

January 12, 2023

VIA RESS AND EMAIL

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-2021-0002
Multi-Year Demand Side Management Plan (2022-2027)
Enbridge Gas Draft Rate Order**

In accordance with the OEB's Revised Decision and Order dated December 16, 2022, Enbridge Gas is filing a Draft Rate Order in respect of the Multi-Year Demand Side Management Plan (2022-2027).¹ Attached here are the following schedules:

- Appendix A – 2023 Approved DSM Budget - Allocation to Rates
- Appendix B - 2023 DSM Budget Bill Impacts (2023 DSM Budget Bill Impacts based on the proposed 2023 DSM Budget which is what was approved for 2023 Rates can be found at Exhibit F, Tab 1, Schedule 3 in the pre-filed evidence)

The OEB Decision and Order for the DSM Multi-Year Plan was received subsequent to 2023 Rates being approved,² and as such this Draft Rate Order does not change the rates that have already been set and approved for 2023. The variance between the 2023 DSM Budget in 2023 rates and the 2023 Approved DSM Budget is shown below in Table 1. The variance between 2023 actual DSM Budget spend and the 2023 DSM Budget in 2023 rates will be recorded in the DSMVA for disposition at a future date.

¹ OEB approved DSM term is 2023-2025

² Decision on Settlement Proposal and Rate Order, 2023 Rates (November 3, 2022)

Table 1 – 2023 DSM Budget in Rates vs. 2023 Approved Budget

2023 DSM Budget in 2023 Rates (millions)	2023 Approved DSM Budget (millions)	Variance (millions)
\$142.3	\$167.2	\$24.9

This Draft Rate Order does not include the 2024 or 2025 DSM Plan budget. The OEB approved a budget for 2023 with subsequent years increased by an escalation factor. The budgets for 2024 and 2025 will therefore be adjusted and included as part of future Enbridge Gas rate proceedings.

In the event that you have any questions on the above or would like to discuss in more detail, please do not hesitate to contact me.

Sincerely,

(Original Signed)

Asha Patel
Technical Manager, Regulatory Applications

cc.: D. O'Leary, Aird & Berlis – VIA email
EB-2021-0002 Intervenors – VIA email

ENBRIDGE GAS INC.
2023 - 2027 DSM Plan
2023 Approved DSM Budget - Allocation to Rates

Line No.	(\$000's)	2023 Budget
	<u>EGD Rate Zone</u>	
1	Rate 1	52,394
2	Rate 6	28,042
3	Rate 9	0
4	Rate 100	0
5	Rate 110	3,045
6	Rate 115	1,762
7	Rate 125	162
8	Rate 135	348
9	Rate 145	1,445
10	Rate 170	2,898
11	Rate 200	39
12	Rate 300	1
13	Total EGD	90,137
	<u>Union South</u>	
14	Rate M1	32,024
15	Rate M2	13,605
16	Rate M4 (2)	6,259
17	Rate M5 (2)	459
18	Rate M7	2,698
19	Rate M9	16
20	Rate M10	0
21	Rate T1	1,962
22	Rate T2	5,656
23	Rate T3	104
24	Total Union South	62,784
	<u>Union North</u>	
25	Rate 01	6,733
26	Rate 10	3,912
27	Rate 20	2,212
28	Rate 25	73
29	Rate 100	1,391
30	Total Union North	14,322
31	Total Company	167,243

Notes:

- (1) EGD Rates 9, 125, 200, & 300 and Union Rates M9, M10, T3, & R25 are not eligible for DSM programs. These rate classes will however be subject to rate allocations related to the Low Income Program and Affordable Housing Savings By Design offering as well as the Low Income portion of Portfolio overheads.
- (2) Rate M4 and Rate M5 DSM costs are pooled and reallocated in proportion to forecast volumes. Forecast volumes are updated through the annual rate setting proceedings.

ENBRIDGE GAS INC.
2023 - 2027 DSM Plan
2023 DSM Budget Bill Impacts

Line No.	Rate Class	2022 DSM Budget in Rates (1)	2023 Approved DSM Budget (2)	Change	2023 Billing Units	2022 DSM Unit Rate	2023 DSM Unit Rate (3)	Representative Annual Billing Units	2023 DSM Amounts in Total Bill		2023 Budget Change Impact	April 2021 QRAM Total Bill (4)	2023 DSM Budget	
		(\$000s)	(\$000s)	(%)	(10 ³ m ³)	(cents/m ³)	(cents/m ³)	(m ³)	Annual (\$)	Monthly (\$)	(\$ / customer)	(\$)	Total Bill (%)	Change Impact (%)
		(a)	(b)	(c)=(b-a)/(a)	(d)	(e)=(a/d)*100	(f)=(b/d)*100	(g)	(h)=(f*g)/100	(i)=(h/12)	(j)=(f-e)*(g)/100	(k)	(l)=(h/k)	(m)=(j/k)
<u>EGD Rate Zone</u>														
1	Rate 1	39,406	52,394	33%	5,045,468	0.7810	1.0384	2,400	24.92	2.08	6.18	1,069	2.3%	0.6%
2	Rate 6	21,074	28,042	33%	4,887,113	0.4312	0.5738	22,606	130	11	32	8,088	1.6%	0.4%
3	Rate 9	3	-	-	-	-	-	-	-	-	-	-	-	-
4	Rate 100	-	-	-	28,090	-	-	339,188	0	0	-	99,893	0.0%	0.0%
5	Rate 110	2,208	3,045	38%	1,074,372	0.2055	0.2834	598,568	1,697	141	467	165,622	1.0%	0.3%
6	Rate 115	1,319	1,762	34%	386,039	0.3417	0.4564	4,471,609	20,409	1,701	5,131	1,145,755	1.8%	0.4%
7	Rate 125 (5)	110	162	48%	111,124	0.0991	0.1461	-	40,599	3,383	13,080	-	-	-
8	Rate 135	255	348	36%	55,486	0.4600	0.6279	598,567	3,759	313	1,005	150,203	2.5%	0.7%
9	Rate 145	1,147	1,445	26%	15,331	7.4840	9.4269	598,568	56,426	4,702	11,629	173,251	32.6%	6.7%
10	Rate 170	2,195	2,898	32%	322,426	0.6809	0.8989	9,976,120	89,678	7,473	21,755	2,352,250	3.8%	0.9%
11	Rate 200 (5)	38	39	3%	186,602	0.0204	0.0211	-	39,290	3,274	1,130	-	-	-
12	Rate 300 (5)	2	1	-60%	-	-	-	-	737	61	(1,098)	-	-	-
13	Total EGD	67,757	90,137											
<u>Union South Rate Zone</u>														
14	Rate M1	27,446	32,024	17%	3,063,170	0.8960	1.0455	2,200	23.00	1.92	3.29	880	2.6%	0.4%
15	Rate M2	10,658	13,605	28%	1,253,164	0.8505	1.0856	250,000	2,714	226	588	67,744	4.0%	0.9%
16	Rate M4 (6)	4,765	6,259	31%	632,129	0.7539	0.9902	875,000	8,664	722	2,068	238,244	3.6%	0.9%
17	Rate M5 (6)	499	459	-8%	65,971	0.7563	0.6956	6,500,000	45,216	3,768	(3,943)	1,585,878	2.9%	-0.2%
18	Rate M7	2,034	2,698	33%	765,093	0.2659	0.3527	36,000,000	126,968	10,581	31,246	8,445,804	1.5%	0.4%
19	Rate M9	-	16	-	90,073	-	0.0183	6,950,000	1,271	106	1,271	1,119,963	0.1%	0.1%
20	Rate M10	-	0	-	329	-	0.0491	94,500	46	4	46	20,105	0.2%	0.2%
21	Rate T1	1,569	1,962	25%	434,564	0.3610	0.4515	11,565,938	52,221	4,352	10,463	2,721,662	1.9%	0.4%
22	Rate T2	4,725	5,656	20%	5,353,212	0.0883	0.1057	197,789,850	208,984	17,415	34,392	43,934,364	0.5%	0.1%
23	Rate T3	-	104	-	249,200	-	0.0416	272,712,000	113,457	9,455	113,457	42,468,987	0.3%	0.3%
24	Total Union South	51,698	62,784											
<u>Union North Rate Zone</u>														
25	Rate 01	6,625	6,733	2%	1,012,937	0.6540	0.6647	2,200	14.62	1.22	0.24	1,140	1.3%	0.0%
26	Rate 10	3,127	3,912	25%	358,834	0.8714	1.0901	250,000	2,725	227	547	86,150	3.2%	0.6%
27	Rate 20	1,753	2,212	26%	841,059	0.2084	0.2630	15,000,000	39,456	3,288	8,190	3,837,257	1.0%	0.2%
28	Rate 25	-	73	-	260,373	-	0.0282	2,275,000	642	53	642	579,929	0.1%	0.1%
29	Rate 100	1,147	1,391	21%	1,036,696	0.1107	0.1342	240,000,000	321,964	26,830	56,361	65,692,840	0.5%	0.1%
30	Total Union North	12,652	14,322											
31	Total EGI	132,107	167,243											

- Notes:
- (1) Updated to equal 2021 Board-approved DSM budget, consistent with what was included in the 2022 Rates application (EB-2021-0147, Exhibit D, Tab 2, Rate Order, Working Papers, Schedule 10, p. 1).
 - (2) Rate Order, Appendix A.
 - (3) The 2023 DSM budget included in 2023 rates (EB-2022-0133), effective January 1, 2023, was approved by the OEB on November 3, 2022 and will not match the DSM unit rate shown due to the difference in budget amounts.
 - (4) Total sales service bill based on EB-2021-0070 (April 2021 QRAM) excluding cost/price adjustments. Total bill for Rate M9, Rate M10 and Rate T3 excludes the federal carbon charge.
 - (5) Annual bill impact amounts for EGD Rate 125, Rate 200, and Rate 300 are for average customers in each rate class.
 - (6) Rate M4 and Rate M5 DSM costs are pooled and reallocated in proportion to forecast volumes. Forecast volumes are updated through the annual rate setting proceedings.