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VIA EMAIL and RESS

May 10, 2022

Nancy Marconi
Registrar

Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Nancy Marconi:

**Re: EB-2022-0072 - Enbridge Gas Inc. (Enbridge Gas)
2022 Annual Update to the 5 Year Gas Supply Plan
Stakeholder Conference – Undertaking Response**

Further to the virtual Stakeholder Conference that was held on May 5th and 6th, 2022 in the above noted proceeding, enclosed please find the response to Undertaking J2.1.

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

Yours truly,

Richard Wathy
Technical Manager, Regulatory Applications

cc: David Steven, Aird & Berlis LLP (via email)
EB-2019-0137 (5 Year Gas Supply Review) (via email)

ENBRIDGE GAS INC.

Undertaking Response to Federation of Rental Housing Providers of Ontario (FRPO)

Undertaking

TR: 57

Enbridge to provide details about what is included within line 4, column 1 for the volume of Chicago supply, and will also provide details about the derivation of the transportation costs for the Vector Pipeline at line 10.13.

Response:

In Procedural Order No. 3 for EB-2018-0305 (Enbridge 2019 Rates Application), the OEB determined that a Gas Supply Plan review was not appropriate as part of EGI's Annual Rate Adjustment Proceedings. As per the OEB's direction, for the EGD rate zone, EGI began capturing the gas supply plan cost consequences in the PGVA account within QRAM Applications and relevant (non-commodity) deferral accounts¹.

As such, Exhibit C, Tab 1, Schedule 1 as filed in subsequent QRAM applications reflects supply and transportation quantities as per the 2019 Gas Supply Plan. On a quarterly basis, this schedule is only updated with the 21-day strip forward commodity prices, as well as, toll changes as applicable (i.e. updated with price and toll changes only).

Exhibit C, Tab 1, Schedule 1, Line 4, represents the 65,000 MMBtu/d of supply to be purchased in Chicago as per the 2019 Gas Supply Plan. This is updated quarterly to reflect the 21-day strip forward commodity prices.

Exhibit C, Tab 1, Schedule 1, Line 10.13 represents the 65,000 MMBtu/d of Vector capacity in as per the 2019 Gas Supply Plan. In addition, this reflects the 110,000 MMBtu/d of Vector capacity that is the last path in the EGD Rate Zone Nexus contract, with supply that would be sourced in Exhibit C, Tab 1, Schedule 1, Line 8. Exhibit C, Tab 1, Schedule 1, Line 10.13 is updated quarterly to reflect toll changes, such as the inclusion of the blended existing and new lower Vector toll, which is \$0.1674 US\$/MMBtu.

¹ EB-2019-0194 Exhibit B, Tab 1, Schedule 1 Page 17. This was further acknowledged by the Board on Page 2 of the Decision for EB-2019-0273 (January 2020 QRAM), as Enbridge Gas passed through gas supply related cost to customers in existing QRAM Deferral Accounts.

A full reconciliation of these lines is presented below.

| Exhibit C, Tab 1, Schedule 1, Line 4 | Heat Value | | GJ to MMBtu Conversion | |
|--------------------------------------|--------------------------------|------------|------------------------|---------|
| | 10 ³ m ³ | GJ | MMBtu | MMBtu/d |
| | 649,654.9 | 25,031,203 | 23,725,000 | 65,000 |

Exhibit C Tab 1, Schedule 1, Line 10.13

| | | |
|--|---------------|----------------|
| | 175,000 | MMBtu/d |
| *365 days | 63,875,000 | MMBtu/year |
| *blended Vector rate (\$0.1674 US\$/mmbtu) | \$ 10,692,675 | US\$/year |
| / 1000 = \$000's US | \$ 10,692.7 | 000s US\$/year |
| * FX Rate (1.27) | \$ 13,609.4 | |

Exhibit C Tab 1, Schedule 1, Line 10.13

| Exhibit C, Tab 1, Schedule 1, Line 8 | Heat Value | | GJ to MMBtu Conversion | |
|--------------------------------------|--------------------------------|------------|------------------------|---------|
| | 10 ³ m ³ | GJ | MMBtu | MMBtu/d |
| | 1,099,416.1 | 42,360,502 | 40,150,004 | 110,000 |

Summary

| | | | | |
|--|-------------|--------------------------------------|------------|------------|
| | 649,654.9 | 10 ³ m ³ /year | 65,000 | MMBtu/d |
| | 1,099,416.1 | 10 ³ m ³ /year | 110,000 | MMBtu/d |
| | | | 175,000 | MMBtu/d |
| | | *365 days | 63,875,003 | MMBtu/year |
| *blended Vector rate (\$0.1674 US\$/mmbtu) | \$ | 10,692,676 | US\$/year | |
| / 1000 = \$000's US | \$ | 10,692.7 | | |
| * FX Rate (1.27) | \$ | 13,609.4 | | |

Exhibit D Tab 1, Schedule 1, Line 10.13