

February 9, 2023

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

Dear Ms. Marconi:

**Re: Enbridge Gas Inc.
Application for Renewal of Franchise Agreement – County of Essex
Ontario Energy Board File No. EB-2022-0207**

Enbridge Gas is writing to respond to questions asked by Commissioner Sword during the oral argument day held on February 8, 2023 related to property taxes paid within the County of Essex:

MR. SWORD: Sure. Thank you. Just a question on your assets that you have. There is a provision, I understand, of municipal property taxes that you pay on your buildings. I understand, also, that municipal property taxes are paid on your system of underground assets and pipes; is that correct?

MR. PANNU: Yes, that's correct.

MR. SWORD: What type of municipal services would a pipe require or receive? What kind of -- or rather in this case from the county? Would the county need to do anything to your pipe when it's in the ground? Does it attract any county costs? (Transcript, pages 29-30)

...

MR. SWORD: Because costs are being considered and it is related to the pipe, do you have an idea within Essex -- and you may not now and perhaps later, perhaps on a best case basis be able to determine your -- what level of municipal property taxes that you pay in Essex that would be related to your pipe? (Transcript, page 31)

Mr. Pannu, on behalf of Enbridge Gas, stated that he would take these questions away and confirm the response.

We can confirm that Enbridge Gas is a passive taxpayer in that Enbridge Gas does not require snow removal, garbage pick-up or any other municipal services provided by the County of Essex or any of the lower-tier municipalities within the County in relation to our pipelines.

With respect to property taxes, Enbridge Gas' annual property tax bills from the lower-tier municipalities within the County of Essex are comprised of three parts - County of Essex taxes, education taxes and local municipality taxes. The lower-tier municipalities within the County of Essex collect all of the property taxes on behalf of the County and transfer the appropriate amounts to the County.

For 2022, the property taxes that were paid by Enbridge Gas to lower-tier municipalities that were transferred to the County of Essex were as follows:

<u>Tax Class</u>	<u>To County</u>
Pipe	\$937,637
Commercial	\$ 18,321
Industrial	\$ 2,565
Residential	<u>\$ 2,499</u>
Total	\$961,022

Should you have any questions about this response, please do not hesitate to contact me.

Yours truly,

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cc (by email): David Sundin, County of Essex (dsundin@countyofessex.ca)