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VIA RESS and EMAIL

May 3, 2022

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

Dear Nancy Marconi:

**Re: EB-2022-0072 – Enbridge Gas Inc. (“Enbridge Gas”)
2022 Annual Update to 5-Year Gas Supply Plan - Compendium**

Enclosed with this letter is a Compendium containing materials for the May 5th/6th Stakeholder Conference for the Enbridge Gas 2022 Annual Update to its 5-Year Gas Supply Plan. For convenience, the Agenda for the Stakeholder Conference is included at Tab 1 of the Compendium.

As directed in the Ontario Energy Board (OEB) letter of March 11, 2022, Enbridge Gas aims to answer the written stakeholder questions at the Stakeholder Conference. Noting that there was a very large number of questions provided, and that some of the questions request specific numeric information or data, Enbridge Gas has determined that it is most efficient to answer some of the questions through its planned presentation, and some of the questions in writing.

Tab 2 of the Compendium includes a copy of the presentation that Enbridge Gas will give at the Stakeholder Conference. The presentation sets out the main topic areas and key points that will be discussed. Enbridge Gas's gas supply team representatives will lead a discussion based on the presentation. The presentation will include more details on items noted in the presentation slides. There will be opportunity for additional questions and answers for each topic covered in the presentation. Note, however, that consistent with the process followed for the 5-Year Gas Supply Plan Stakeholder Conference process, Enbridge Gas does not intend to give undertakings to answer further questions that cannot be answered over the course of the Stakeholder Conference.

Enbridge Gas's gas supply team representatives for the presentation will be Jason Gillett (Director, Gas Supply), Nicole Brunner (Technical Manager, New Energy Supply) and Steve Dantzer (Supervisor, Gas Supply Planning). CVs for each of the Enbridge Gas representatives are included at Tab 3 of the Compendium.

Finally, Tab 4 of the Compendium includes written responses to certain stakeholder questions. The questions answered in the Compendium are items that are not amenable to being answered in the Stakeholder Conference presentation format (or that do not fit into the planned presentation). Enbridge Gas will answer appropriate follow-up questions (if any) at the Stakeholder Conference.

Should you have any questions on this matter please contact the undersigned.

Sincerely,

Richard Wathy
Technical Manager, Regulatory Applications

cc: David Stevens, Aird & Berlis LLP
All Interested Parties EB-2019-0137 (5 Year Gas Supply Review)

EB-2022-0072 - 2022 Annual Update to 5 Year Gas Supply Plan

Enbridge Gas Inc. – Stakeholder Conference Compendium

Tab 1 – Stakeholder Conference Agenda

Tab 2 – Presentation

Tab 3 – Curriculum Vitae

- Jason Gillett (Director, Gas Supply)
- Nicole Brunner (Technical Manager, New Energy Supply)
- Steve Dantzer (Supervisor, Gas Supply Planning)

Tab 4 – Written Responses to Certain Stakeholder Questions

- Response to London Property Management Association Questions:
 - Exhibit I.LPMA.6
- Response to School Energy Coalition Question:
 - Exhibit I.SEC.4
 - Exhibit I.SEC.6

TAB 1

Stakeholder Conference Agenda: Consultation to Review 2022 Annual Update to Five-Year Natural Gas Supply Plans (EB-2022-0072)

Date/Time: May 5, 2022
9:30 am - 4:30 pm

Location: Zoom Call Hosted by Ontario Energy Board

9:30 – 9:45	Welcome Remarks (OEB Staff)
9:45 – 10:00	Stakeholder Conference Introduction
	<ul style="list-style-type: none"> Conference Scope, Format & Approach
	<ul style="list-style-type: none"> 2022 Highlights & Agenda
	<ul style="list-style-type: none"> Market Update
10:00 – 10:45	Q&A
10:45 – 11:00	Morning Break
11:00 – 11:15	Harmonization
	<ul style="list-style-type: none"> Guiding Principles
	<ul style="list-style-type: none"> Gas Supply Planning Process
	<ul style="list-style-type: none"> Gas Supply Harmonization
	<ul style="list-style-type: none"> Weather and Design Day Demand Methodologies
11:15 – 12:00	Q&A
12:00 – 1:00	Lunch Break
1:00 – 1:25	RSG, RNG, Hydrogen
	<ul style="list-style-type: none"> Responsibly Sourced Gas
	<ul style="list-style-type: none"> Renewable Natural Gas
	<ul style="list-style-type: none"> Voluntary Renewable Natural Gas Program
	<ul style="list-style-type: none"> Hydrogen
1:25 – 2:10	Q&A
2:10 – 2:25	Afternoon Break
2:25 – 2:35	Load Balancing
	<ul style="list-style-type: none"> Load Balancing
	<ul style="list-style-type: none"> Operationalizing the Plan – Dawn and Chicago
2:35 – 3:10	Q&A
3:10 – 3:30	Demand
	<ul style="list-style-type: none"> Transportation Portfolio Term
	<ul style="list-style-type: none"> Demand Forecast – Annual & Design Day
	<ul style="list-style-type: none"> Design Day and Average Day Position
3:30 – 4:15	Q&A
4:15 – 4:30	Wrap Up (OEB Staff)

Stakeholder Conference: Consultation to Review 2022 Annual Update to Five-Year Natural Gas Supply Plans (EB-2022-0072)

Date/Time: May 6, 2022
9:30 am - 12:30 pm

Location: Zoom Call Hosted by Ontario Energy Board

9:30 – 9:45	Welcome Remarks (OEB Staff)
9:45 – 10:00	Portfolio and Transportation Contracting Changes
	<ul style="list-style-type: none"> • TransCanada Mainline
	<ul style="list-style-type: none"> • Design Day outcomes & 3rd party peaking services
	<ul style="list-style-type: none"> • Supply Option Analysis
	<ul style="list-style-type: none"> • Pipeline Renewals & Purchases
10:00 - 10:45	Q&A
10:45 – 11:00	Morning Break
11:00 – 11:15	Supply and Storage Portfolio
	<ul style="list-style-type: none"> • Supply Portfolio
	<ul style="list-style-type: none"> • Supply & UDC
	<ul style="list-style-type: none"> • 3rd Party Storage
11:15 – 12:00	Q&A
12:00 – 12:05	Performance Metrics
	<ul style="list-style-type: none"> • Details
12:05 – 12:15	Q&A
12:15 – 12:30	Wrap-Up & Next Steps (OEB Staff)

TAB 2

2022 Annual Gas Supply Plan Update

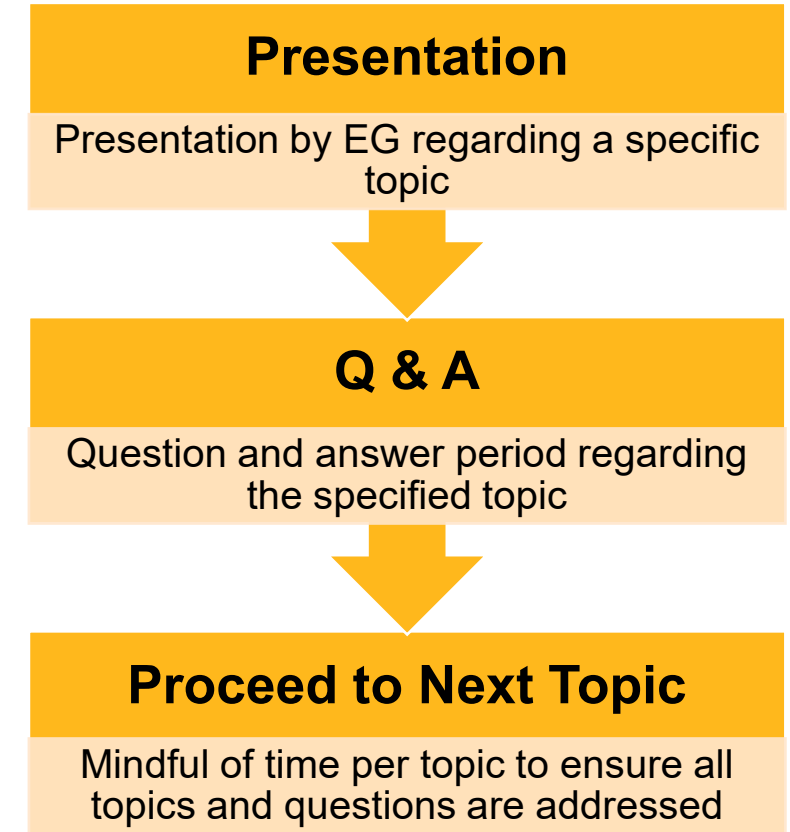
Stakeholder Conference introduction

Stakeholder Conference scope

- The Gas Supply Framework, as outlined by the Board¹:
 - The annual Gas Supply Plan Update is an important tool for distributors to identify significant events that result in a change to the gas supply plans.
 - They will primarily focus on:
 - Updates to the Outlook section of the gas supply plan;
 - A description of significant changes from previous updates and;
 - A historical comparison of actuals to the Outlook.
- Costs are reviewed outside of this process:
 - QRAM
 - Annual rate and deferral applications
 - Rebasing

Stakeholder Conference format and approach

- Informed by the Board's guidance in Framework and Initiation letter dated March 11, 2022.
- Presentation and Q&A to address pertinent questions received.
- Agenda distributed ahead of time to allow parties to plan their participation.
- Withhold questions until the presentation regarding that topic is complete.
- Enbridge Gas (EG) is not seeking approval of the Annual Update.
 - The Annual Update is a requirement of the OEB's Framework for the Assessment of Distributor Gas Supply Plans.



2022 highlights and agenda



- The 2022 Annual Gas Supply Plan Update presentation will discuss the following changes:
 1. Market changes and general impacts
 2. Harmonization efforts
 3. RSG, RNG, and Hydrogen
 4. Load balancing
 5. Demand forecast
 6. Contracting changes
 7. Supply and storage portfolio
 8. Performance metrics
- EG has also reflected several changes to this year's submission as recommended by OEB Staff during the 2021 Annual Gas Supply Plan Update.

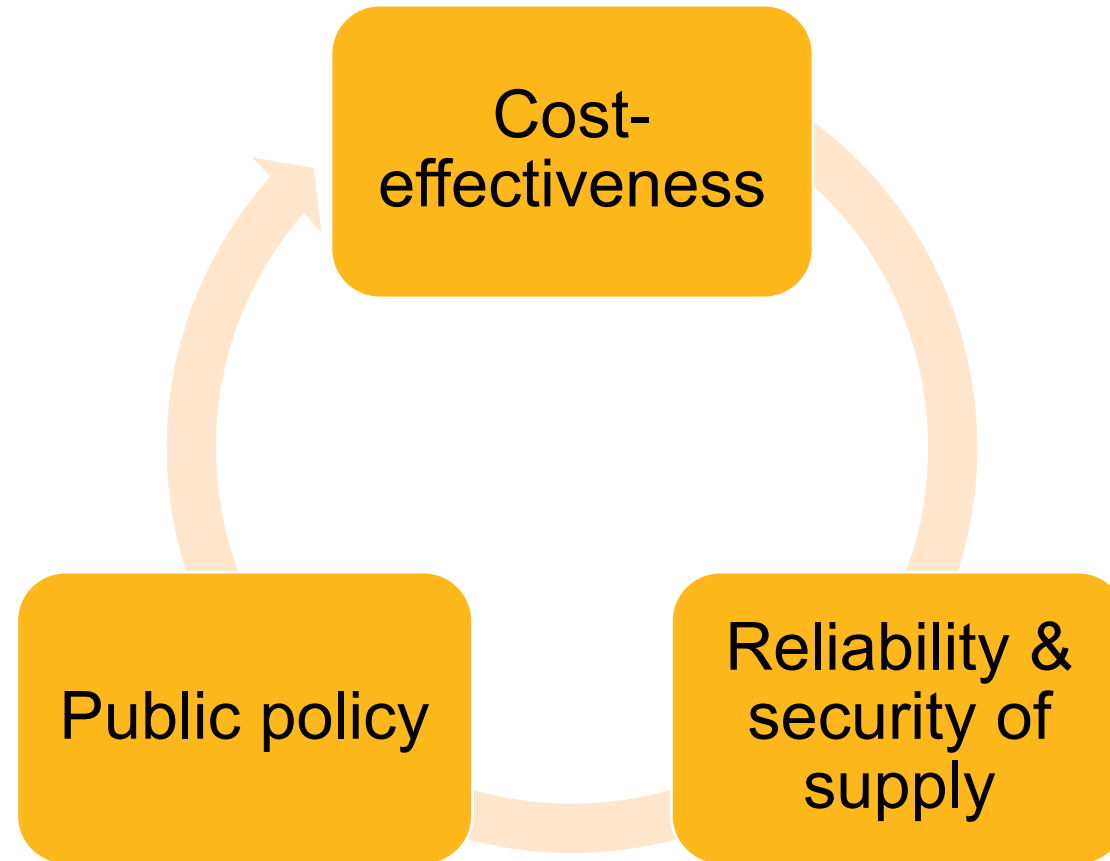
Market update

- For the last decade, North American natural gas markets have experienced stable, low natural gas commodity prices.
- More recently, there has been increased global volatility in the energy market.
- With LNG exports reaching peak levels, global markets are interconnected.
- This volatility has been driven by geopolitical factors, as well as local weather events across the world.

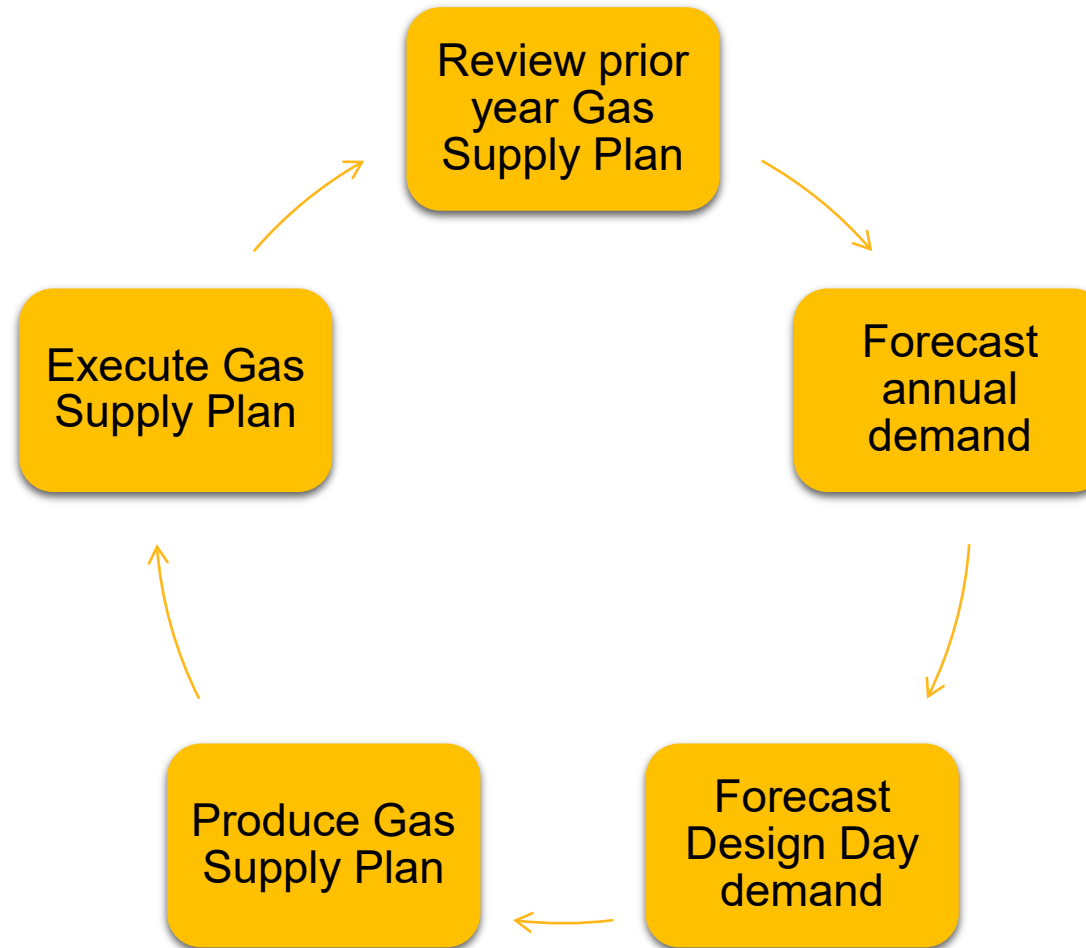
Q&A

Harmonization

Guiding principles



Gas Supply planning process



Gas Supply harmonization

- EG continues to integrate the legacy utilities as it prepares to file its Rebasing Application in late 2022.
- As part of this year's Update, EG has outlined potential changes to weather and design day demand methodologies:
 - EG is still completing this work and will finalize as part of its Rebasing Application
 - EG will continue to use existing methodologies until OEB approval is received
- Other changes that could impact future Gas Supply Plans will be included with rebasing.

Weather and Design Day methodologies

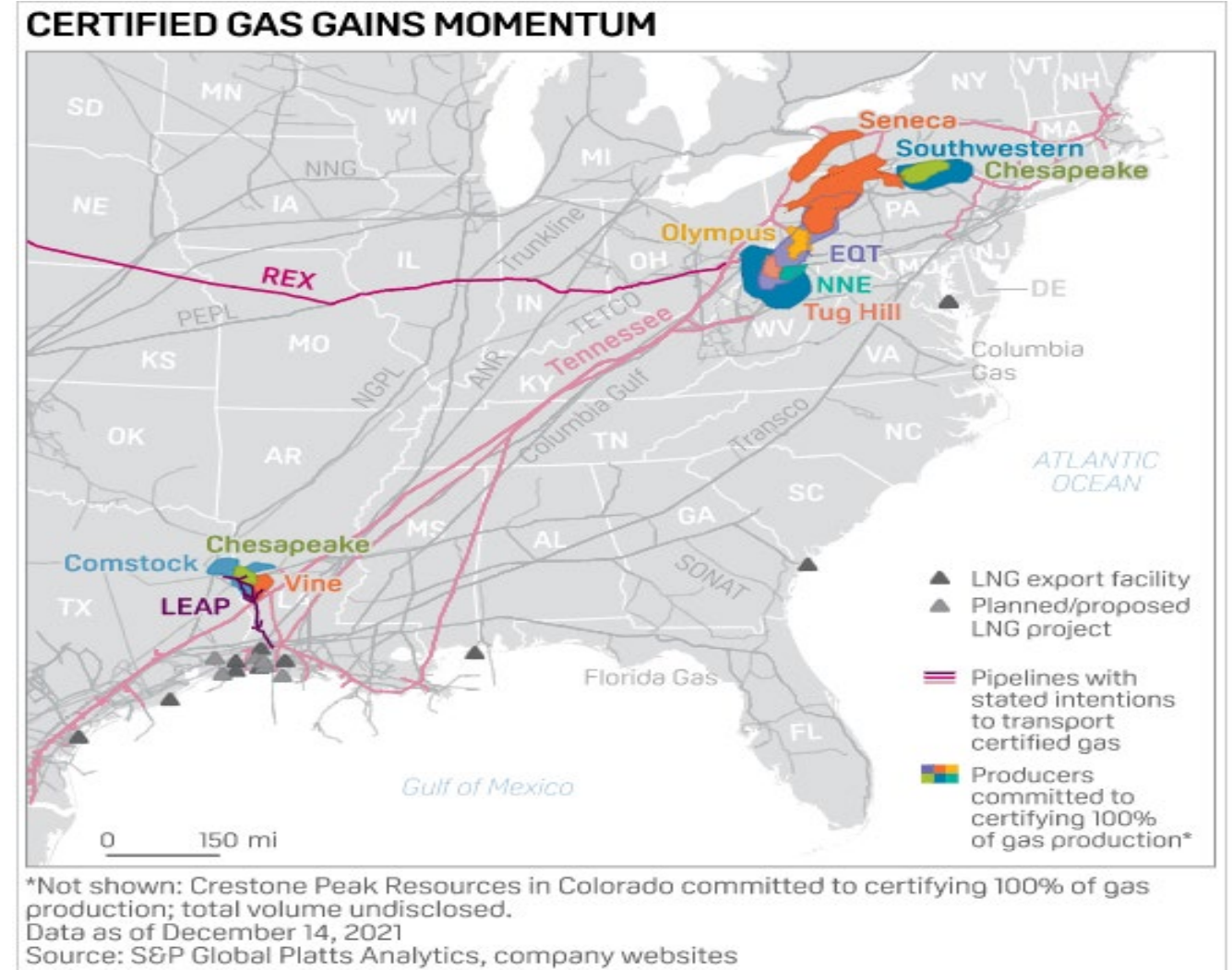
- Each legacy rate zone is still using current, OEB approved methodologies:
 - UG rate zones: set temperature
 - EGD rate zone: probabilistic
- During 2021, EG engaged a third-party consultant to survey methodologies used by comparable utilities.
- Aligning EG rate zones to a set temperature methodology would increase the design day requirements in the range of 100-150 TJ/d in the EGD rate zone.
- This analysis was done in isolation and would not include any other potential rebasing impacts.

Q&A

RSG, RNG and Hydrogen

Responsibly Sourced Gas

- Responsibly Sourced Gas (RSG) is an emerging trend in the natural gas industry.
- RSG certifications measure a natural gas producer's conformance to several Environmental, Social and Governance standards.

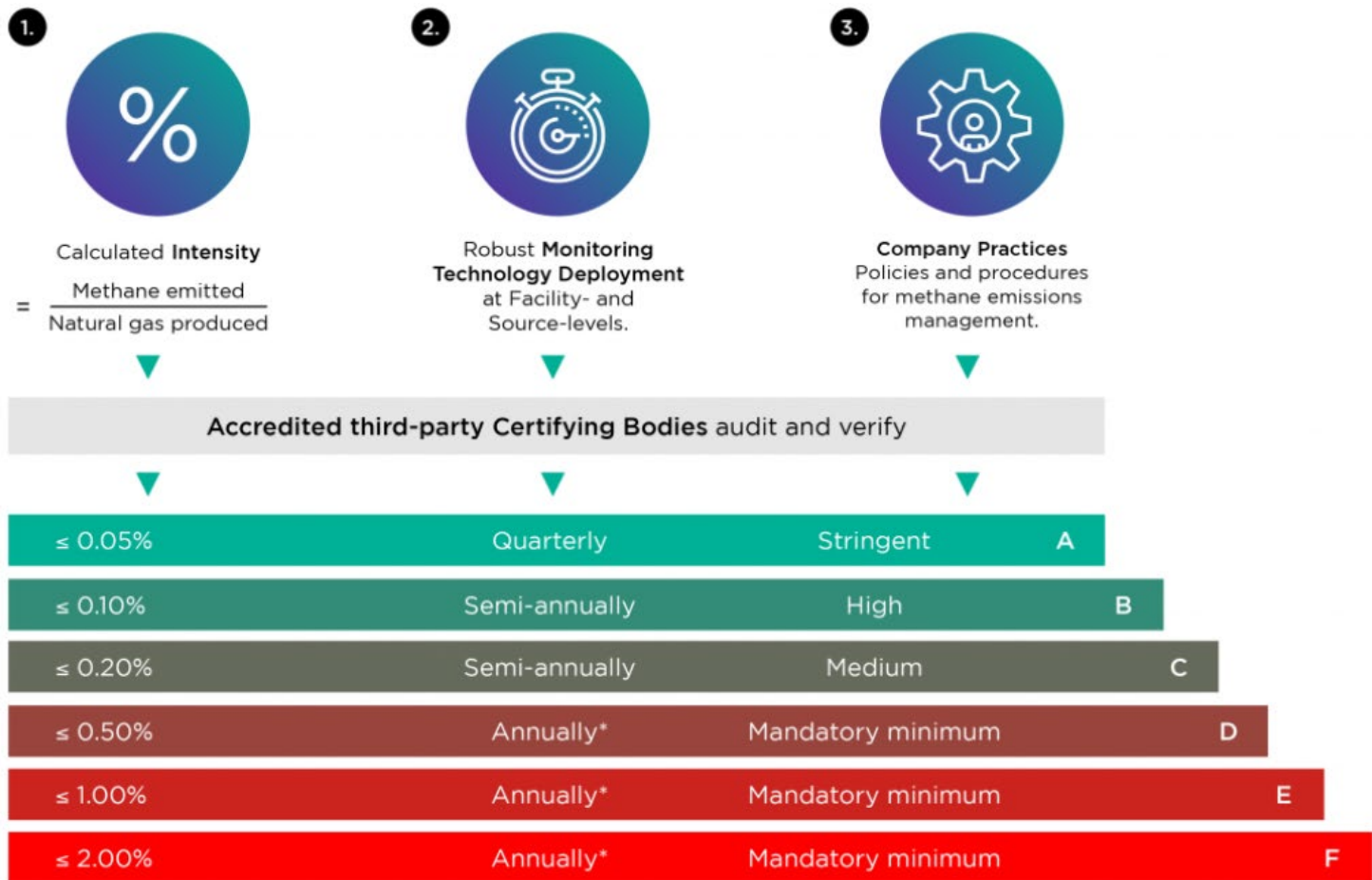


Responsibly Sourced Gas certifications

- EG has been closely monitoring the evolution of the RSG market and certifications.
- Three key certifications, each with different attributes and requirements, have entered the market space:
 - Trustwell by Project Canary
 - EO100
 - MiQ

Responsibly Sourced Gas emissions reductions

MiQ



EO100

Principle 1: Corporate Governance, Transparency & Business Ethics	Principle 2: Human Rights, Social Impacts & Community Development	Principle 3: Indigenous Peoples' Rights	Principle 4: Fair Labor & Working Conditions	Principle 5: Climate Change, Biodiversity & Environment
1.1 Legal Compliance	2.1 Human Rights	3.1 Free, Prior & Informed Consent (FPIC)	4.1 Labor & Working Conditions	5.1 Environmental Management & Mitigation
1.2 Financial Disclosure	2.2 Fair, Inclusive Engagement & Good Faith Consultation	3.2 Engagement & Participation	4.2 Child Labor	5.2 Emergency Preparedness & Response Planning
1.3 Bribery, Corruption, Money Laundering & Financing of Terrorism	2.3 Human Rights & Security Personnel	3.3 Cultural Impacts	4.3 Forced Labor	5.3 Energy Efficiency
	2.4 Land Rights	3.4 Use of Traditional Natural Resources	4.4 Freedom of Association & Collective Bargaining	5.4 Waste Production & Management
1.4 Management Systems	2.5 Resettlement	3.5 Culture-Based Intelligence & Traditional Knowledge	4.5 Equal Opportunities & Treatment	5.5 Remediation of Environmental Liabilities
1.5 Contractors	2.6 Uncontrolled Settlements		4.6 Working Hours & Leave	5.6 Closure & Restoration
1.6 Transparency & Disclosure	2.7 Community Health & Safety	3.6 Voluntary Isolation		
	2.8 Sustainable Community Investment		4.7 Remuneration	5.7 Greenhouse Gas Emissions
	2.9 Cultural Heritage		4.8 Workplace Grievances	5.8 Ozone Depletion
	2.10 Grievance Mechanism		4.9 Occupational Health & Safety	5.9 Biodiversity & Ecology
			4.10 Workplace Emergency Preparedness & Response Planning	5.10 Air
				5.11 Water
				5.12 Land
				5.13 Land Restoration
				5.14 Visual & Ambient Impacts

Responsibly Sourced Gas

- EG has procured RSG on two occasions through the standard RFP process. Illustratively, these occasions are shown below.

	RSG Purchase One	RSG Purchase Two
Location	Dawn	Niagara
Delivery period	>1 month January	April-October
Bid Range in RFP responses (USD)	\$0.25/MMBtu	\$0.12/MMBtu
Position in range	3 rd lowest price out of 5, transacted up to 4 th lowest price to obtain quantity required	Lowest price, transacted only at this price as full quantity required was available
Certification	EO100	EO100 & MiQ

Renewable Natural Gas overview

- Renewable Natural Gas (RNG) supply in Canada has been quickly developing as demand from utilities supporting long-term contracts (~20 years) has emerged.
- Quebec and BC each have provincial blend mandates to procure 5 - 15% of their supply as RNG by 2030, as well as extensive voluntary programs providing offerings to residential and commercial customers.
- As the market for RNG develops, the most economically feasible supply is being developed first; giving utilities who are able to sign these contracts, an early mover advantage to access lower cost supply.
- EG is evaluating its role in the RNG market.

Voluntary Renewable Natural Gas program

- Over the past year, EG's OptUp Voluntary RNG program has grown to over 1,000 participants.
- In support of the program, EG made its first purchase of RNG, delivered in March 2022.
- EG purchased 1,000 GJ of RNG from StormFisher.

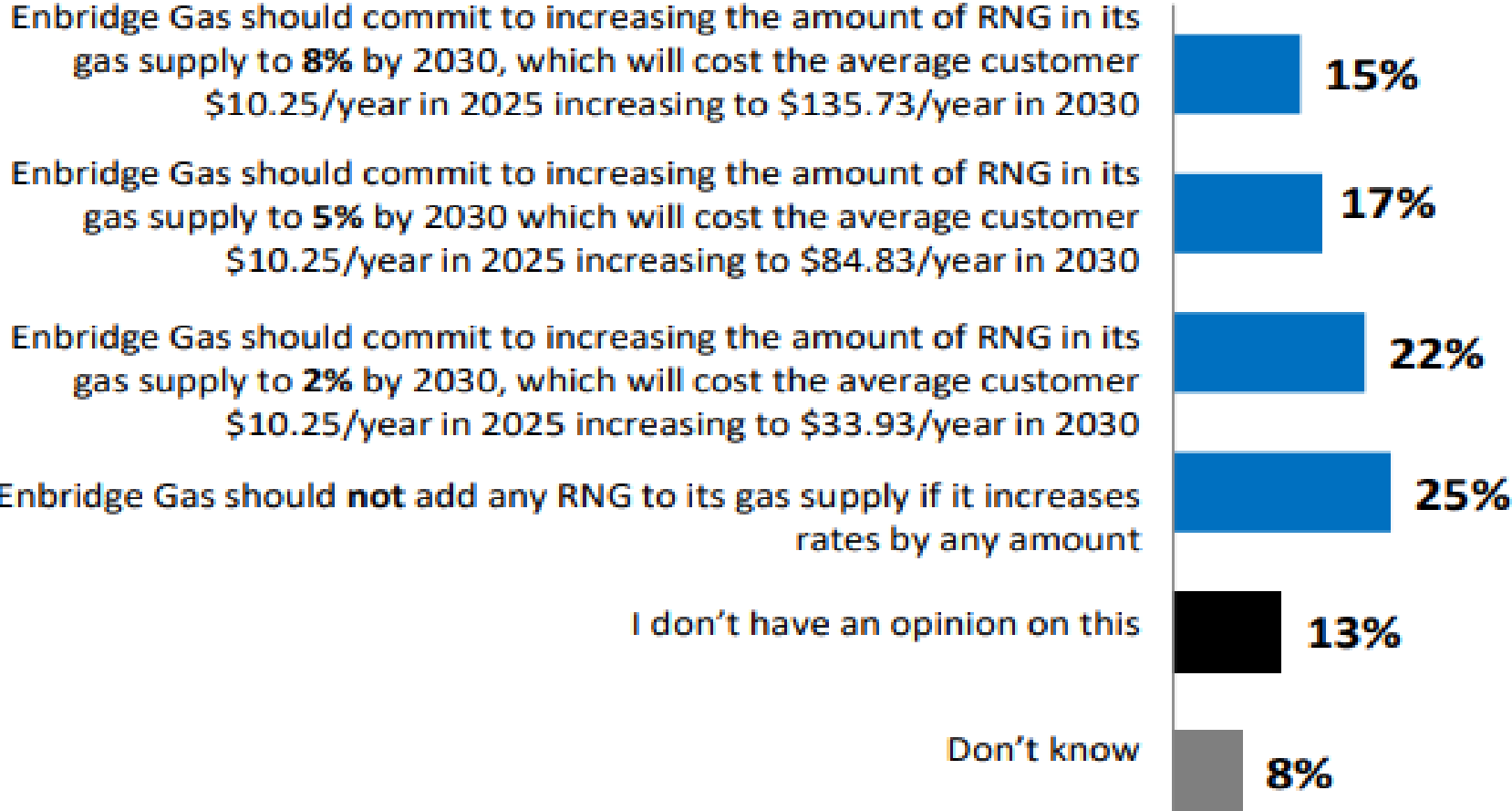


Future of renewable natural gas for Enbridge Gas



Considering this, which of the following is closest to your view?

[asked of all respondents; n=5,400]



Hydrogen – Low Carbon Energy Project (LCEP)



- Construction of the hydrogen blending facility completed in 2021.
- In Oct. 2021, the plant began blending up to 2% hydrogen by volume for approx. 3,600 Markham, Ont. customers in a closed loop of EG's system.
- As of March 2022, EG has procured the gas equivalent of over 1,100 GJ of hydrogen.
- The LCEP pilot (and future projects) will expand EG's ability to support government policies aimed at reducing greenhouse gas emissions, now and in the future.

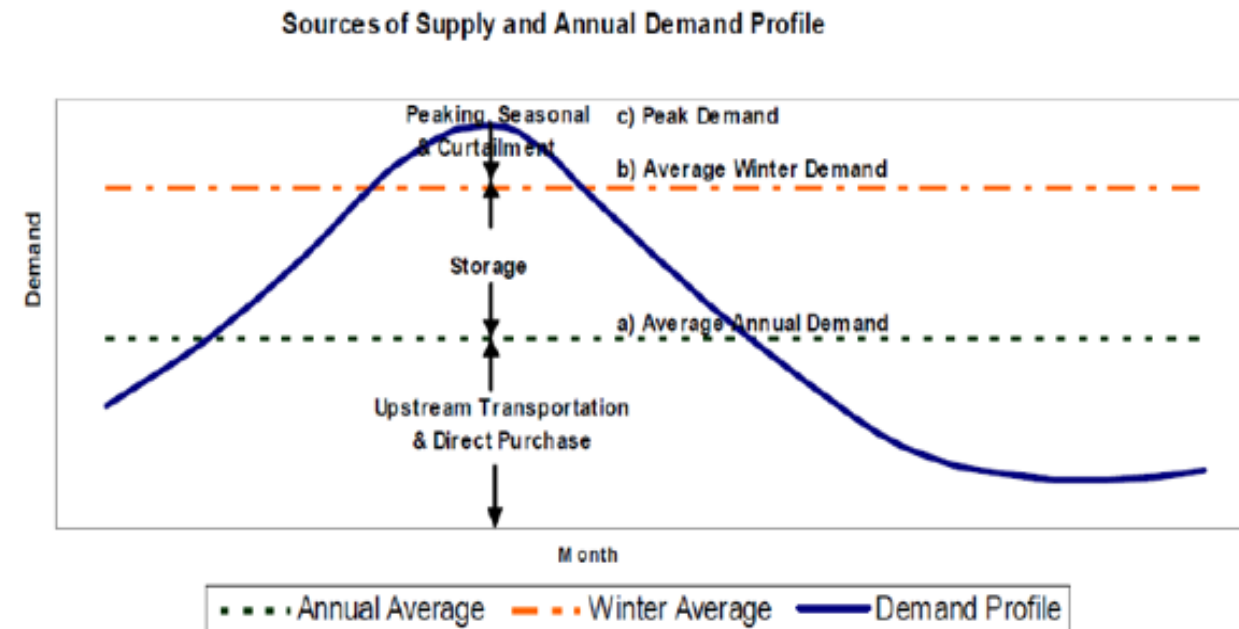


Q&A

Load Balancing

Load Balancing

- Currently, each rate zone relies on supply from storage withdrawals, seasonal or peaking services, and supply purchases to balance winter load requirements.
- As part of rebasing, EG will demonstrate how it considers alternatives to market-based storage within its load balancing portfolio.
- EG has engaged a third-party to assist with the assessment of portfolio impacts (including costs), based on various asset mix scenarios required to meet EG load balancing needs.



Operationalizing the Gas Supply Plan: Dawn

- EG adjusts actual purchases from planned to account for variations in demand related to weather and other factors

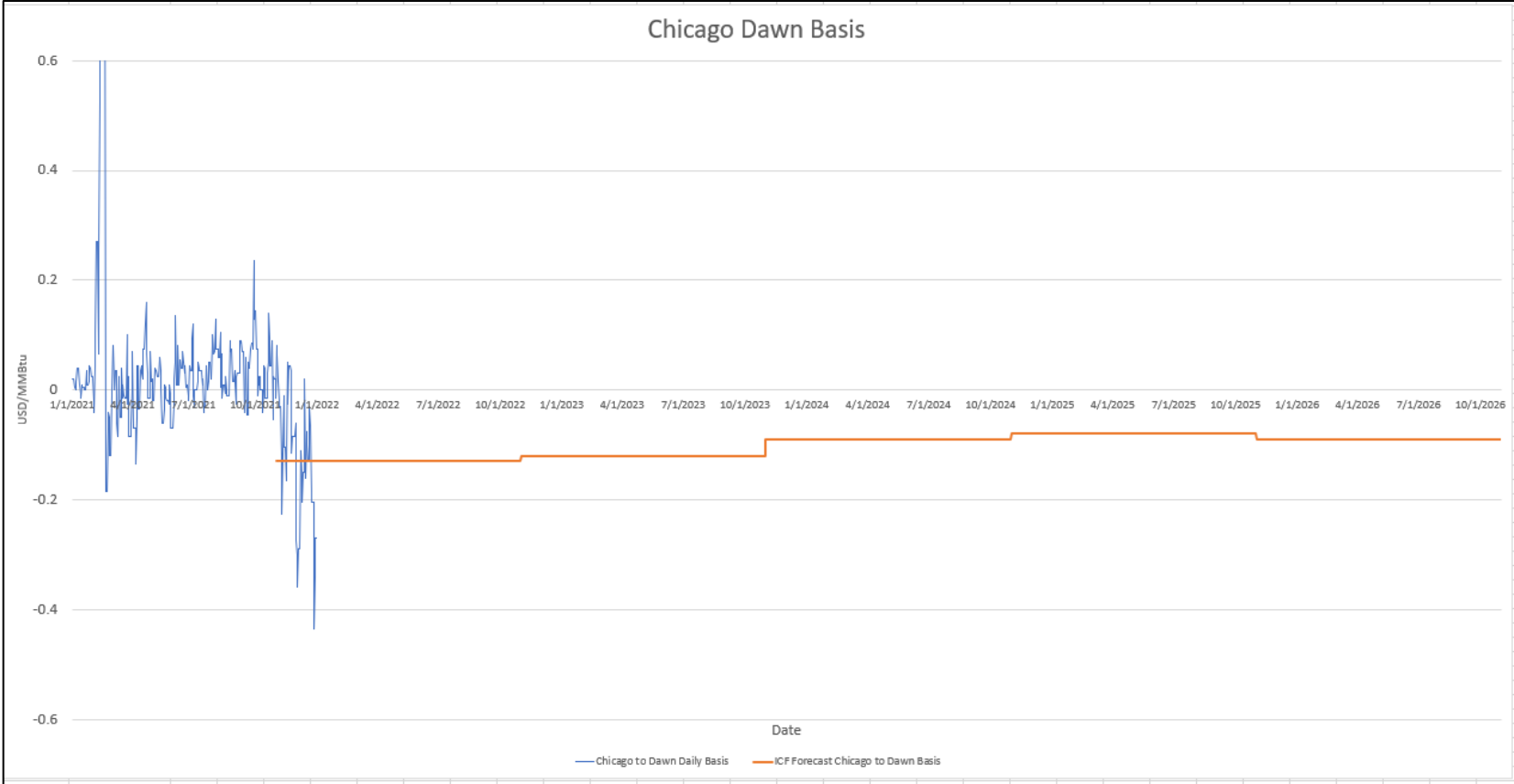
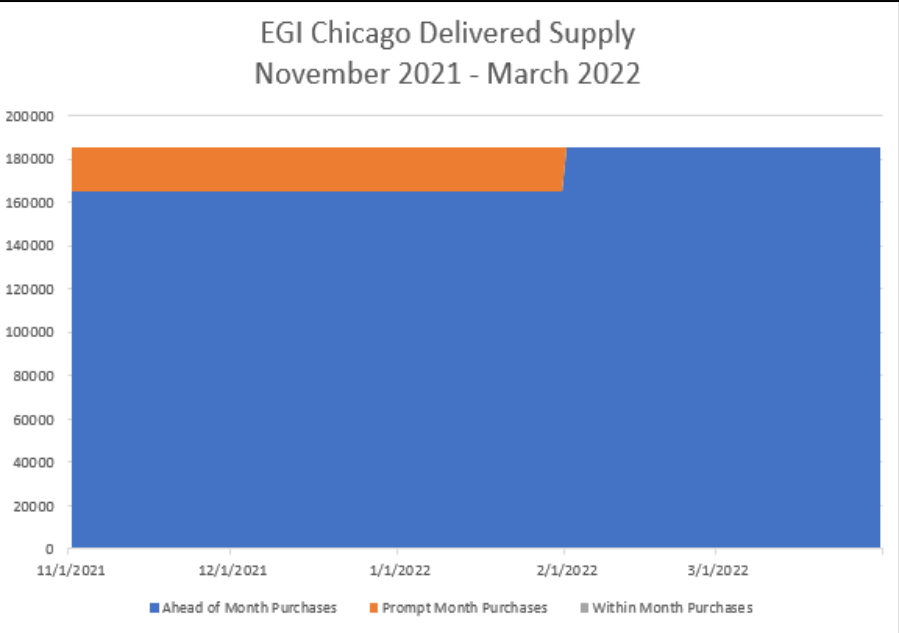
Percentage of EGD Planned Dawn Purchases Example

Nov	Dec	Jan	Feb	Mar
7%	23%	25%	14%	-

Percentage of EGD Actual Dawn Purchases Example

Nov	Dec	Jan	Feb	Mar
7%	22%	29%	22%	3%

Operationalizing the Gas Supply Plan: Chicago



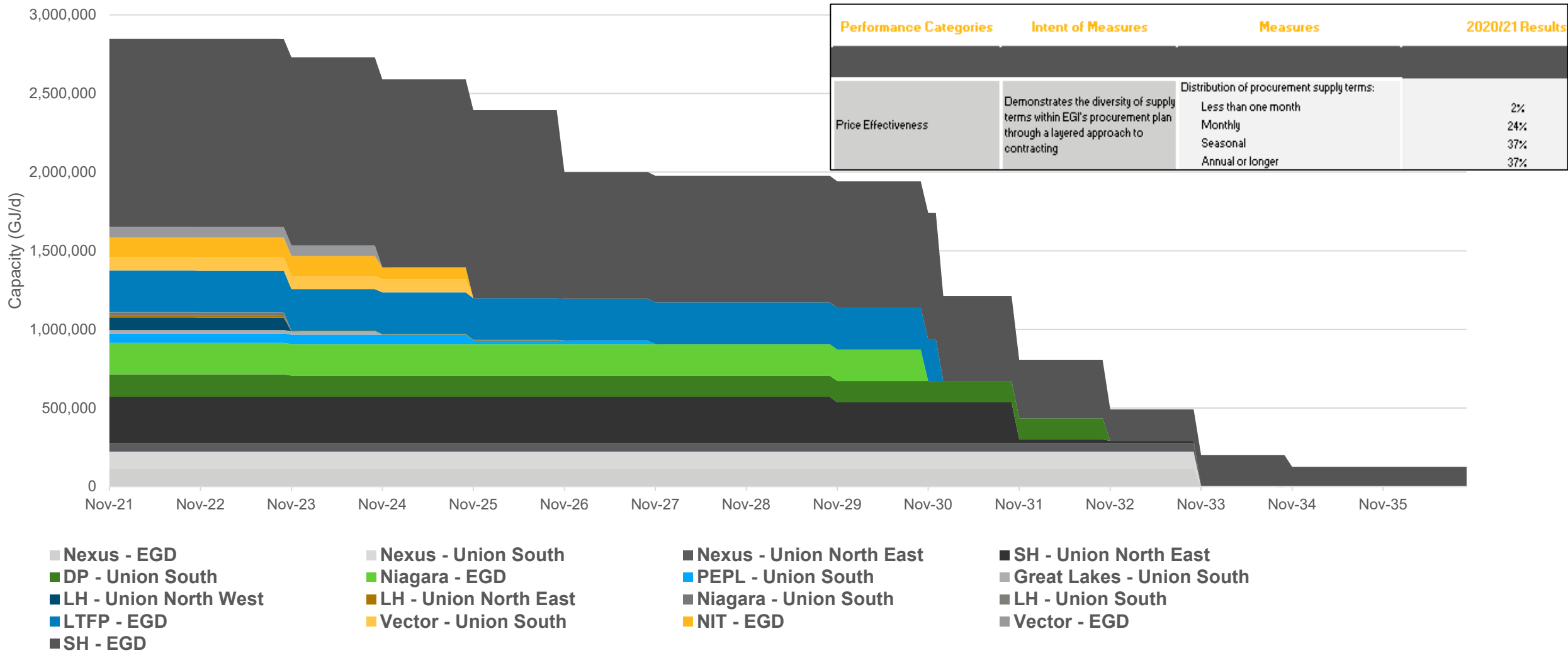
Q&A

Demand

Transportation Portfolio Term



Transportation Portfolio Expiry Profile



EG Annual Demand Forecast

- Forecast is based on OEB-approved methodologies
 - EG forecast is prepared internally and does not rely on external reports or forecasts.
- EG is currently evaluating its annual demand forecast methodologies and will provide the results, including any proposed changes, as part of its rebasing application.

Table 2 - Annual Demand Forecast

Line No.	Particulars (TJ)	2021/22	2022/23	2023/24	2024/25	2025/26
	<u>EGD</u>					
1	General Service	381,835	383,278	386,810	387,561	390,588
2	Contract	70,000	72,767	72,643	71,980	71,696
3	Total EGD	451,835	456,045	459,453	459,542	462,284
	<u>Union North West</u>					
4	General Service	14,579	14,621	14,743	14,722	14,778
5	Contract	1,441	1,436	1,432	1,427	1,422
6	Total Union North West	16,020	16,057	16,175	16,149	16,200
	<u>Union North East</u>					
7	General Service	39,107	39,221	39,537	39,485	39,624
8	Contract	3,554	3,556	3,532	3,519	3,507
9	Total Union North East	42,660	42,778	43,069	43,005	43,131
	<u>Union South</u>					
10	General Service	173,820	174,324	175,562	175,142	175,511
11	Contract	55,729	57,249	58,182	58,943	59,705
12	Total Union South	229,549	231,573	233,745	234,086	235,216
13	Total Demand Forecast	740,065	746,453	752,443	752,781	756,831

Federal Carbon Charge

- For 2022, the EG demand forecast reflects the current carbon price of \$50/tCO₂e.
- For years 2023-2025, EG demand forecast assumes a 2% increase to the current carbon price.
- Increasing the current federal carbon charge by \$15/tonne CO₂e, starting in 2023, would have the following impacts on forecast general service demand:

	2023	2024	2025
Estimated forecast demand reduction	0.3%	0.6%	0.9%

2022 Annual Demand Forecast – Variance from 2021 Annual Update



- Total annual demand volumes are approximately 1% lower compared to the 2021 Annual Update, comprised of:
 - General service demand is on average 1.4% lower than the previous plan as a result of updated average use and customer forecast.
 - Contract market demand is on average 0.8% higher than the previous plan as a result of updated sales information, higher firm contract demand in some markets and planned growth.

EGD Rate Zone Design Day position

Line No.	Particulars (TJ/d)	EGD CDA					EGD EDA				
		2021/22	2022/23	2023/24	2024/25	2025/26	2021/22	2022/23	2023/24	2024/25	2025/26
	<u>Demand</u>										
1	Gross Demand	3,414	3,423	3,434	3,444	3,455	729	735	741	746	751
2	Curtailment	(73)	(73)	(73)	(73)	(73)	(26)	(26)	(26)	(26)	(26)
3	Net Demand	3,341	3,350	3,361	3,371	3,382	703	709	715	720	725
	<u>Supply Asset</u>										
4	TCPL Long-haul	5	5	5	5	5	260	260	260	260	260
5	TCPL Short-haul	768	768	768	768	768	362	362	362	362	362
6	TCPL STS	284	284	284	284	284	81	81	81	81	81
7	EGI D-P	2,194	2,194	2,194	2,194	2,194	-	-	-	-	-
8	In-Franchise Supply	68	68	68	68	68	0	0	0	0	0
9	Third-Party Services	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
10	Total Supply	3,319	3,319	3,319	3,319	3,319	703	703	703	703	703
11	Excess(Shortfall)	(22)	(31)	(43)	(52)	(63)	(0)	(6)	(12)	(17)	(23)
12	Shortfall % of Net Demand	0.7%	0.9%	1.3%	1.6%	1.9%	0.1%	0.9%	1.7%	2.4%	3.1%

Union South Rate Zone Design Day position

Line No.	Particulars (TJ/d)	2021/22	2022/23	2023/24	2024/25	2025/26
	<u>Demand</u>					
1	Union South	3,308	3,343	3,430	3,471	3,523
	<u>Supply Asset</u>					
2	Great Lakes	21	21	21	21	21
3	Nexus	106	106	106	106	106
4	Non-obligated (e.g. Power Plants)	254	254	254	273	273
5	Ontario Dawn	530	539	552	551	561
6	Ontario Parkway	252	247	243	242	248
7	Panhandle	60	60	60	60	60
8	Storage	1,956	1,988	2,065	2,088	2,125
9	TCPL Long-Haul	3	3	3	3	3
10	TCPL Niagara	21	21	21	21	21
11	Vector	106	106	106	106	106
12	Total Supply	3,308	3,343	3,430	3,471	3,523
13	Excess(Shortfall)	-	-	-	-	-

* includes Sales Service, Bundled DP, T-Service

Average Day position

- Minimal average day growth projected in EGD and Union rate zones.
- No significant changes beyond renewals.

Table 26 - Average Day Demand Analysis for System Sales Service Customers

Line No.	Particulars (TJ)	2021/22	2022/23	2023/24	2024/25	2025/26	Growth 2021 → 2025
<u>EGD</u>							
1	Annual Demand	307,391	311,601	315,009	314,702	317,840	10,449
2	Daily Demand	842	854	863	860	871	29
<u>Union</u>							
3	Annual Demand	189,727	191,069	192,971	192,653	193,390	3,663
4	Daily Demand	520	523	529	526	530	10

Q&A

Portfolio and Transportation contracting changes

TransCanada Mainline

FT - Daily

Canadian Mainline Daily Existing Capacity Open Season For FT, FT-NR, FT-SN

April 26, 2022

Table 1: Available Capacity⁽¹⁾

Posted System Segments	FT Capacity Starting November 2022 (GJ/d)	FT-NR Capacity Starting November 2022 (GJ/d) ⁽¹⁰⁾	FT-NR Capacity Starting November 2023 (GJ/d) ⁽¹⁰⁾
Empress⁽³⁾ to (Domestic)⁽⁴⁾			
South Saskatchewan Delivery Area (SSDA)	0	8,898	28,898
Manitoba Delivery Area (MDA)	0	8,898	28,898
Western Delivery Area (WDA)	0	8,898	28,898
Northern Delivery Area (NDA)	0	8,898	28,898
Enbridge CDA	0	8,898	27,286
Union ECDA	0	8,898	27,286
Eastern Delivery Area (EDA) ⁽⁶⁾	0	0	0
Eastern Delivery Area (Energin EDA)	0	0	0
Southwest Delivery Area (SWDA)	0	0	0
Empress⁽³⁾ to (Export)⁽⁴⁾			
Emerson 1	0	8,898	28,898
Emerson 2	0	8,898	28,898
Kirkwall	0	0	0
Cornwall	0	0	0
Iroquois	0	0	0
Napierville	0	0	0
Phillipsburg	0	0	0
East Hereford	0	0	0

Table 2: Available Capacity⁽¹⁾⁽²⁾⁽⁹⁾

Posted System Segments	FT Capacity Starting Next Day (GJ/d)
Dawn to	
Kirkwall	0
Parkway to	
Southwest Delivery Area (SWDA)	0
Niagara Falls / Chippawa to	
Union Parkway Belt	0
North Bay Junction to	
Enbridge CDA / Union ECDA	27,286
St. Clair to	
Union SWDA	***8

Table 3: Available Capacity⁽¹⁾⁽²⁾

Posted Delivery Points for FT-SN ⁽⁵⁾	Capacity Starting Next Day (GJ/d)
FT-SN Metering Capacity (Subject to Segment Capacity)	
Goreway CDA	93,822
Victoria Square #2 CDA	48,019
Thorold CDA	68,578
Schomberg #2 CDA	39,298

Design Day Analysis Outcomes

EGD Rate Zone

- Small design day shortfalls projected in Enbridge CDA and Enbridge EDA.
- Shortfalls minimized by new short-haul capacity coming on-line.
- EG managed shortfalls with third-party services.

Union North Rate Zones

- 2020 vs. 2021 forecasts had ~24,000 GJ growth on peak day.
- EG managed forecast growth with STS Withdrawals, Hagar LNG, 3rd Party Services.
- Only 1,000 GJ/d incremental transportation was purchased for Union WDA.

Union South Rate Zone

- No design day shortfalls projected.
- No action required.

3rd Party Peaking Services- Winter 2021/2022



Union Delivery Areas:

- Union WDA-1,700 GJ/d
- Union NCDA- 500 GJ/d
- Union EDA- 3,100 GJ/d

EGD Delivery Areas:

- Enbridge CDA- 22,000 GJ/d
- Enbridge EDA- 500 GJ/d

Supply Option Analysis – Union NDA

Option	Reliability	Flexibility	Diversity	Costs (\$/yr)	Average Cost/Customer Impact	Available Capacity
Long-haul	↑	↑	→	4.56	1%	Yes
Short-haul: D-P	↑	→	→	2.76	<1%	No
LNG	↑	↑	↑	0.21	<1%	Yes
Third Party	↓	↓	↑	0.35	<1%	Unknown

- No shortfall due to use of Hagar LNG for peaking purposes.

Supply Option Analysis – Union WDA

Option	Reliability	Flexibility	Diversity	Costs (\$/yr)	Average Cost/Customer Impact	Available Capacity
Long-haul	↻	↻	↻	0.90	<1%	Yes
Short-haul: D-P	↻	↻	↑	1.32	<1%	No
Great Lakes	↻	↻	↑	0.99	<1%	No
Third Party	↓	↓	↑	0.10	<1%	Unknown

- TCPL capacity purchase
 - Union Northwest rate zone
 - Capacity: 1,000 GJ/d
 - Service: FT (Empress to Union WDA)
 - Term: 1 year
 - Ensures secure and reliable gas supply to the Union WDA
- 1,700 GJ/d 3rd Party services purchased to meet shortfall

Pipeline Renewals and Purchases

- Vector pipeline purchase
 - Union and EGD rate zones
 - Capacity: 40,000 Dth/d. (20,000 each for Union and EGD Rate Zones)
 - Service: FT (Chicago to Dawn)
 - 5-year term
 - Competitively-priced toll (\$0.16/Dth/d)
 - Existing capacity

Pipeline renewals and purchases

- Vector pipeline renewal
 - Union rate zone
 - Capacity: 80,000 Dth/d
 - 3-year renewal
 - Path: Chicago to Dawn
 - Competitively-priced toll
 - Negotiated price reduction from \$0.18/Dth/d to \$0.165/Dth/d
 - Negotiated additional renewal rights at lower toll
 - Maintains supply diversity
 - Vector pipeline has provided reliable firm transportation to EG for many years

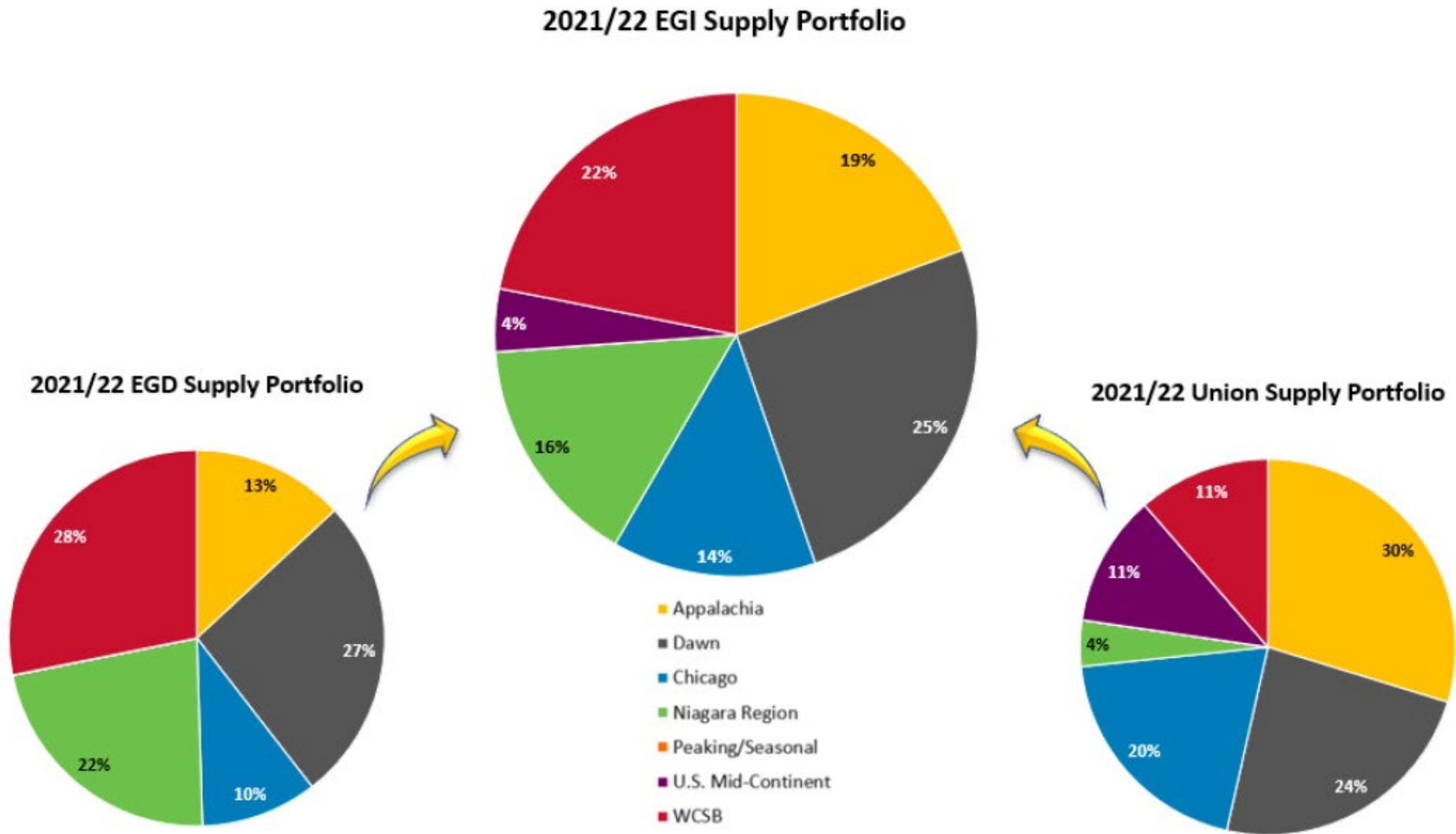
2022 Pipeline Renewals and Purchases

- TCPL capacity purchase
 - Union Northeast rate zone
 - Capacity: 4,000 GJ/d
 - Service: FT (Empress to Union EDA)
 - 5-year term
 - Increases diversity in the Union EDA
 - Transportation to the Union EDA is only available through TCPL and is scarce
 - Does not require EG to support a build with an associated long-term contract
 - Ensures secure and reliable gas supply to the Union EDA

Q&A

Supply and Storage Portfolio

Supply Portfolio



Supply & Unabsorbed Demand Charge (“UDC”)



Supply Forecast						
Line No.	Particulars (TJ)	2021/22	2022/23	2023/24	2024/25	2025/26
<u>EGD</u>						
1	Appalachia	43,151	43,151	43,269	43,151	43,151
2	Chicago	32,980	32,980	33,070	32,980	32,980
3	Niagara Region	73,341	73,341	73,542	73,341	73,341
4	Dawn	86,748	90,964	93,355	94,488	97,355
5	Peaking/Seasonal	23	38	55	70	86
6	WCSB	92,580	92,595	92,927	92,638	92,580
7	Total EGD	328,823	333,069	336,219	336,668	339,493
<u>Union North West</u>						
7	WCSB	11,851	12,126	12,299	12,320	12,413
<u>Union North East</u>						
8	Appalachia	19,254	19,255	19,308	19,255	19,255
9	Dawn	11,432	11,520	11,725	11,558	11,773
10	WCSB	1,493	1,493	1,498	1,493	1,493
11	Total North East	32,180	32,268	32,531	32,306	32,521
<u>Union South</u>						
12	Appalachia	38,510	38,510	38,615	38,510	38,510
13	Chicago	38,509	38,509	38,615	38,509	38,509
14	Niagara Region	7,702	7,702	7,723	7,702	7,702
15	Dawn	34,799	35,691	36,770	37,129	37,425
16	U.S. Mid-Continent	21,950	21,950	22,011	21,950	21,950
17	WCSB	8,797	8,797	8,821	8,797	8,797
18	Total South	150,267	151,159	152,554	152,597	152,893
19	Total Supply Forecast	523,121	528,623	533,602	533,891	537,321

Table 34 - Actual vs Plan UDC										
Line No.	Particulars (PJ)	2018/19			2019/20			2020/21		
		Actual	Annual Update	Variance	Actual	Annual Update	Variance	Actual	Annual Update	Variance
1	North West	1.4	14.4	(13.0)	5.7	8.4	(2.7)	6.0	8.4	(2.5)
2	North East	0.9	4.3	(3.4)	4.4	7.1	(2.7)	3.0	7.1	(4.2)
3	South		-	-	16.7	-	16.7	19.6	-	19.6
4	Total UDC	2.3	18.7	(16.4)	26.9	15.6	11.3	28.5	15.6	13.0

Third Party Storage

- Blind RFP held Nov. 10 to Dec. 1, 2021
 - Contracted for 7 PJ of storage starting April 2022
 - No change to total contracted volume (replaced expiring capacity)
- Adhered to process recommended by Scottmadden Consulting
 - Accepted RFP manager recommendations
- Bid details are filed confidentially with Deferrals Disposition

Q&A

Performance metrics

Performance metrics

OEB Guiding Principle	Performance Categories	Intent of Measures	Measures	2018/19 Results	2019/20 Results	2020/21 Results (to update)	3-Year Average ¹
COST EFFECTIVENESS							
The gas supply plans will be cost-effective. Cost-effectiveness is achieved by appropriately balancing the principles and in executing the supply plan in an economically efficient manner.	Policies and Procedures	Demonstrates EGI's consideration of timely pricing information and the utility's ability to transact according to internal policies for managing counterparty risk	Procurement plan reviewed and approved as outlined in the policy	C	C	C	n/a
			Transacting counterparties have met appropriate credit requirements	C	C	C	n/a
	Weather Variance ²	Illustrates weather risk in EGI's Plan correlated with price variances (e.g. Positive HDD variances tends to lead to higher prices)	HDD Variance - EGD CDA	6%	1%	-10%	-1%
			HDD Variance - EGD EDA	9%	2%	-10%	0%
			HDD Variance - EGD Niagara	6%	0%	-10%	-1%
			HDD Variance - Union North West	10%	5%	-8%	3%
			HDD Variance - Union North East	3%	-2%	-12%	-4%
			HDD Variance - Union South	3%	-1%	-10%	-3%
	Price Effectiveness	Demonstrates the diversity of supply terms within EGI's procurement plan through a layered approach to contracting	Distribution of procurement supply terms:				
			Less than one month	14%	3%	2%	6%
			Monthly	28%	27%	24%	26%
			Seasonal	25%	36%	37%	33%
			Annual or longer	32%	34%	37%	34%
			Reference Price ³	Please see EB-2022-0072, Appendix I, page 3.	Please see EB-2022-0072, Appendix I, page 4.	Please see EB-2022-0072, Appendix I, page 5.	N/A
		Illustrates price stability and consistency in EGI's Plan					

Performance metrics (cont'd)



OEB Guiding Principle	Performance Categories	Intent of Measures	Measures		2018/19 Results	2019/20 Results	2020/21 Results (to update)	3-Year Average ¹	
RELIABILITY AND SECURITY OF SUPPLY									
The gas supply plans will ensure the reliable and secure supply of gas. Reliability and security of supply is achieved by ensuring gas supply to various receipt points to meet planned peak day and seasonal gas delivery requirements.	Design Day	Demonstrates the extent to which EGI is able to procure assets required to meet design day demand, indicating the reliability of the plan	Acquired assets to meet design day requirements, as identified by the plan		100%	100%	100%	100%	
	Storage	Demonstrates EGI's execution of its storage inventory strategy	Percentage of actual storage target at November 1 compared to the plan		98%	98%	96%	97%	
			Percentage of actual storage target at February 28 compared to the plan		100%	100%	83%	94%	
			Percentage of actual storage target at March 31 compared to the plan		95%	100%	100%	98%	
	Communication	Ensure ongoing communication and understanding between planning and operations teams	Meet once a month at a minimum to discuss inventory position relative to targets and what action is required		C	C	C	C	
			Instances when QRAM expected bill impacts exceed +/- 25%		0	2	3	2	
			Communicated to ratepayers when bill impacts exceed +25%		C	C	C	C	
	Diversity		Supply basin diversity ⁴ (TO BE Changed back into table format)	Ontario/Dawn		36%	33%	29%	33%
				WCSB		19%	23%	25%	22%
				Appalachia		18%	15%	17%	17%
				Niagara Region		14%	16%	16%	15%
				Chicago		10%	9%	9%	9%
				U.S. Mid-Continent		2%	4%	4%	3%
				Ojibway		1%	0%	0%	0%
			Percentage of contracts with remaining terms of:						
				1-5 years		23%	15%	43%	27%
				6-10 years		33%	44%	32%	37%
		> 10 years		44%	40%	25%	36%		
		Total number of unique counterparties		56	58	56	57		
		Total number of receipt points		27	29	29	28		
		Number of days of force majeure on upstream pipelines that reduced capacity		0	0	0	0		
		Number of days of force majeure on upstream pipelines impacting customers' security of supply		0	0	0	0		

Performance metrics (cont'd)

OEB Guiding Principle	Performance Categories	Intent of Measures	Measures		2018/19 Results	2019/20 Results	2020/21 Results (to update)	3-Year Average ¹
	Reliability	Reports EGI's experience with pipeline and supply disruptions demonstrating the reliability of the portfolio	Number of days of failed delivery of supply		61	74	82	72
			Number of days of failed delivery of supply impacting customers security of supply		0	0	0	0
			Number of days of forced majeure on storage assets		0	0	0	0
PUBLIC POLICY								
The gas supply plan will be developed to ensure that it supports and is aligned with public policy where appropriate.	Supporting Policy	Reports public policy considered in EGI's Plan	Community expansion addressed in the plan		C	C	C	n/a
			DSM savings addressed in the plan		C	C	C	n/a
			Federal Carbon Pricing Program addressed in the plan		C	C	C	n/a
			Volume of RNG in portfolio		0%	0%	0%	0%

Footnotes:

C - Compliant, NI - Needs Improvement

1 - 3-year rolling average for benchmarking purposes

2 - Positive variance indicates colder than planned weather. Negative variance indicates warmer than planned weather.

3 - As filed in QRAM proceeding

4 - For data see Section 5.3

Q&A

TAB 3

CURRICULUM VITAE OF
JASON GILLET

Experience: Enbridge Gas Inc.

Director, Gas Supply
2020

Manager, Strategic and Power Markets
2019

Union Gas Limited

Strategic Markets Account Manager
2016

Manager, Upstream Regulation
2015

Manager, Transportation Acquisition
2014

Manager, Planning and Technology
2009

IT Project and Operations Manager
2007

Application Developer
2003

Education: Bachelor of Science, Computer Science
Western University, London, Ontario, Canada, 2003

Appearances: Ontario Energy Board

EB-2021-0004

EB-2020-0091

EB-2020-0094

EB-2015-0166

Canadian Energy Regulator
RH-001-2016

CURRICULUM VITAE OF
NICOLE BRUNNER

Experience: Enbridge Gas Inc.

Technical Manager, New Energy Supply
2022

Union Gas Limited

Manager, Gas Supply
2019

Team Lead, Gas Scheduling
2017

Advisor, Strategic Accounts
2016

Capacity Management Utilization Administrator
2015

Advisor, Regulatory Affair
2014

Buyer, Gas Supply
2012

Sr. Analyst, Cost of Gas
2011

Sr. Analyst, Gas Scheduling
2009

Education: Master Business Administration
University of Fredericton, New Brunswick, Canada, 2015

Honors Bachelor of Commerce
McMaster University, Hamilton, Ontario, Canada, 2009

CURRICULUM VITAE OF
STEVE DANTZER

Experience: Enbridge Gas Inc.

Supervisor, Gas Supply Planning
2020

Supervisor, Upstream Regulation
2019

Specialist, Carbon
2018

Union Gas Limited

Program Manager, Cap and Trade
2016

Project Manager, Upstream Regulation
2013

Team Lead, General Accounting
2012

Team Lead, Affiliate Reporting
2010

Senior Analyst, Financial Reporting
2008

Education: Chartered Professional Accountant, Chartered Accountant
2006

Honours Business Commerce, University of Windsor
2004

Memberships: Chartered Professional Accountants Canada
Chartered Professional Accountants of Ontario

Appearances: Ontario Energy Board
EB-2021-0004
EB-2017-0255

TAB 4

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association (LPMA)

References:

Table 2 (Exhibit I.LPMA.2)
Table 4 (Exhibit I.LPMA.5)
Tables 9, 10, 11, 16 & 25 (Exhibit I.LPMA.6)

Questions:

Exhibit I.LPMA.2

Please expand Table 2 to include historical years 2018/2019, 2019/2020 and 2020/2021.

Exhibit I.LPMA.5

Please expand Table 4 to include historical years 2018/2019, 2019/2020 and 2020/2021.

Exhibit I.LPMA.6

Please expand the tables noted in the reference above to include historical years 2018/2019, 2019/2020 and 2020/2021.

Response:

In response to LPMA 2, 5 and 6, EGI has updated the following tables, where appropriate:

- Table 4 – Design Day Demand Forecast
- Table 9 – Storage Requirement Forecast
- Table 11 – EGD Rate Zone Design Day Position
- Table 16 – Union North Rate Zone Design Day Position
- Table 25 – Union South Rate Zone Design Day Position

Measures of actuals do not exist for the theoretical Design Day Demand measure as they are based on design criteria and methodologies by rate zone and are not reforecast for years prior to the current Update's period. Each table included in this

response has been updated to include the most recently forecast gas years of 2018/2019, 2019/2020 and 2020/2021 from the 5-year Plan and previous update filings as requested.

Table 2, Annual Demand Forecast, has not be included in this response, as the 3 years of actuals requested are included in Table 32, Actual vs Plan Annual Demand on page 68 of the Plan.

Table 10, Planned UDC, has not been included in this response, as the 3 years of actuals requested are included in Table 34, Actual vs Plan UDC on page 70 of the Plan.

Table 1 - 2022 Annual Gas Supply Plan Update Table 4 - including historical Design Day Demand forecasts

Line No.	Particulars (TJ/d)	Per EB- 2018-0305	Per EB- 2019-0137 (5-yr Plan)	Per EB- 2020-0135 (2020 Update)	Per EB- 2021-0004 (2021 Update)	Per 2022 Update				
		2018/19	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
1	EGD	4,007	4,028	4,009	4,022	4,044	4,059	4,076	4,091	4,107
2	Union North West	129	130	129	128	131	132	133	133	133
3	Union North East	401	403	415	398	419	419	420	424	424
4	Union South	3,053	3,108	3,137	3,118	3,308	3,343	3,430	3,471	3,523

Table 2 - 2022 Annual Gas Supply Plan Update Table 9 – including historical storage requirement forecast

Particulars (PJ)	Per EB- 2018- 0305	Per EB- 2019- 0137 (5- yr Plan)	Per EB- 2020- 0135 (2020 Update)	Per EB- 2021- 0004 (2021 Update)	2022 Annual Update				
	2018/19	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<u>EGD</u>									
Infranchise Storage Requirement									
Infranchise Customer Requirement	126.1	126.1	126.1	126.2	125.9	125.9	125.9	125.9	125.9
Cost-Based Storage									
Tecumseh	99.4	99.4	99.4	99.4	99.4	99.4	99.4	99.4	99.4
Welland	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Market Based Storage	26.4	26.4	26.4	26.5	26.2	26.2	26.2	26.2	26.2
Space Allocated for Infranchise Use	126.1	126.1	126.1	126.2	125.9	125.9	125.9	125.9	125.9
<u>Union</u>									
Infranchise Storage Requirement									
Contingency	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5
Infranchise Customer Requirement	83.7	83.2	87.6	88.5	87.5	88.1	88.2	88.1	88.2
	93.2	92.7	97.1	97.6	97.0	97.6	97.8	97.7	97.7
Cost-Based Storage									
Dawn	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Excess Utility Space Available	6.8	7.3	2.9	2.4	3.0	2.4	2.2	2.3	2.3

Table 3 – 2022 Annual Gas Supply Plan Update Table 11 – including historical design day position forecasts

	EGD CDA									EGD EDA								
	Per EB- 2018-0305	Per EB- 2019-0137 (5-yr Plan)	Per EB- 2020-0135 (2020 Update)	Per EB- 2021-0004 (2021 Update)	2022 Update					Per EB- 2018-0305	Per EB- 2019-0137 (5-yr Plan)	Per EB- 2020-0135 (2020 Update)	Per EB- 2021-0004 (2021 Update)	2022 Update				
Particulars (TJ/d)	2018/19	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2018/19	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<u>Demand</u>																		
Gross Demand	3,401	3,414	3,392	3,400	3,414	3,423	3,434	3,444	3,455	715	723	720	719	729	735	741	746	751
Curtailment	(79)	(79)	(76)	(71)	(73)	(73)	(73)	(73)	(73)	(30)	(30)	(27)	(26)	(26)	(26)	(26)	(26)	(26)
Net Demand	3,322	3,335	3,316	3,329	3,341	3,350	3,361	3,371	3,382	685	693	693	693	703	709	715	720	725
<u>Supply Asset</u>																		
TCPL Long-haul	75	5	5	5	5	5	5	5	5	190	260	260	260	260	260	260	260	260
TCPL Short-haul	523	668	668	668	768	768	768	768	768	407	337	337	337	362	362	362	362	362
TCPL STS	284	284	284	284	284	284	284	284	284	81	81	81	81	81	81	81	81	81
EGI D-P	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	-	-	-	-	-	-	-	-	-
In-Franchise Supply	87	88	84	72	68	68	68	68	68	0	0	0	0	0	0	0	0	0
Third-Party Services	159	40	40	40	TBD	TBD	TBD	TBD	TBD	7	-	-	-	TBD	TBD	TBD	TBD	TBD
Total Supply	3,322	3,279	3,275	3,263	3,319	3,319	3,319	3,319	3,319	685	678	678	678	703	703	703	703	703
Excess(Shortfall)	-	(56)	(40)	(66)	(22)	(31)	(43)	(52)	(63)	-	(15)	(15)	(16)	(0)	(6)	(12)	(17)	(23)
Shortfall % of Net Demand	0.0%	-1.7%	1.2%	2.0%	0.7%	0.9%	1.3%	1.6%	1.9%	0.0%	-2.1%	2.1%	2.2%	0.1%	0.9%	1.7%	2.4%	3.1%

Table 4 - 2022 Annual Gas Supply Plan Update Table 16 – including historical design day position forecasts

Particulars (TJ/d)	North West										North East									
	Per EB-										Per EB-									
	2018-0305										2018-0305									
	Per EB-2019-0137 (5-yr Plan)	Per EB-2020-0135 (2020 Update)	Per EB-2021-0004 (2021 Update)	2022 Annual Update							Per EB-2019-0137 (5-yr Plan)	Per EB-2020-0135 (2020 Update)	Per EB-2021-0004 (2021 Update)	2022 Annual Update						
	2018/19	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26		2018/19	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	
Demand																				
Union North	130	130	129	128	131	132	133	133	133		395	403	415	398	419	419	420	424	424	
Supply Asset																				
TCPL Long-Haul	78	78	78	78	78	78	78	78	78		17	4	4	4	4	4	4	4	4	
TCPL Short-Haul	0	0	0	0	-	-	-	-	-		79	67	120	120	120	120	120	120	120	
North Dawn T-Service	0	0	0	0	-	-	-	-	-		24	53	33	33	33	33	33	33	33	
LNG	0	0	0	0	-	-	-	-	-		33	33	10	0	10	10	12	11	12	
Redelivery from Storage																				
From Parkway																				
STS Withdrawals	31	31	31	30	31	31	31	31	31		83	81	88	84	88	88	88	88	88	
STS Pooled Withdrawals	0	0	0	0	-	-	-	-	-		13	21	15	13	16	16	15	15	15	
Short-haul Firm	0	0	0	0	-	-	-	-	-		119	119	119	119	119	119	119	119	119	
Enhanced Market Balancing	0	0	0	0	-	-	-	-	-		25	25	25	25	25	25	25	25	25	
From Dawn																				
STS Withdrawals	19	19	20	20	19	19	20	20	20		-	-	-	-	-	-	-	-	-	
Third-Party Services	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD		TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Total Supply	128	128	129	128	129	129	129	129	129		393	403	414	398	415	416	417	416	417	
Excess(Shortfall)	-1	-1	0	0	-3	-3	-4	-4	-4		-1	0	0	0	-4	-3	-3	-8	-7	
Shortfall % of Demand	-0.8%	0.8%	0.0%	0.0%	2.1%	2.3%	3.0%	2.7%	3.0%		-0.3%	0.0%	0.0%	0.0%	0.9%	0.8%	0.8%	1.9%	1.7%	

* Includes Sales Service, Bundled DP, North Dawn T-Service

Table 5 - 2022 Annual Gas Supply Plan Update Table 25 - including historical design day position forecasts

	Per EB- 2018-0305	Per EB- 2019-0137 (5-yr Plan)	Per EB- 2020-0135 (2020 Update)	Per EB- 2021-0004 (2021 Update)	2022 Annual Update				
Particulars (TJ/d)	2018/19	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<u>Demand</u>									
Union South	3,027	3,108	3,137	3,118	3,308	3,343	3,430	3,471	3,523
<u>Supply Asset</u>									
Great Lakes	0	0	21	21	21	21	21	21	21
Nexus	106	106	106	106	106	106	106	106	106
Non-obligated (e.g. Power Plants)	278	270	251	254	254	254	254	273	273
Ontario Dawn	580	548	542	520	530	539	552	551	561
Ontario Parkway	214	225	238	227	252	247	243	242	248
Panhandle	37	60	60	60	60	60	60	60	60
Storage	1,684	1,790	1,811	1,822	1,956	1,988	2,065	2,088	2,125
TCPL Long-Haul	3	3	3	3	3	3	3	3	3
TCPL Niagara	21	21	21	21	21	21	21	21	21
Vector	84	84	84	84	106	106	106	106	106
Ojibway	21	0	0	0	0	0	0	0	0
Total Supply		3,108	3,137	3,118	3,308	3,343	3,430	3,471	3,523
Excess(Shortfall)		-	-	-	-	-	-	-	-
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* includes Sales Service, Bundled DP, T-Service

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Reference:

Page 20

Question:

Please provide further details regarding TCPL's Market Driven Service offering.

Response:

For further details regarding the TransCanada PipeLines Limited (TCPL) Market Driven Service (MDS) offering, please see the attached MDS Open Season document which was posted publicly on TCPL's customer express website¹.

¹ [Customer Express Home \(tccustomerexpress.com\)](https://tccustomerexpress.com)

Canadian Mainline 2021 Empress to Emerson 2 Market Driven Service Open Season



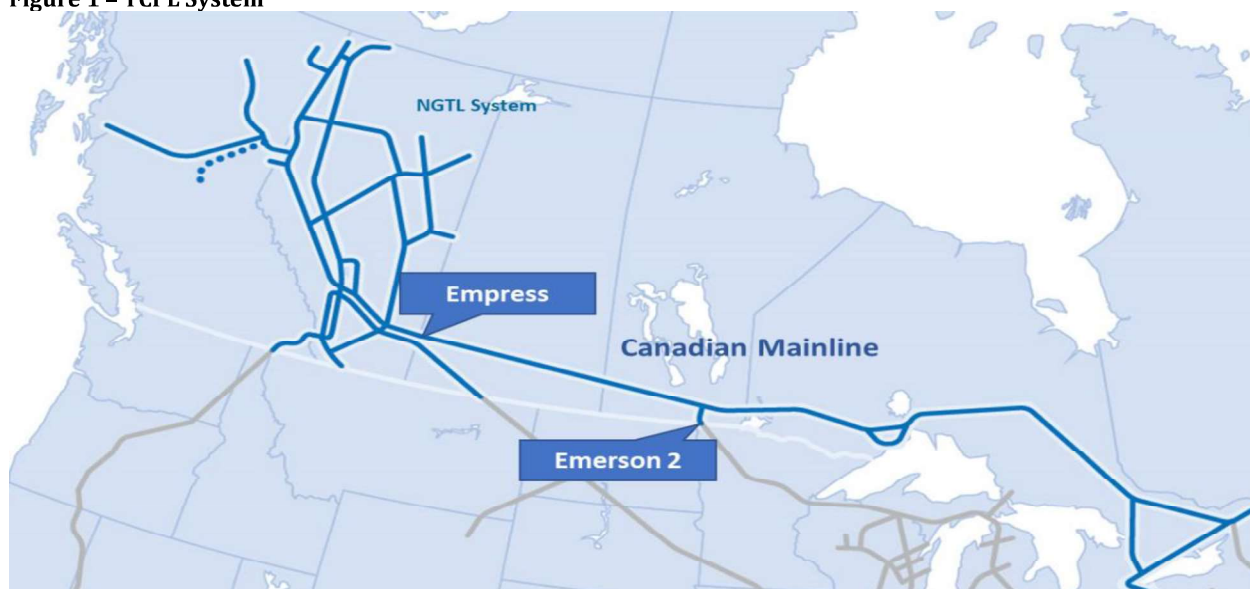
May 26, 2021 to June 10, 2021

Overview

TransCanada PipeLines Limited ("TCPL") is pleased to announce a binding open season ("Open Season") for a Market Driven Service ("MDS" or the "Service") pursuant to Section 6 of the Transportation Access Procedures ("TAPs"). This Service offering will be for the receipt of gas at Empress and delivery at Emerson 2 for a minimum term of 15 years on the Canadian Mainline ("Mainline"). Capitalized terms not defined within the Open Season have the meaning ascribed to them under the TCPL Mainline Transportation Tariff ("Tariff").

Western Canadian Sedimentary Basin ("WCSB") producers continue to seek access to diverse markets. The Service will enable Customers to access an incremental new market through the Mainline. The Mainline has existing capacity available and the Service is intended to attract incremental long-term contracting to the Mainline that will secure a net benefit to the Mainline and its Customers.

Figure 1 – TCPL System



Service Description

The following is an overview of this MDS offering pursuant to Section 6.1 of TAPs. MDS is subject to the Tariff, with detailed terms and conditions provided below:

- A Receipt Point of Empress to a Delivery Point of Emerson 2
- Minimum contract term of 15 years and a maximum contract term of 25 years with no term reduction rights.
- Customers may request a Date of Commencement between November 1, 2022 and November 1, 2023. Contracts must start on the first day of the month.

Canadian Mainline 2021 Empress to Emerson 2 Market Driven Service Open Season



- MDS Capacity available is any quantity up to a maximum of 200,000 GJ/day.
- The MDS (Empress to Emerson 2) toll during the term of the MDS Contract will be equal to 82% of the Empress to Emerson 2 Firm Transportation (FT) service toll, as may change from time to time, subject to CER approval
- The toll is not inclusive of the abandonment surcharge or pressure charge
- Mainline Secondary Receipt points and Secondary Delivery points are not part of this service.

How to Bid:

- Service Applicants must submit an executed bid using the MDS Bid Form attached to the Transportation Access Procedures (“TAPS”) of the Tariff via email to mainline_contracting@tcenergy.com or by fax at 1.403.920.2343.
- Service Applicants may submit multiple bids.
- Each bid is binding.
- All bids must be received by at 8 a.m. MDT, Calgary time (10 a.m. EDT), June 10, 2021.
- Paper bid form can be found at the following link: [Market Driven Service bid form.](#)
- Service Applicants may view an MDS Pro-forma Contract at the following link: [2021 MDS Pro-forma contract.](#)

This Open Season and the Service are subject to the following terms and conditions:

Service Commencement	<p>Service Applicants may request a Service commencement as early as November 1, 2022 but no later than November 1, 2023. Contracts must start on the first day of a month.</p> <p>Commencement of the Service may be delayed if a Complaint is received pursuant to Section 6.5 of TAPS.</p>
Receipt and Delivery Points	<p>The Service will have a Receipt Point of Empress and a Delivery Point of Emerson 2.</p> <p>Secondary Delivery points, Secondary Receipt points, Diversions, Alternate Receipt points and temporary Receipt points and temporary Delivery points are not available under the Service.</p>
MDS Contract Term, MDS End Dates and Term Reduction Rights	<p>The minimum MDS Contract term is 15 years and maximum MDS Contract term for MDS is 25 years. The available MDS End Dates are dependent on Date of Commencement and MDS Contract term requested by Service Applicant.</p> <p>There are no term reduction rights.</p>

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MDS Capacity	MDS Capacity available is any quantity up to a maximum of 200,000 GJ/day.
Toll, Surcharges, Rate Riders and Fuels	<p>The MDS (Empress to Emerson 2) toll during the term of the MDS Contract will be equal to 82% of the Empress to Emerson 2 Firm Transportation (FT) service toll, as may change from time to time, subject to CER approval.</p> <p>In addition to the MDS toll, the charges and surcharges noted below apply.</p> <ul style="list-style-type: none"> The MDS toll does not include pressure charge, which charge is payable by Customer in accordance with the applicable Mainline Pressure Charge for Emerson 2 and subject to change over the term of the MDS Contract <ul style="list-style-type: none"> Current delivery pressure charge is 0.02 \$/GJ/d The MDS toll does not include abandonment surcharge, which charge is payable by Customer in accordance with the applicable Mainline Abandonment Surcharge calculated from Empress to Emerson 2 and subject to change over the term of the MDS Contract <ul style="list-style-type: none"> Current Abandonment Surcharge is 0.0466 \$/GJ/d Pursuant to Section 4.1 of the MDS Toll Schedule, Customers will be required to pay any surcharge approved by the CER or any of its successors to recover the costs to comply with domestic or foreign laws, regulations or rules that were not in effect or applicable to TCPL on the date of commencement of the Open Season. <p>Rate Riders that may be applicable to FT service, as identified in Section 9.6 of the 2021 – 2026 Mainline Settlement Agreement, do not apply to MDS service offering.</p> <p>Fuel is not included in the MDS toll and must be provided in kind in accordance with the Tariff.</p>
MDS Open Season Dates	The 2021 MDS open season will commence May 26, 2021 and end June 10, 2021 at 8:00 a.m. MDT, Calgary time (10:00 a.m. EDT)
Net Benefit Analysis	<p>Pursuant to Section 6.3 of TAPs, TCPL is not obligated to accept an MDS bid if it determines through its analysis, in its sole discretion, that the MDS offering will not, achieve a net benefit to the Mainline.</p> <p>If MDS Contracts are executed in connection with the Open Season, TCPL will post the MDS Net Benefit Analysis as described in Section 6.5 of TAPs.</p>
Complaint	If a complaint to the CER is made within the timeframe specified in Subsection 6.5(c) of TAPS (“Complaint”), TCPL’s obligations under a MDS contract and the

Canadian Mainline 2021 Empress to Emerson 2 Market Driven Service Open Season



	<p>commencement of transportation service thereunder are subject to the disposition of the Complaint by the CER on terms and conditions acceptable to TCPL in its sole discretion.</p> <p>In the case of a Complaint, Customer shall support TCPL in any regulatory proceeding required to implement its MDS Contract, however, it will not be required to support or not oppose a matter not directly related to the terms and conditions of this MDS Offering.</p>
No Bid Conditions	Bid conditions will not be accepted.
Receipt and Delivery Points	<p>The Service will have a Receipt Point of Empress and a Delivery Point of Emerson 2.</p> <p>Secondary Delivery points, Secondary Receipt points, Diversions, Alternate Receipt points and temporary Receipt points and temporary Delivery points are not available under the Service.</p>
Renewal and Conversion Rights	<p>The Service is not renewable.</p> <p>Pursuant to Section 10.1 of the MDS Toll Schedule, all or a portion of the MDS Contract quantity can be converted to FT service for a 1-year term at the end of the MDS Contract term with a minimum of 1 years' written notice prior to the Customer's MDS End Date.</p>
Other Service Attributes	<p>MDS has priority equivalent to FT service in accordance with the General Terms and Conditions Section XV of the Tariff.</p> <p>Nomination windows, Financial Assurances, Demand Charge Adjustments, assignments, service priority and other terms not listed herein will be in accordance with the Tariff for MDS.</p> <p>Pursuant to Sections 10.3 and 10.4 of the MDS Toll Schedule, Early Conversion and Term-up provision will be applicable if TCPL determines, in the future, that the MDS contract may affect the design of new facilities required to provide transportation service where the costs of such new facilities are expected to exceed \$20 million.</p>
Notification to Service Applicants	<p>Pursuant to Section 6.4 of TAPs, TCPL will notify all Service Applicants of the allocation of MDS Capacity within fifteen (15) Banking Days after the close of the Open Season. Upon satisfaction of the financial assurances requirements in Subsection 6.4(b) of TAPs, TCPL shall forward to Service Applicant for execution an MDS Contract(s). Service Applicant shall, within three (3) Banking Days from the day</p>

Canadian Mainline 2021 Empress to Emerson 2 Market Driven Service Open Season



	TCPL sends the MDS Contract to the Service Applicant, execute and return to TCPL the MDS Contract.
Financial Assurances	TCPL requires acceptable financial assurances. Please refer to General Terms and Conditions, Section XXIII of the Tariff.
GST or HST Procedures	TCPL is required to charge Goods and Services Tax ("GST") or Harmonized Sales Tax ("HST"), whichever is applicable, on transportation of gas that is consumed in Canada. Customers may zero-rate GST or HST on contracts intended to serve an export market by making a Declaration on the nomination line in TC Customer Express Gas Customer Transactional System . Customers may also provide a declaration for any Unutilized Demand Charges. For more information, please see

Questions:

For inquiries regarding this Open Season please direct questions to your Mainline Marketing Representative.

Calgary

Michael Mazier

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Glenn Smetheram

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Molly Beckel

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This Open Season closes at 8:00 am Calgary time (10:00 am EDT) on June 10, 2021.

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Paper bid form can be found at the following links:

[Market Driven Service bid form](#)

**Please email completed bids to mainline_contracting@tcenergy.com
or by fax at 403-920-2343**

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Reference:

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Question:

Please provide the most recent EGI Gas Supply Procurement Policies and Practice document.

Response:

Attached is the current Gas Supply Procurement Policies and Practices as filed with the OEB on August 27, 2021.



Lesley Austin
Regulatory Advisor Applications
Regulatory Affairs

tel 416 495 6505
Lesley.Austin@enbridge.com
EGIRegulatoryProceedings@enbridge.com

Enbridge Gas Inc.
500 Consumers Road
North York, Ontario M2J 1P8
Canada

August 27, 2021

VIA EMAIL

Ms. Christine Long
Registrar
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: Enbridge Gas Inc. ("EGI") – Natural Gas Reporting & Record Keeping
Requirements ("RRRs") Rule for Gas Utilities – Section 2.1.10
EGI Gas Supply Procurement Policies and Practices**

In July 2021, EGI updated its' Gas Supply Procurement Policies and Practices to move the responsibility of contract entry from the middle office to the front office. In accordance with the Ontario Energy Board's RRRs Section 2.1.10, please find enclosed EGI's Gas Supply Procurement Policies and Practices.

Sincerely,

(Original Digitally Signed)

Lesley Austin
Regulatory Advisor Applications
Regulatory Affairs
Enbridge Gas Inc.

Attachment

Enbridge Gas Inc.

Gas Supply Procurement Policies and Procedures

The material contained within is Confidential and Proprietary information and may not be copied or used without the express written permission of Enbridge Gas Inc.

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Gas Supply Procurement Policies and Practices

1. Introduction

This manual prescribes the Policies and Practices that govern the procurement of gas supply by Enbridge Gas Inc. (the "Company" or "EGI "). In this context, gas supply includes the physical commodity, transportation and storage services. The definition of gas for the purpose of this Policy includes conventional or fossil-based natural gas by all production methods, as well as Renewable Natural Gas ("RNG") and hydrogen. In addition to these Policies and Practices, all procurement of gas supply is made in accordance with the Affiliate Relationships Code for Gas Utilities and the Record Keeping and the Natural Gas Reporting and Record Keeping Requirements ("RRR") of the OEB.

2. Objectives

EGI has the following four objectives for procuring gas supply for sale or delivery (i.e., load balancing) to its customers:

2.1 Provide Cost-Effective Reliable Supply Through a Diversified Portfolio

This objective is intended to achieve a market sensitive price, through the use of diversified tools to provide a reasonable cost of gas for EGI ratepayers in alignment with public policy. This means minimizing risks to security of supply while finding a balance between the use of contract pricing mechanisms, delivery and contractual terms, and supply basin diversification to achieve this goal.

2.2 Minimize Exposure to Counterparties in All Gas Supply Transactions

This objective is in place to recognize the need for prudent credit practices in gas supply procurement.

2.3 Ensure Fairness to All Counterparties in All Gas Supply Transactions

EGI ensures that all transactions are carried out with integrity with no preferential treatment shown towards any counterparty.

2.4 Operate Within Corporate Governance and Controls

Corporate Governance is an integral part of the Policy. The Gas Supply portfolio has oversight by the VP, Energy Services. All transactions are approved according to Authorized Transactions Limits and have appropriate internal controls in place.

3. Controls

There are five independent controls built into the Policy:

- 1) Corporate Governance through the VP, Energy Services review of the gas supply plan;
- 2) Transactions in the procurement plan approved per Authorized Transaction Limits within the Vice President Energy Services group

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- 3) Segregation of the responsibilities between the front office (transactors), middle office (Risk, Contracts and Credit) and the Back office (accounting and administration) functions;
- 4) Internal audits of the transactions;
- 5) Exception reporting

3.1 Corporate Governance

VP Energy Services, at least annually, review and approve the Gas Supply Plan. In accordance with Authorized Transaction Limits, the presiding Vice President, has full authority to implement the plan including the purchase of gas incremental to the Gas Supply Plan that may be required. The Gas Supply Plan is used to establish the monthly procurement plan.

3.2 Procurement Plan Approval

The Gas Supply department develops the monthly procurement plan for transactions to be executed.

The presiding Vice President or Director, Gas Supply and the Manager, Gas Supply or their delegate, sign the monthly procurement plan as required per the Authorized Transaction Limits. This approval and the Authorized Transactor List provides all necessary authorizations for the transactors to execute the transactions in the procurement plan.

3.3 Segregation of Duties

Front Office

- Verifies credit limits before deal execution
- Executes trades and contracts in accordance with these Procedures
- Enters transactions into systems of record
- Monitors price exposures and develops strategies to manage identified price risks based on net open position reports
- Reviews transactions for accuracy

Middle Office

Risk Control:

- Monitors transaction capture and associated pricing information
- Distributes Translogs to Front Office where applicable
- Monitors and maintains Authorized Transactor List to daily transactions

Contracts:

- Prepares contractual documentation for physical and financial transactions
- Manages the confirmation process for Physical Commodity Transactions
- Arranges physical contracts with counterparties

Credit:

- Review of counterparties and associated credit requirements
- Establishing credit lines and credit support (if required)
- Monitors and reports on the Credit Risk associated with counterparties

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Back Office

Invoicing:

- Verifies Counterparty invoices

Finance:

- Arranges transfer of funds to settle transactions
- Accounting for transactions and financial report distribution

3.4 Internal Audit of Transactions

Periodically, the Internal Audit department (“Audit”) initiates and conducts an audit of transactions. The intent of the audit is to ensure the Policy is being followed. In the event that Audit discovers any discrepancies relating to transactions, settlements, etc. that could expose the Company to legal liability, the Director, Gas Supply is notified immediately.

3.5 Exception Reporting

The transactors adhere to the Policy as completely as possible in all circumstances. However, EGI recognizes that exceptions to the Policy may be required in certain market situations and such exceptions are approved per the Manager, Risk Control prior to commitment.

4. Credit

The credit guidelines apply to all gas supply transactions. The intent of the guidelines are to maintain prudent credit practices while balancing with the need to maintain ample alternatives for acquiring gas supplies.

Counterparty assessments are performed in conjunction with any transactions that present a financial risk to EGI if the supply had to be replaced due to counterparty default. Counterparty assessments follow industry best practices and consider information such as public rating agency information, counterparty financial information, and any other quantitative or qualitative information that may be available. If appropriate, unsecured credit limits are established to cover the transaction risk. In cases where a sufficient unsecured credit limit cannot be established, credit support is requested. Counterparty creditworthiness and relative financial risk are monitored on an on-going basis. Any concerns are discussed with Gas Supply and appropriate actions are undertaken to mitigate any associated risk.

5. Means of Procurement

EGI will procure each tranche of gas supply commodity under agreements reached with existing or new suppliers by the following means:

- a) a bidding process involving a request for bids for the tranche of gas supply commodity;
- b) a straight purchase; or
- c) an electronic transaction using an electronic exchange or an electronic trading platform, or both, for which the Company has trading privileges.

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EGI may procure a tranche of gas supply commodity by other means, however, for the following reasons:

- a) to meet immediate security of supply, reliability of supply, or emergency situations;
- b) to develop a business relationship with a particular supplier;
- c) to accept a unique, unsolicited supply proposal from a particular supplier;
- d) to accept an unsolicited offer for a tranche of gas supply for a period of one through five days when the price is lower than the current market price for the delivery point(s) specified in the offer;
- e) to purchase gas from the Company's customers as part of direct purchase arrangements; or
- f) to purchase gas produced in the Province of Ontario.

The Company will prepare and file annually, with the Ontario Energy Board's Chief Regulatory Auditor, a report on all transactions to procure gas supply commodity that do not comply with the foregoing. The report will provide the particulars of each such agreement, including the name of the supplier, and an explanation and justification for non-compliance.

5.1 Bidding Process

EGI will send a request for bids on a select tranche of gas supply commodity required by the Company. The following information will be included in each request for bids:

- a) *the purchaser (i.e., Enbridge Gas Inc.);*
- b) *the delivery point(s) by pipeline;*
- c) *the type of supply (i.e., firm or interruptible);*
- d) *the term;*
- e) *the bid deadline; and,*
- f) *any other particulars.*

The transactor will note the date and time of receipt on each bid except when such a notation already appears on the bid; for example, bids sent electronically. The Company, or will record the name of the suppliers or service providers from whom the Company received a bid.

In the event of a Blind RFP for Storage Capacity or Gas Supply Commodity, the Company will engage an RFP Manager and develop a matrix outlining the requirements for the service. The RFP Manager will be responsible for issuing the RFP, collecting the RFP responses and providing them to EGI in blind form.

The Company will evaluate all bids in a fair and consistent manner according to the following criteria:

- the lowest reasonable price having regard not only to the bid price *per se*, but also the specific service attributes, benefits or risks inherent in each bid made in accordance with the terms and conditions specified in the request for bids; and,
- whenever a supplier offers different terms and conditions in its bid, as an alternative to the Company specified terms and conditions, the lowest reasonable price having regard not only to the bid price *per se*, but also the specific service attributes, benefits and risks inherent in the alternative.

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The Company will award the tranche of gas supply commodity to the bidder offering the lowest price unless there are offsetting risks in the bid, compared to another bid at a higher price, or offsetting service attributes or benefits in another bid at a higher price. In this event, the Company may award the tranche of gas supply commodity to the bidder offering a higher price.

In the event of a blind RFP, the third party agent will coordinate collection of the bids and ensure that the bidder's name and/or other identifying information is removed from the bid prior to the Company evaluating the bid.

5.2 Straight Purchases

EGI may procure gas supply commodity by means of a straight purchase from a supplier. This may include cases where liquidity, diversity or other market conditions make direct negotiations with a supplier more favorable than a bidding process.

6. **Electronic Transactions**

EGI may procure a tranche of gas supply commodity by means of transactions on one or more electronic exchange(s) or electronic trading platform(s), or both, for which the Company has trading privileges; for example, Intercontinental Exchange Inc. ("ICE") and Natural Gas Exchange Inc. ("NGX"). Some electronic exchanges and electronic trading platforms operate such that the identity of the prospective supplier is not disclosed until the transaction is complete. The Company will identify in the agreement entered into with an electronic exchange or an electronic trading platform a list of approved counterparties for its gas supply transactions.

Effective July 23, 2021



Jason Gillett, Director Gas Supply



Jim Redford, VP Energy Services