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

## **VIA RESS and EMAIL**

September 9, 2022

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

Dear Nancy Marconi:

Re: EB-2022-0219 – Enbridge Gas Inc. – October 1, 2022

Quarterly Rate Adjustment Mechanism (QRAM) Application

Effective January 1, 2019, Enbridge Gas Distribution Inc. (EGD) and Union Gas Limited (Union) amalgamated to become Enbridge Gas Inc. (Enbridge Gas). Enclosed is an application and supporting evidence from Enbridge Gas requesting an order approving or fixing rates within both the EGD rate zone and Union rate zones<sup>1</sup> for the sale, distribution, storage, and transmission of natural gas effective October 1, 2022.

This application is submitted in accordance with the OEB's EB-2008-0106 Decision, and includes a schedule, included below, for: the review and comment of intervenors and OEB Staff; Enbridge Gas's response to any comments; and the OEB's Decision and Order. A full list of the evidence supporting this application is provided in the exhibit list found at Exhibit A, Tab 1, Schedule 1.

Description	Date
Review and comment on October 1, 2022 QRAM application of	
intervenors and OEB staff	September 14, 2022
Enbridge Gas' s response to any comment	September 16, 2022
OEB's Decision and Order	September 23, 2022

## **EGD Rate Zone**

Relevant to the EGD rate zone the proposed EGD Rate Zone Purchased Gas Variance Account Reference Price ("PGVA Reference Price") is \$350.554/10³m³ (\$9.098/GJ @ 38.53 MJ/m³), representing an increase of \$20.061/10³m³ (\$0.520/GJ @ 38.53 MJ/m³). The result of the change noted above, in addition to the items as noted in the Additional Items section below, is an increase to the total bill for a typical residential customer on system gas of approximately \$74.18 or 4.9%.²

<sup>&</sup>lt;sup>1</sup> Collectively, the Union North West, Union North East and Union South rate zones are referred to as "Union rate zones". Union North West and Union North East are collectively referred to as "Union North".

<sup>&</sup>lt;sup>2</sup> Amounts provided include EGD Rider C

## **Union Rate Zones**

Relevant to the Union rate zones the proposed Alberta Border Reference Price, based on the current 21-day strip price, is \$7.679/GJ. This represents an increase of \$0.679/GJ. The proposed Dawn Reference Price, based on the current 21-day strip price, is \$8.363/GJ. This represents an increase of \$0.574/GJ. Enbridge Gas is also proposing to prospectively dispose of a gas cost deferral account balance specific to the Union rate zones of \$81.044 million.

The result of the change noted above, in addition to the items as noted in the Additional Items section below, is a net annual bill increase for residential sales service customers of \$104.58 or 7.8% in Union South, a net annual bill increase of \$89.59 or 6.2% in Union North West, and a net annual bill increase of \$163.83 or 10.4% in Union North East under the preferred rate mitigation approach.

## **Additional Items**

In response to the OEB Decision and Rate order on March 24, 2022, Enbridge Gas continues with this QRAM application to address the following OEB directives:

- A list of interest parties that have been served notice of the application including parties to the EB-2008-0106 generic QRAM proceeding, participants from the review of Enbridge Gas's gas supply planning and the parties from Enbridge Gas' 2022 annual rate application EB-2021-0147/EB-2021-0148, is filed in this application as Exhibit A, Tab 2, Schedule 1, Appendix A.
- A PGVA continuity schedule including the opening and closing balances for the PGVA on a quarterly basis with the principal balance and interest shown separately has been included at Exhibit C, Tab 1, Schedule 6 for the EGD rate zone and Exhibt E, Tab 1, Schedule 3 for the Union rate zone.

Enbridge Gas committed to review shortening the 24-month dispositions of the April 2022 and July 2022 QRAMs as part of this application.<sup>3</sup> Enbridge Gas has determined that market prices do not provide an opportunity to shorten the 24-month period of the PGVA riders from the April and July 2022 QRAMs.

Enbridge Gas is serving an electronic copy of the application with supporting evidence in PDF format on all interested parties in the EB-2008-0106, EB-2019-0137, EB-2022-0072 EB-2021-0147 and EB-2021-0148 proceedings. This complete evidence package is also available electronically in searchable PDF format through the following link on Enbridge Gas's website: <a href="https://www.enbridgegas.com/en/Regulatory-Proceedings">https://www.enbridgegas.com/en/Regulatory-Proceedings</a>

Should you have any questions on this matter please contact the undersigned at 416-319-2534.

<sup>&</sup>lt;sup>3</sup> EB-2022-0150 Decision and Order, June 16, 2022, page 3.

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Sincerely,

Asha Patel Technical Manager, Regulatory Applications

cc: All Interested Parties EB-2008-0106, EB-2019-0137, EB-2022-0072, EB-2021-0147 & EB-2021-0148