" for ICM eligibility.[4]

11. Additionally, no party takes issue with Enbridge Gas's calculation of the "materiality threshold" amounts for the EGD and Union rate zones that will apply for 2022 to determine the level of capital spending in each rate zone that is supported by existing rates.[5]

12. Under the OEB's ICM policies, the Maximum Eligible Incremental Capital Amount is the difference between the forecasted total in-service capital additions for a year, and the ICM materiality threshold for that year.[6]

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[4] See Exhibit B, Tab 2, Schedule 1, pages 24-25. See OEB Staff Submission, page 5. EP argues that Enbridge Gas does not "need" ICM funding because it could re-prioritize spending (EP Submission, page 6). With respect, that is not what the OEB is assessing with the "Means Test" – that step of the ICM eligibility review is aimed at ensuring that the utility is not in an overearnings situation (i.e., earnings 300 bps above the OEB-approved ROE in rates). Enbridge Gas passes this part of the review.

[5] See Exhibit B, Tab 2, Schedule 1, pages 16-23.

[6] EB-2014-0219 Report of the Board - New Policy Options for the Funding of Capital Investments: The Advanced Capital Module, September 18, 2014 (ACM Report), page 22. In the 2020 Rates Decision (EB-2019-0194), the OEB confirmed that the in-service capital amounts are what are relevant for ICM determinations (see pages 5-8).

13. Enbridge Gas has calculated the 2022 Maximum Eligible Incremental Capital Amounts for the EGD and Union rate zones to be $212.8 million and $87.6 million respectively. These amounts represent the difference between the forecast in-service capital additions for each rate zone, and the corresponding ICM materiality thresholds.[7]

14. No party takes issue with the 2022 Maximum Eligible Incremental Capital Amount for the Union rate zones. However, some intervenors take issue with the 2022 EGD rate zone budget (capital additions), and argue that it should be reduced, which would lead to a lower Maximum Eligible Incremental Capital Amount. This is addressed below.

15. Finally, there is no dispute that the OEB should approve ICM funding for the NPS 20 Replacement Cherry to Bathurst project. This is also addressed below.

C. BUDGET PROCESS AND PRIORITIZATION

16. In prefiled evidence, Enbridge Gas explains its 2022 in-service capital forecast for the EGD and Union rate zones.[8] Details are provided in the Asset Management Plan (AMP) Update, and in responses to interrogatories.

17. Several intervenors take issue with the Company's in-service capital forecast, arguing that it does not include appropriate prioritization.[9]

18. In large part, the intervenor arguments on this point are high-level and do not point to specific reductions (or amount of reductions) that should be made to the Maximum Eligible Incremental Capital Amounts.[10] The exception is that OEB Staff and SEC argue for reductions to the Maximum Eligible Incremental Capital Amount for the EGD rate zone, to reflect a reduction in the amounts associated with General Plant

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[7] See Exhibit B, Tab 2, Schedule 1, pages 23-24.
[8] See Exhibit B, Tab 2, Schedule 1, pages 2-15. As directed in the EB-2020-0181 Decision (2021 Rates Phase 2 – ICM), Enbridge Gas has provided variance explanations between the 2021 and 2022 capital budgets.
[9] See, for example, CME Submission, page 7; EP Submission, pages 5-6; and FRPO Submission, page 2.
[10] See CME Submission, page 9; ED Submission, page 2; EP Submission, pages 5-6; and FRPO Submission, pages 1- 2.

expenditures. That specific item is discussed in the next section of this Reply Argument.

19. Enbridge Gas does not agree with or accept the premise of the intervenor arguments that raise concerns about the Company's in-service capital forecast. The Company has followed appropriate budget processes to identify and prioritize capital spending requirements for 2022 to continue to provide safe and reliable service. While the Company is able to accommodate most required capital spending within the amounts supported by 2022 rates, the 2022 ICM Projects are not supported by 2022 rates.[11]

20. As in prior years of this deferred rebasing term, Enbridge Gas has supported its ICM funding requests with an AMP (including the 2022 AMP Addendum) and evidence about spending requirements.[12] The OEB confirmed the appropriateness of this approach in the decision on the Company's 2021 ICM requests, noting that Enbridge Gas should provide more variance explanations in future years (which has been done in this case).[13]

21. Energy Probe asserts that Enbridge Gas must establish that each capital spending item in its budget is of a higher priority than any ICM project.[14] Enbridge Gas disagrees. The ICM process is not an opportunity to undertake a bottom-up review of the Company's 2022 capital budget. Enbridge Gas does not believe that this is appropriate or necessary in the context of an ICM request. The OEB's ICM policies do not contemplate or require the review and determination of a distributor's overall capital budget(s) within an ICM application. Instead, the ICM request is supported by an AMP. In the 2021 Rate Case Decision, the OEB agreed that Enbridge Gas had

[11] Enbridge Gas provided examples of capital projects that were deferred in 2022 to accommodate more urgent projects (see Exhibit I.STAFF.1 and Exhibit I.SEC.5) – the effect was to decrease the amounts sought for ICM funding.
[12] The AMP (filed in EB-2020-0181) sets out details of the system requirements, and planned projects for 2021-2025. The 2022 AMP Update (Exhibit B, Tab 2, Schedule 3) sets out details of the 2022 budget process and updates to the 2022 capital budget, including variance explanations versus what was included in the AMP. Enbridge Gas has provided further details in responding to more than 120 Interrogatories (not including sub-parts), many of which relate to the capital budget.
[13] EB-2020-0181 Decision And Order, May 6, 2021 (2021 Rates Phase 2 – ICM), pages 6-7.
[14] EP Submission, page 5.

provided sufficient details of its consolidated capital plan and capital expenditures to justify approving incremental funding.[15] There would be no regulatory efficiency in requiring a lengthy justification of capital budgets each year of an Incentive Regulation (or deferred rebasing) term where there was also an ICM request.[16]

22. There is also a suggestion in several intervenor arguments that the Enbridge Gas capital budget has grown unreasonably over time.[17] The evidence does not support this assertion. Instead, the evidence is that Enbridge Gas has maintained its base capital spending at a consistent level through the deferred rebasing term. It is the need for funding of large and discrete ICM projects that has led to some increases in some years. That can be seen in the following table:

Table 1 - In-Service Capital By Year ($ millions)

EGD RZ In service capital	2019	2020	2021	2022	Average	Notes
Capex including ICM	507	525	531	734	574	As per Table 1, Ex. B-2-1
ICM projects	-	30	-	213		The 2020 amount is based on actuals.*
Capex excluding ICM	507	495	531	522	514	
Variance from average	(6)	(18)	17	8		
UG RZ In service capital	**2019**	**2020**	**2021**	**2022**	*Average*	*Notes*
Capex including ICM	508	452	636	543	535	As per Table 2. Ex. B-2-1
ICM projects	84	41	151	65		The 2019-2020 amounts are based on actuals
Capex excluding ICM	424	411	485	479	449	and 2021 is based on updated forecasts.*
Variance from average	(26)	(38)	35	29		
EG In service capital	**2019**	**2020**	**2021**	**2022**	*Average*	*Notes*
Capex including ICM	1,015	977	1,167	1,277	1,109	
ICM projects	84	71	151	278		
Capex excluding ICM	931	906	1,016	999	963	
Variance from average	(35)	(60)	50	43		
*The actual amounts for ICM projects reflect actual costs and in-service dates.						
Differences from OEB-appoved ICM amounts will be trued-up through the ICM Deferral Acccount.						

[15] EB-2020-0181 Decision And Order, May 6, 2021 (2021 Rates Phase 2 – ICM), page 6.
[16] The OEB appeared confirm this position in the 2021 Rates Phase 2 – ICM Decision (page 7), where it is stated that the review of the appropriateness of capital spending takes place at rebasing, not in the ICM funding request process. Also see EB-2020-0181 (2021 Rates Application – ICM), Procedural Order No. 3, February 5, 2021, pp 3-4
[17] See, for example, FRPO Submission, page 1 and SEC Submission, page 3.

23. Ultimately, the question of the reasonableness of particular in-service capital spending is an issue for the rebasing proceeding. However, for the purposes of the ICM funding requests in this proceeding, Enbridge Gas submits that it has submitted appropriate and credible evidence to support its underlying 2022 capital budget. Under the OEB's ICM policies, the Company should be found to be eligible for ICM funding for the 2022 ICM Projects.

D. EGD RATE ZONE PROJECTS

24. Enbridge Gas has applied for ICM funding for two projects in the EGD rate zone - the St. Laurent Ottawa North Replacement (Phase 3) and NPS 20 Replacement Cherry to Bathurst. As set out in the evidence, Enbridge Gas asserts that each project meets the OEB's ICM requirements in terms of materiality, need and prudence.[18] Each is a discrete and significant project, and is not supported by base rates.

25. Before addressing the submissions made about the specific ICM projects, Enbridge Gas will address two items raised by other parties that apply to both projects.

26. OEB Staff and SEC argue that the 2022 forecast of in-service capital additions for the EGD rate zone should be reduced, which would lead to a lower Maximum Eligible Incremental Capital Amount.[19] The argument advanced is that there is a significant increase of $20.3 million in the proposed 2022 budget for "General Plant" expenses (as compared to what was included in the AMP filed in 2021), and this increased amount should not be included in the calculation of the Maximum Eligible Incremental Capital Amount. OEB staff asserts that General Plant expenses should be relatively consistent year over year, and the increase proposed for 2022 is not in line with prior years.

27. General Plant expenses include a variety of non-pipeline costs. The components of the EGD rate zone General Plant capital expenditures for each year over a ten year

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[18] See Exhibit B, Tab 2, Schedule 1, pages 26-28 and Exhibit B, Tab 2, Schedule 2, pages 2-7.
[19] See OEB Staff Submission, pages 5-6; and SEC Submission, pages 3-4.

period are set out in evidence.[20] As can be seen, this category of expenditures includes facilities and land, IT and vehicles. These are important sustaining activities to support the utility.

28. Enbridge Gas uses the budget set out in the AMP as the starting point for annual budgets. From there, changes may be made in subsequent years due to evolving circumstances. As explained in the 2022 AMP Update, "[a]sset managers for each asset class identified changes to the capital requirements due to emerging needs, changing circumstances, potential for deferral, project execution risk and other drivers. All requests for emerging or revised projects were supported with clear purpose, need and timing."[21] This resulted in an updated 2022 capital budget, which included an increase for certain projects in the General Plant category. The result is that the 2022 budget in this category is now at roughly the same level as the 2021 budget.[22]

29. A comparison between the 2022 General Plant budget filed in the 2021 rate case and the 2022 General Plant budget filed in this case shows updates in each category, with the main difference being an increase of $20 million in relation to Structures and Improvements (also referred to as "REWS" (real estate and workplace services)). Other categories showed offsetting increases and decreases.[23]

30. There are important reasons for the increase in the EGD rate zone 2022 General Plant capital expenditures for REWS as compared to what was in the AMP.

31. First, there are several REWS projects that were planned to be in service in 2021 when the AMP was published but which did not go into service until 2022. This means that on a budget view based on in-service capital, these projects become part of the 2022 budget even though they are not "new" projects. The impact of that change can be seen in comparing the General Plant budget forecasts in the 2021 and 2022 rate

[20] Exhibit B, Tab 2, Schedule 1, Appendix A, page 1.
[21] Exhibit B, Tab 2, Schedule 3, page 5.
[22] See Exhibit B, Tab 2, Schedule 1, Appendix A, page 1.
[23] Exhibit B, Tab 2, Schedule 1, Table 3 and Variance Explanations, page 9.

cases. In 2021, Enbridge Gas forecasted a 2021 budget of $102.4 million, and a 2022 budget of $60.7 million.[24] In the 2022 rate case filing, the 2021 budget is shown as $80.2 million (reduction of $22.2 million) and the 2022 budget is shown as $81.0 million (increase of $20.3 million).[25] Therefore, total spending did not change very much, but the allocation between years did change.

32. The response to SEC Interrogatory #4 sets out some of the significant 2022 REWS projects that were planned to be in-service in 2021.[26] The total 2022 value of these three projects is $29.9 million.

33. Additionally, there are some new REWS projects that Enbridge Gas has identified to be going into service for 2022, based on emerging needs, changing circumstances and other drivers. The response to SEC Interrogatory #4 lists three such projects, with a total 2022 value of $11.6 million.

34. Of course, simply combining the impacts of the two categories of additional REWS costs detailed above would result in an increase of $40 million to the 2022 General Plant budget. To accommodate these additions, Enbridge Gas made other changes to the budget to reduce in other areas. Examples of reductions are set out in response to SEC Interrogatory #5.[27]

35. Taking all of this together, Enbridge Gas submits that it is not reasonable or necessary to conclude that the "increase" in 2022 General Plant forecast in-service costs is a reason that would support a reduction to the 2022 Maximum Eligible Incremental Capital Amount for the EGD rate zone.

36. On a different topic, several parties argue that the ICM Amount for each 2022 ICM Project should be reduced to remove indirect overheads costs. Energy Probe argues

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[24] EB-2020-0181, Exhibit B, Tab 2, Schedule 1, Table 1.
[25] Exhibit B, Tab 2, Schedule 1, Table 3 and Variance Explanations, page 9.
[26] Exhibit I.SEC.4.
[27] Exhibit I.SEC.5.

that these are not incremental costs and should not be recovered in an ICM rider.[28] Pollution Probe takes a similar position.[29] VECC argues that including these costs in ICM riders could result in “double-recovery”.[30]

37. This question has already been raised and answered by the OEB in the 2019, 2020 and 2021 ICM cases.

38. In the 2019 Decision, the OEB stated that “The OEB approves the inclusion of indirect overheads in the ICM project costs. The OEB accepts Enbridge Gas’ explanation that the ICM funding request is based on fully burdened costs, unlike a leave to construct application. … The OEB has never previously excluded indirect costs from ICM funding, and therefore the OEB considers Enbridge Gas’ approach consistent with the OEB’s policy for ICMs.”[31]

39. In the 2020 Decision, the OEB stated that “[t]he OEB had clarified in the 2019 Rates Decision that indirect overheads are included in the calculation of rate base and should be included in the assessment of ICM. The OEB sees no reason to depart from this Decision”.[32]

40. In the 2021 Decision, the OEB stated that “[t]he OEB is not revisiting previous decisions regarding the inclusion of overheads, direct and indirect overheads, in ICM funding requests. The OEB approved the inclusion of indirect overheads in Enbridge Gas’s ICM funding applications in 2019 and 2020 and is doing so for 2021 as well.”[33]

41. Enbridge Gas therefore asserts that the OEB has clearly established that ICM funding amounts for Enbridge Gas do include indirect overhead costs. There is no need for

[28] Energy Probe Submission, pages 9, 10, 11, 12, and 13.
[29] PP Submission, page 7.
[30] VECC Submission, pages 12-14.
[31] EB-2018-0305 Decision and Order, September 12, 2019 (2019 Rates – ICM), page 29.
[32] EB-2019-0194 Decision and Order, May 14, 2020 (2020 Rates Phase II – ICM), page 9.
[33] EB-2020-0181 Decision And Order, May 6, 2021 (2021 Rates Phase II – ICM), page 20.

adjustment to the proposed ICM funding amounts. This position applies in relation to each of the 2022 ICM Projects.

42. In the subsections that follow, Enbridge Gas sets out its response to additional submissions from parties specific to the two EGD rate zone 2022 ICM Projects.

i. ST. LAURENT OTTAWA NORTH REPLACEMENT (PHASE 3) (EGD Rate Zone)

43. OEB staff submits that the St. Laurent Ottawa North Replacement (Phase 3) Project (St. Laurent Project) qualifies for ICM treatment.[34] Other parties disagree.

44. The main disagreements with Enbridge Gas's proposal are in relation to the timing for the Project. Parties argue that ICM approval should not be granted until after Leave to Construct (LTC) approval is issued in the EB-2020-0293 St. Laurent LTC case, and also argue that the St. Laurent Project will not go into service until 2022 and therefore it is not eligible for ICM treatment.

45. Parties suggest that Enbridge Gas should have to wait until after LTC approval is granted before receiving ICM funding approval for the St. Laurent Project.[35] CME indicates that it would be duplicative and potentially lead to conflicting results if the OEB made findings in this case about the St. Laurent Project before an LTC Decision is issued.[36]

46. Enbridge Gas does not agree. Any ICM approval for the St. Laurent Project will rely on the determinations about the need and prudence for the Project as determined in the LTC proceeding. If Enbridge Gas has to wait for that LTC approval, and then re-file a new 2022 ICM Application, then the risk of duplication is much higher. And of course, that approach would be inconsistent with the OEB's ongoing efforts to increase regulatory efficiency.

[34] OEB Staff Submission, pages 6-7.
[35] See, for example, CCC Submission, page 2; CME Submission, page 4; IGUA Submission, page 2; LPMA Submission, pages 6-7; Energy Probe Submission, page 12; and VECC Submission, page 10.
[36] CME Submission, page 4.

47. Ratepayers will be protected under Enbridge Gas's proposal. The ICM Rate Rider for the St. Laurent Project will not be implemented until after LTC approval is granted (and will not be implemented if LTC approval is denied). If the in-service date for the project is different from forecast, ratepayers will be refunded any amounts paid in relation to the earlier date. Each of these items is discussed below.

48. Enbridge Gas does not believe that it is necessary for the OEB to have issued LTC approval before ICM approval. Enbridge Gas believes that it is reasonable for the OEB to grant conditional ICM approval in this case, contingent on LTC approval being granted for the St. Laurent Project. OEB Staff agrees.[37] It is the LTC approval that will satisfy the ICM requirements of need and prudence. If LTC approval is not granted, then the St. Laurent Project will not proceed and the 2022 ICM Rate Riders will not include this project.

49. The timing of this case and the LTC case support this approach. In this case, Enbridge Gas is now proposing implementation of the 2022 ICM Rate Riders as of October 1, 2022 (see below). The OEB is expected to issue a decision in the LTC case by Q2 of 2022.[38] Therefore, it will be known well in advance of the October 1, 2022 implementation date for the 2022 ICM Rate Riders whether LTC approval has been granted. Therefore, there is no risk that an ICM Rate Rider including the St. Laurent Project will be implemented except where the OEB has granted LTC approval before the implementation date. OEB Staff agrees with this proposed approach.[39]

50. Some parties argue that the OEB should not grant 2022 ICM funding for the St. Laurent Project based on their assertion that the project will not go into service until 2023.[40] SEC and IGUA point to evidence at the recent Technical Conference in the LTC proceeding as support for their conclusion that the project is unlikely to be in-

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[37] OEB Staff Submission, page 7.
[38] Enbridge Gas agrees with the OEB Staff observation on this point (OEB Staff Submission, page 7).
[39] OEB Staff Submission, page 7.
[40] See, for example, CME Submission, page 4; ED Submission, page 2; IGUA Submission, pages 2-3; Pollution Probe Submission, pages 3-4; and SEC Submission, pages 2-3.

service in 2022.[41] SEC argues that it is not reasonable to increase project costs to meet that date, and says that is another reason why the project will not be completed this year.[42]

51. Enbridge Gas has been clear and consistent that the St. Laurent Project will go into service before the end of 2022. This was explained at the recent Technical Conference in the LTC proceeding on several occasions.[43] No party points to any instance where Enbridge Gas has asserted otherwise.

52. Enbridge Gas does not agree with SEC's arguments about St. Laurent Project costs. The witnesses at the Technical Conference in the LTC proceeding were clear that the project can be completed this year, and within the overall as-submitted budget (including contingency).[44] While the construction timeframe would be compressed, the number of hours of work would be the same and there may be some efficiencies and reduction in interest costs from a compressed schedule. In any event, it is not clear why SEC's argument is in scope for this proceeding. Enbridge Gas accepts that questions about need and prudence for the St. Laurent Project are being determined in the LTC case. Issues about project cost will be addressed in the LTC proceeding (where they will be relevant to LTC approval), and then the actual costs of the project will be reviewed at rebasing when the ICM Deferral Account is cleared and when Enbridge Gas submits its updated rate base for 2024.

53. Finally on this topic, Enbridge Gas agrees with the OEB Staff submission about ratepayers would be credited in the currently unanticipated event that the St. Laurent Project is delayed until 2023. As explained by OEB Staff, where the LTC is granted but the in-service date is delayed to 2023, the ICM revenues collected in 2022 will be tracked in the ICM Deferral Account and subsequently returned to ratepayers. The

[41] IGUA Submission, page 2; and SEC Submission, pages 2-3.
[42] SEC Submission, page 2.
[43] See, for example EB-2020-0293 Technical Conference Transcript, March 4, 2022, pages 146-147.
[44] See, for example EB-2020-0293 Technical Conference Transcript, March 4, 2022, pages 152 and 162-164.

same would apply to revenues collected in 2023 prior to the in-service date of this project.[45]

54. In addition to the timing-related submissions, a few parties raise additional arguments about ICM funding for the St. Laurent Project.

55. Pollution Probe argues that because the St. Laurent Project will serve ex-franchise load, then it is not proper to seek ICM funding recovery from Enbridge Gas ratepayers.[46] Enbridge Gas acknowledges that part of the capacity supported by the project will serve an ex-franchise customer (Gazifère). However, that customer pays for service under Rate 200. EGD charges "postage stamp rates", where customers pay the same amount at any place on the system. The OEB-approved cost allocation approach for the EGD rate zone is to allocate some of the costs for any XHP project (anywhere on the system) to Rate 200 since that customer class benefits from that asset class. Under this approach, some of the costs for this project will be allocated to Rate 200 based on their contribution to the peak demand on the XHP system, and Gazifère will pay some of the cost of the ICM Rate Rider.[47] Similarly, where there is an XHP project added in another part of the system, then Rate 200 will get an allocation of the associated costs, which will be recovered in rates.

56. Energy Probe argues that ICM funding request for the St. Laurent Ottawa North Replacement (Phase 3) Project covers two discrete projects. That is not the case. While Enbridge Gas is seeking LTC approval from the OEB in EB-2020-0293 for both Phase 3 and Phase 4 of the St. Laurent Ottawa North Replacement Project, the Company is only requesting 2022 ICM funding for Phase 3. It is a single project, as can be seen from the evidence in the LTC proceeding.

[45] OEB Staff Submission, page 7.
[46] PP Submission, page 4.
[47] Exhibit B, Tab 2, Schedule 1, Appendix F, page 1.

ii. NPS 20 REPLACEMENT CHERRY TO BATHURST (EGD Rate Zone)

57. No party disputes that the NPS 20 Replacement Cherry to Bathurst Project qualifies for ICM funding. Several parties support the request.[48]

58. The only disagreements with Enbridge Gas's proposal are in relation to the eligible cost for the project (whether the Maximum Eligible Incremental Capital Amount should be reduced), and whether the ICM funding should include indirect overheads. Enbridge Gas has addressed each of these items above.

E. UNION GAS RATE ZONES PROJECTS

59. Enbridge Gas has applied for ICM funding for three projects in the Union rate zones - Dawn to Cuthbert Replacement and Retrofits, Byron Transmission Station and the Kirkland Lake Lateral Replacement. Unlike the 2022 ICM Projects in the EGD rate zone, none of the 2022 ICM Projects in the Union rate zones require LTC approval. Taking this into account, Enbridge Gas filed detailed evidence about each project, similar to what would be filed in a LTC proceeding.[49]

60. As set out in the evidence, Enbridge Gas asserts that each 2022 ICM Projects in the Union rate zones meets the OEB's ICM requirements in terms of materiality, need and prudence.[50] Each is a discrete project, and is not supported by base rates.

61. Before addressing the submissions made about the specific 2022 ICM Projects in the Union rate zones, Enbridge Gas will address an issue raised by several parties that applies to each of these projects.

62. Several parties object that the 2022 ICM Projects in the Union rate zones are not "material" and therefore should not be eligible for ICM funding.[51] The common refrain

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[48] See, for example, OEB Staff Submission, page 8; CCC Submission, page 2; EP Submission, page 13; LPMA Submission, page 7; and PP Submission, page 3.
[49] See Exhibit B, Tab 2, Schedule 2, Appendices A to D.
[50] See Exhibit B, Tab 2, Schedule 1, pages 28-29 and Exhibit B, Tab 2, Schedule 2, pages 8-14.
[51] See, for example, APPrO Submission, pages 2-4; CCC Submission, pages 2-3; CME Submission, pages 4-5; EP Submission, pages 9-11; IGUA Submission, pages 1-2; PP Submission, page 6; and VECC Submission, page 9.

is that these projects are all around $21 million, or 1.6% to 1.8% of the total Enbridge Gas 2022 in-service capital forecast, and therefore the Company should be able to manage these costs without ICM funding.

63. The intervenor position is not supported by the OEB's ICM policy (and the past application of that policy), nor by the facts of this case.

64. The OEB's ICM policy indicates the following expectations for materiality of ICM projects:

- The amounts must exceed the OEB-defined materiality threshold and clearly have a significant influence on the operation of the distributor; otherwise they should be dealt with at rebasing.[52]

- Minor expenditures in comparison to the overall capital budget should be considered ineligible for ACM or ICM treatment. A certain degree of project expenditure over and above the OEB-defined threshold calculation is expected to be absorbed within the total capital budget.[53]

65. The ICM policy therefore has two materiality requirements.[54] First, the utility's total capital budget must exceed the ICM materiality threshold – essentially, this is the amount that is covered by rates plus a stretch factor.[55] Second, the proposed ICM project must itself be material and have significant impact on the distributor's operations. This factor is assessed in relation to the size of the utility.

66. In the MAADs Decision approving the amalgamation of EGD and Union, the OEB addressed the application of the ICM policy to Enbridge Gas during the deferred rebasing term. The OEB found as follows:

> The ICM policy for electricity distributors states that: "Any incremental capital amounts approved for recovery must fit within the total eligible incremental capital amount" and "must clearly have a significant influence on the operation of the distributor". The OEB has not established a project specific materiality threshold for electricity distributors to define "significant influence", and this has been determined on a case-by-case basis for other proceedings. For greater regulatory certainty, the OEB has determined that,

[52] ACM Report, page 16.
[53] ACM Report, page 17.
[54] This policy is confirmed in the 2021 Rate Decision (Phase 2) - EB-2020-0181 Decision And Order, May 6, 2021 (2021 Rates Phase II – ICM), page 11, section 3.2.2.
[55] The Materiality Threshold Calculation is described at Appendix B to the ACM Report (page 29).

> for Amalco, any individual project for which ICM funding is sought must have an in-service capital addition of at least $10 million. This will reduce the chance that any proposed ICM project will be found not to be significant to Amalco's operations.[56]

67. As can be seen, the OEB has determined that an Enbridge Gas project during the deferred rebasing term is material for ICM purposes where it exceeds the ICM materiality threshold (level at which ICM funding is available), and where the in-service capital value of the project is more than $10 million.

68. Parties argue that the $10 million ICM project requirement from the MAADs Decision is a minimum value, and that the materiality threshold should require that projects be higher than that amount. With respect, Enbridge Gas does not believe that is what the OEB said in the MAADs Decision. However, in the paragraphs that follow the Company sets out its position why the three 2022 Union rate zones ICM Projects are material even if the $10 million amount is viewed as a "minimum".

69. The in-service capital cost for the three 2022 Union rate zones ICM Projects total $65.3 million, with an average value of around $22 million. Enbridge Gas submits that the in-service capital costs of the 2022 Union Rate Zones ICM Projects are significant and material, both individually and collectively. Each one is more than twice the $10 million threshold established in the MAADs Decision. Each project addresses important system integrity issues, which fits with the rationale for why the OEB has made ICM funding available. It is reasonable for Enbridge Gas to receive ICM funding for these Projects, rather than having to accommodate them in the funding from base rates plus stretch factor.

70. In the 2019 Rates Decision, the OEB approved ICM funding for a project of similar size – the Stratford Reinforcement Project which had an in-service capital value of $27.9 million. In that case, the OEB found that "the total cost of the project … is

[56] EB-2017-0306 and EB-2017-0307 Decision and Order, August 30, 2018, at pages 32-33.

material in comparison to the overall capital budget of the Union Gas rate zone, and has a significant impact on Enbridge Gas operations."[57]

71. Some parties point to the 2021 Rates Decision (Phase 2) denying ICM funding for the Sarnia Industrial Line ICM request as support for a determination that the current Union rate zones ICM requests are not material.[58] Enbridge Gas disagrees. The Sarnia Industrial Line project was a system expansion project to serve a new customer. The determination for the Sarnia Industrial Line ICM request was based on the OEB's finding that the test of whether an ICM project has significant influence on the operation of the utility must consider incremental revenues generated. That will be particularly relevant where a project expands the distribution system to a new customer. In the Sarnia Industrial Line case, the incremental revenues generated were found to exceed the revenue requirement for the project in the subject years. The OEB found that to be a determinative factor.[59] The OEB did not assess or compare the in-service capital value of the Sarnia Industrial Line project to overall rate zone capital budgets.

72. Enbridge Gas asserts that a $22 million project is significant to the operations in the Union Gas rate zones. Three such projects ($65 million) are even more significant. This is seen in Table 1, above.

73. The ICM materiality threshold for Enbridge Gas already includes a 10% "dead band", meaning that the Company is not eligible for ICM funding until its in-service capital budget is 10% above the amount assumed to be recovered in rates. In the case of the Union rate zones for 2022, this means that the ICM materiality threshold is $23.9 million above amounts recovered in rates.[60] Additionally, Enbridge Gas is not claiming the full amount of ICM eligible capital for the Union rate zones in 2022. The Maximum

[57] EB-2018-0305 Decision and Order, September 12, 2019 (2019 Rates – ICM), page 28.
[58] See, for example, APPrO Submission, page 3; and CCC Submission, page 3.
[59] EB-2020-0181 Decision And Order, May 6, 2021 (2021 Rates Phase 2 – ICM), pages 15-16.
[60] Exhibit B, Tab 2, Schedule 1, paragraph 23 and Table 7. The 10% stretch in the ICM materiality threshold calculation is equivalent to $23.9 million of capital investment.

Eligible Incremental Capital is $87.8 million, but ICM funding is only sought in relation to projects totaling $64.6 million.[61] This implies an additional $23 million above the amounts recovered in rates is being funded by Enbridge Gas before accessing ICM funding. These facts are relevant to the intervenor argument that Enbridge Gas should fund the 2022 Union rate zones ICM Projects from existing rates.

74. If the OEB finds it appropriate to look at the size of the 2022 Union rate zones ICM Projects relative to overall capital costs, then the appropriate comparator is the Union rate zones in-service capital forecasts. That is the approach adopted by the OEB in approving the Stratford Reinforcement Project in 2019.[62] On that basis, the 2022 Union zones ICM Projects each account for around 4% of the 2022 in-service capital forecasts for the Union rate zones. Collectively, the projects account for around 12% of the 2022 in-service capital forecasts. Those numbers are significant.

75. For all of the reasons set out above, Enbridge Gas submits that the 2022 Union rate zones ICM Projects are material, and should be eligible to be considered for ICM funding. OEB Staff and LPMA each agree with that position, subject to their comments about incremental revenues for one of the projects.[63]

76. In the subsections that follow, Enbridge Gas sets out its response to submissions from parties specific to the three Union rate zones 2022 ICM Projects.

i. DAWN TO CUTHBERT REPLACEMENT AND RETROFITS (Union Rate Zones)

77. OEB Staff and LPMA support ICM funding for the Dawn to Cuthbert Replacement and Retrofits Project (Dawn to Cuthbert Project). They each agree that the project is needed, discrete, material and outside of base rates.[64]

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[61] Exhibit B, Tab 2, Schedule 1, pages 23 and 24. This point is highlighted in the LPMA Submission, at page 2.
[62] EB-2018-0305 Decision and Order, September 12, 2019 (2019 Rates – ICM), page 28. That is also the approach adopted by LPMA – see LPMA Submission, page 3.
[63] OEB Staff Submission, page 10; and LPMA Submission, page 3.
[64] OEB Staff Submission, pages 8, 9 and 10; and LPMA Submission, pages 4 and 5.

78. In addition to the materiality question which is addressed above, some intervenors raise two objections to ICM treatment for the Dawn to Cuthbert Project.

79. First, some parties argue that the activities contemplated by the project are "typical annual capital program" expenditures, and argue that such costs must be accommodated within base capital budgets.[65]

80. Enbridge Gas disagrees. While the Transmission Integrity Management Program (TIMP) that identified issues with the Dawn to Cuthbert 42" pipeline is a typical annual capital program[66], the replacement of significant pipelines to address issues identified through TIMP is not a typical annual capital program. The replacement activities are major projects, with costs that do not recur each year, and which are beyond the TIMP costs.[67]

81. The other objection raised by some parties is that the Dawn to Cuthbert Project is actually two discrete projects – replacement of the 42" pipeline and installation of in-line inspection (ILI) equipment. A review of the evidence shows that both items are part of a single project. The project involves replacing a segment of pipeline, and also making it possible for the replaced segment to be inspected in the future using ILI equipment.[68]

ii. BYRON TRANSMISSION STATION (Union Rate Zones)

82. OEB Staff and LPMA support ICM funding for the Byron Station Project. They each agree that the project is needed, discrete, material and outside of base rates.[69]

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[65] APPrO Submission, page 5; EP Submission, page 9; and SEC Submission, page 5.
[66] Exhibit B, Tab 2, Schedule 2, Appendix A, page 4 (para. 7).
[67] AMP, section 5.2.5, filed in EB-2020-0181 at Exhibit C, Tab 2, Schedule 1.
[68] Exhibit B, Tab 2, Schedule 2, Appendix A, pages 4, 6 and 12 (paras. 7, 13 and 25). See also Exhibit I.ED.5.
[69] OEB Staff Submission, pages 9 and 10; and LPMA Submission, pages 2 to 4.

83. In addition to the materiality question, which is addressed above, the main intervenor objection to ICM treatment for the Byron Station Project is that it is part of a "typical annual capital program".[70]

84. That is not the case. This is a major project. The complete rebuild of a transmission station is not the type of work that is repeated each year. There is no annual program for the replacement of stations of the size and scale of Byron Station.

85. APPrO asks why Enbridge Gas needs ICM funding for the Byron Station Project, when the ICM Rate Rider for each year is a (modest) credit to ratepayers.[71] As already stated, Enbridge Gas applies the OEB's current ICM policy in making its requests. The application of the ICM policy indicates that the Byron Station Project is appropriate for ICM treatment, and therefore Enbridge Gas included it within the 2022 Union rate zones ICM Projects. Specific application of the ICM policy to the circumstances of this project (including substantial tax deductions in 2022) leads to an average revenue requirement that is a credit amount.[72] The Company believes that it is appropriate to include this credit along with the debit amounts for other 2022 ICM Projects when determining the ICM Rate Riders.

86. Energy Probe raises two other objections, neither of which are supported by the evidence.

87. First, Energy Probe says that the Byron Station Project is actually two projects – the replacement of station piping and the replacement of gas heaters.[73] The evidence shows that this is a single project for the "replacement of the entirety of the Station".[74] While there are components to that undertaking, those components are all part of one project.

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[70] APPrO Submission, page 5; EP Submission, page 10; SEC Submission, page 3.
[71] APPrO Submission, page 5.
[72] Exhibit B, Tab 2, Schedule 1, Appendix E, page 4.
[73] EP Submission, page 10.
[74] Exhibit B, Tab 2, Schedule 2, Appendix B, page 29.

88. Second, Energy Probe says that incremental revenues must be considered in determining ICM eligibility for the Byron Station Project.[75] Enbridge Gas does not agree. For this project there are no incremental revenues. While the project is intended to support future growth in the London area potentially starting in 2023, Byron Station is only one component of the system that serves that area. One could not attribute revenues from any future growth in the London area solely to this project. In any event, as recognized in the 2019 Rates Case Decision, the materiality threshold calculation for determining the maximum eligible incremental capital includes a growth factor that accounts for incremental revenues and growth in customers that may arise due to the implementation of an ICM eligible project.[76]

iii. KIRKLAND LAKE LATERAL REPLACEMENT PROJECT (Union Rate Zones)

89. The Kirkland Lake Replacement Project is a like-for-like replacement of a 4" line that has been in service since 1958. The project does not increase the size of the pipeline and is being pursued for integrity reasons.[77] Parties do not dispute the need for the project.

90. Parties do not agree that the Kirkland Lake Replacement Project should be eligible for ICM treatment.[78] Their argument is that the project will result in incremental revenues from one customer[79], and therefore there is no "need" for ICM treatment. Additionally, several parties comment that Enbridge Gas should have provided the information about incremental revenues in its application, not much later in the process.[80]

91. For completeness and context, Enbridge Gas reproduces below the evidence filed in this case about the revenues to be obtained from the subject customer who is said to be providing "incremental revenues".

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[75] EP Submission, page 10.
[76] EB-2018-0305 Decision and Order, September 12, 2019 (2019 Rates – ICM), page 26.
[77] Exhibit B, Tab 2, Schedule 1, page 29. See also Exhibit B, Tab 2, Schedule 2, Appendix C.
[78] See, for example, OEB Staff Submission, pages 9-11; APPrO Submission, pages 5-8; CME Submission, pages 5-6; EP Submission, page 11; and SEC Submission 4.
[79] Some parties refer to this customer as a "new" customer – in fact, it is an existing customer expanding its operations (see below).
[80] See APPrO Submission, pages 6-8; and LPMA Submission, page 6.

> As set out in the contract attached at Exhibit I.PP.9, the Macassa Mines customer is expanding its operation in two phases – Shaft 3 will come into service in early 2022 and Shaft 4 will come into service around November 2022. Shaft 3 will attach before the Kirkland Lake Lateral Replacement Project is completed which has an in-service date of November 2022.
>
> Separate service lines will be built to connect the customer to the system and accommodate the additional load from Macassa Mines (total connection cost of approximately $4.4 million), and the projected revenues and service connection costs were accounted for in the economic feasibility for the customer connection.
>
> The cost for the service lines are not included in the cost for the Kirkland Lake Lateral Replacement Project. Also, this additional load does not require any additional capacity beyond NPS 4 to service the customer and does not contribute to the need for the Project.
>
> The projected revenues from Macassa Mines are approximately $222 thousand in 2022 and approximately $430 thousand in 2023.
>
> As described in the pre-filed evidence, the Kirkland Lake Project is driven mainly by integrity concerns around the existing NPS 4 lateral which include age, depth of cover issues, poor coating conditions, areas of washout and erosion. The existing line which is in scope for replacement runs in parallel to a second NPS 8 Kirkland Lake loop which feed the towns of Kirkland Lake, Chaput Hughes, Swastika, Kirkland Lake Generation Station and the Macassa Mines. The consequence associated with a failure of the existing line would create significant disruption to these customers and create an intolerable risk for EGI.[81]

92. As can be seen in the evidence reproduced above, the Kirkland Lake Replacement Project is not driven by the expansion of this customer's operations. It is a "like for like" replacement of an existing pipeline, driven by integrity issues. Part of the customer's expansion will happen before the NPS 4 line is replaced. In addition, the customer requires additional connection facilities for its expansion, and the separate $4.4 million cost of those facilities (not part of the ICM project) is being recovered in the revenues to be received from the customer.

93. It is with this context in mind that Enbridge Gas took the position that there are no incremental revenues resulting from the Kirkland Lake Replacement Project.[82] However, having been asked to provide information about what revenues would be

[81] Exhibit I.ADR Request.1
[82] Exhibit I.STAFF.1.

received from the expanding customer, Enbridge Gas agreed to do so and that is what was provided recently.

94. This is a very different situation from what was considered in relation to the Sarnia Industrial Line project in the 2021 Rate Case. That project involved the expansion of the system, driven by the need to serve a customer. The evidence for the Sarnia Industrial Line project was that the incremental revenue from the customer being attached was greater than the ICM project revenue requirement for the subject years. It was on that basis that the OEB determined that the project did not qualify for ICM funding.[83]

95. Enbridge Gas submits that the situation in this case is much more like the Kingsville Transmission Reinforcement Project considered in the 2019 Rate Case than the Sarnia Industrial Line Project considered in the 2021 Rate Case. In the 2019 Rate Case, where incremental revenues from customers were less than the revenue requirement for the Kingsville Transmission Reinforcement Project, the OEB determined that ICM treatment was appropriate and that there was no need to adjust the ICM funding to take account of the incremental revenues.[84] That was the case even though the capacity of the Kingsville Transmission line was being increased, which is different from the current like-for-like Kirkland Lake Replacement Project.

96. Energy Probe raises one other objection to ICM funding for the Kirkland Lake Replacement Project, arguing that the contingency amount included in the budget should be reduced, to be consistent with other projects.[85]

97. Enbridge Gas explained in evidence that the contingency is higher for this project because it is at a relatively early stage of design.[86] Enbridge Gas explained in an interrogatory response that contingency is determined by the project maturity, level of

[83] EB-2020-0181 Decision And Order, May 6, 2021 (2021 Rates Phase II – ICM), pages 15-16.
[84] EB-2018-0305 Decision and Order, September 12, 2019 (2019 Rates – ICM), pages 25-26.
[85] EP Submission, page 11.
[86] Exhibit B, Tab 2, Schedule 2, Appendix C, page 147.

detail and risk profile.[87] Enbridge Gas submits that the planned contingency amount for the Kirkland Lake Replacement Project is reasonable. In any event, ratepayers will be protected if the contingency amounts are not spent, through the operation of the ICM Deferral Account.

F. ICM IMPLEMENTATION

98. Enbridge Gas's evidence addressed the calculation of annual revenue requirement for each 2022 ICM Project, as well as cost allocation and ICM unit rates assuming a January 1, 2022 implementation date.[88]

99. Enbridge Gas indicated that following the OEB's Decision in this proceeding, the Company will file a draft rate order including updated ICM unit rates to reflect recovery of the total revenue requirement of the projects for the deferred rebasing period if the implementation date is different than January 1, 2022.[89]

100. The only comments on these items were from OEB Staff, LPMA and VECC.

101. Both LPMA and OEB Staff accept the Company's proposal about cost allocation.[90]

102. VECC questions why Enbridge Gas would implement ICM Rate Riders that result in increases in both 2022 and 2023, when the actual incremental revenue requirement would be a credit to ratepayers in 2022 and a debit in 2023.[91] This approach, which implements ICM Rate Riders based on the average revenue requirement each year of the deferred rebasing term, has been applied each of the last three years and reflects the OEB's direction in the 2019 Rate Case.[92] In this instance, the approach promotes rate stability. In contrast, VECC's proposal would see a credit to ratepayers

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[87] Exhibit I.EP.8.
[88] Exhibit B, Tab 2, Schedule 1, pages 30-35.
[89] Exhibit B, Tab 2, Schedule 1, page 35.
[90] OEB Staff Submission, pages 10-11; and LPMA Submission, page 2.
[91] VECC Submission, page 3.
[92] EB-2018-0305 Decision and Order, September 12, 2019 (2019 Rates – ICM), pages 31-32.

of $13 million in 2022 and a debit from ratepayers of $24 million in 2023, rather than smoothed recovery of $5.5 million per year.

103. OEB Staff proposes an October 1, 2022 implementation date for 2022 ICM Rate Riders.[93] Enbridge Gas agrees that this is an appropriate timing and approach. As already discussed, this will ensure that the OEB will have issued the LTC decision for the St. Laurent Project before the 2022 ICM Rate Riders are approved and implemented.

104. Enbridge Gas proposes that it will prepare and circulate a Draft Rate Order reflecting the OEB's Decision in this proceeding within 15 days of the OEB's LTC decision for the St. Laurent Project or by July 29, 2022, whichever date is earlier.

G. RELIEF REQUESTED

105. Enbridge Gas respectfully requests the following relief:

a) Approval of the ICM funding requests for the St. Laurent Ottawa North Replacement (Phase 3) and NPS 20 Replacement Cherry to Bathurst in the EGD rate zone;

b) Approval of the ICM funding requests for the Dawn to Cuthbert Replacement and Retrofits, the Byron Transmission Station and the Kirkland Lake Lateral Replacement Projects in the Union rate zones; and

c) Approval of the associated ICM unit rates, with implementation as of October 1, 2022.

All of which is respectfully submitted this 11th day of March 2022.

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David Stevens, Aird & Berlis LLP, Counsel to Enbridge Gas

[93] OEB Staff Submission, page 7.