Shepherd Rubenstein

Mark Rubenstein
mark@shepherdrubenstein.com
Dir. 647-483-0113

BY EMAIL and RESS

February 10, 2023
Our File: EB20220200

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

Attn: Nancy Marconi, Registrar

Dear Ms. Marconi:

Re: EB-2022-0200 – Enbridge Gas Inc. 2024-28 Phase 1 –SEC Interrogatories

We are counsel to the School Energy Coalition ("SEC"). Enclosed, please find the remainder of SEC's Phase 1 interrogatories in this matter.

Yours very truly,
Shepherd Rubenstein P.C.

Mark
Rubenstein
2023.02.10 10:
23:20-05'00'

Mark Rubenstein

cc: Brian McKay, SEC (by email)
Applicant and intervenors (by email)

EB-2022-0200

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule. B);

AND IN THE MATTER OF an Application by Enbridge Gas Inc., pursuant to section 36(1) of the *Ontario Energy Board Act, 1998,* for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of January 1, 2024.

INTERROGATORIES TO
ENBRIDGE GAS INC. ("ENBRIDGE")
ON BEHALF OF THE
SCHOOL ENERGY COALITION

1.1-SEC-74
[1.1] Please update the following tables and figures for 2022 year-end actuals:

a. [2-2-1, p.3] Table 1
b. [2-5-3, p.13] Table 6
c. [2-6-1, p.36] Figure 6
d. [3-1-1] Table 2
e. [3-2-1] Table 1
f. [3-2-1] Attachment 1
g. [4-4-2] Table 1-Table 12
h. [4-4-3] Table 1-Table 3

1.1-SEC-75
[1-1-6] For each third-party report filed in the application, please i) provide a copy of the retainer agreement with the third-party, ii) confirm if Enbridge is relying on the evidence as expert evidence, iii) provide the names of the specific authors of the report.

1.2-SEC-76
[1-2-1] Please provide a copy of all material provided to Enbridge Inc. for approval of the application and the underlying budgets.

1.2-SEC-77
[1] Please provide a copy of all third-party benchmarking analyses, studies, reports, and/or similar documents, undertaken for, or include Enbridge, since 2017, that are not already included in this application, regarding any aspect that directly or indirectly relates to a material aspect of Enbridge's business.

1.2-SEC-78
[1] Please provide a copy of all budget guidance documents that were issued regarding the budgets that

underlie the application.

1.2-SEC-79
[1] For each year since 2018, please provide a copy of any corporate scorecards, and any other similar annual documents, that Enbridge or Enbridge Inc. uses to set internal targets and track the performance of Enbridge's business.

1.2-SEC-80
[1] Please provide summaries of all internal audit reports conducted since 2013, related to any aspect that directly or indirectly relates to Enbridge's business, their findings, recommendations, and the status of any actions that have or are to be taken.

1.2-SEC-81
[1] Please provide Enbridge's most recent business plan (or similar document if there is no formal business plan).

1.3-SEC-82
[1-3-1, Attachment 2] Please provide the number of test year FTEs that report to each Director level position listed in the Enbridge's organizational chart.

1.6-SEC-83
[1-6-1] Excluding those undertaken for the purpose of DSM program design or community expansion customer attachment forecasts, please provide details of all other customer surveys and/or market research that Enbridge has undertaken since the amalgamation. Please provide copies of any such reports and/or analysis.

1.6-SEC-84
[1-6-1, Attachment 1] Please provide a copy of all versions of workbooks and surveys provided to customer engagement participants.

1.8-SEC-85
[1-8-1] Please provide in a single table, for each year between 2013 and 2022, the annual ESM calculations for Enbridge (or EGD and Union as would have been the case before the amalgamation) in the same format as is provided in Enbridge's annual ESM/DVA disposition application.

1.8-SEC-86
[1-8-1, Attachment 4] For each year between 2013 and 2018, and for 2022, please provide a similar table of annual actual utility income, for Enbridge's (or EGD and Union as would have been the case before the amalgamation).

1.8-SEC-87
[1-8-2, p.5] Enbridge has provided a table that shows accounting standard updates that "had no impact or an immaterial impact". For the purpose of this table, what does Enbridge consider a "immaterial impact".

1.9-SEC-88
[1-9-1] With respect to integration savings:

a. [p.5] For each category listed in Table 2, please provide a breakdown of each specific initiative, detail the methodology used to calculate the savings, and provide the underlying calculations.
b. [p.5, 17] Please expand Tables 2, 3, 5 and 6 to include forecasts for 2024 to 2028.

c. Please provide the most recent internal reporting to Enbridge's senior management and Enbridge Inc. regarding integration savings.

1.9-SEC-89
[1-9-1, p.21; 9-2-1, p.22] With respect to integration capital:

a. Please provide the 2024 revenue requirement, broken down into each major component (rate base, return on capital, depreciation, taxes), for all integration capital that Enbridge seeks to add to the rate base.
b. Please also provide the Tax Variance Deferral Account (TVDA) balance related to integration capital.

1.9-SEC-90
[1-9-1] In addition to saving arising from integration activities, please detail all other productivity and efficiency measures that the applicant has taken since 2018 and plans to take through to the end of the test year. Please quantify those actual and forecast savings and explain the calculations.

1.12-SEC-91
[1-12-1] Please provide a copy of all Post-Construction Financial Reports for projects approved prior to the referenced changes in the conditions of approval in Q2 2015, for all projects in which Enbridge seeks to include actual costs in the rate base. [Note: It is sufficient to provide a link to the OEB's webdrawer for any referenced documents.]

1.12-SEC-92
[EB-2012-0451, EGD GTA Project – Post-Construction Financial Report, dated June 30, 2017] With respect to the GTA Project:

a. Please file a copy of the unredacted Post- Construction Financial Report on the record in this proceeding.
b. [p.5] Please confirm that the GTA Project final cost was $180M (27%) more than what was forecast during the leave to construct proceeding (EB-2012-0451).
c. [p.5] Please provide the NBV of the GTA project at December 1, 2023, and what the NBV would have been at December 1, 2023 if the project costs were as forecast in the leave to construct application (EB-2012-0451).
d. Please provide the total amount of contingency that was included in the project budget provided during the leave to construct proceeding.
e. Please provide a comparison between the forecast and actual project schedule.
f. [p.5] Please provide the forecast and actual costs related to each of the Buttonville and Ashtonbee stations. Please explain any variances.
g. Based on the actual costs of the project, please provide the actual Profitability Index based on E.B.O. 134 and 188. Please provide the full calculations.
h. Please provide a comparison of your response to part (f) of the Profitability Index provided in EB-2012-0451.
i. Please provide a copy of all internal or external GTA project reviews, assessments, or similar documents that discusses project performance.

1.12-SEC-93
[1-12-1, Attach 2, p.16] Please provide details of the additions to load originally forecast by Enbridge to affect the Bathurst Reinforcement Project, and the net new load (or reduced load, if applicable) subsequently actually arising, from each of the following:

a. The proposed project at the corner of Wilmington and Overbrook.
b. The Prosserman Jewish Community Centre.
c. The expected project on Sheppard Avenue immediately east of the valley.

1.12-SEC-94
[EB-2012-0451, EGD GTA Project – Post Construction Financial Report, dated June 30, 2017, Appendix K] With respect to the KPMG, *GTA Project Report:*

a. Please provide a copy of the retainer agreement with KPMG and a copy of the CV of the report's author(s).
b. [p.4] Please confirm that KPMG was retained during the project construction to provide on-going advice regarding project management and governance practices. If this is not confirmed, please explain.
c. Please provide a copy of all memos, reports, analyses, recommendations, and any other work product provided to the company during the construction of the GTA Project.

1.13-SEC-95
[1-13-3; 9-1-3] With respect to the Enhanced Distribution Integrity Management Program (DIMP):

a. [p.4] Please detail the "available monitoring technique limitations as well as the cost/benefit assumptions" that led to the referenced criteria for pipelines to include as part of the Enhanced DIMP.
b. [p.3] Please detail the capital spending and specific capital projects set out in the AMP that meet the Enhanced DIMP criteria.
c. [p.6] If Enbridge is able to estimate the cost of the program ($10M a year), please explain why the costs are not included in the 2024 budget.
d. [p.6] Please explain the basis for the cost forecast.
e. If Enbridge defers capital work because of the Enhanced DIMP, will the revenue requirement impact be included in the proposed Enhanced DIMP Deferral Account? If not, please explain why not.

1.13-SEC-96
[1-14-4, p.2] Please advise whether as part of the current Application Enbridge is seeking an order of the OEB amending the settlement agreements referred to and, if so, in what respects.

1.15-SEC-97
[1-15-1] Please provide a table that shows a comparison of the existing EGD, Union and proposed EGI connection policies.

2.1-SEC-98
[2-1] Please provide a table that shows for each material project that has gone into-service since either Union or EGD's last rebasing year, the:

a. project name
b. rate zone
c. USP investment category (i.e. system access, system renewal etc.)
d. asset class
e. year project went in-service
f. forecasted cost

g. source of forecasted cost (i.e. ICM application, previous filed AMP or application forecast, internal approved budget etc.)
h. final costs
i. cost variance
j. explanation of cost variance (if variance is +/- 10%).

Please also provide the response in Excel format.

2.1-SEC-99
[2-1] For each expansion or reinforcement project brought into service by the Enbridge (EGI, EGD, Union) between 2013 and 2017 (inclusive) having a total planned addition to rate base of $5 million or more, including those listed in this exhibit, please provide a table showing:

a. The contemporaneous forecast (whether in the application for LTC, if any, or the then-current internal forecast) for each year from the forecast date of in-service until 2030 of:
    i. Total load for the affected customers;
    ii. Number and types of new customers/connections;
    iii. Average and peak demand of the affected customers;
    iv. Design day demand of the affected customers; and
    v. The percentage of the capacity of the new pipe or other equipment utilized in the year.
    The actuals for the above metrics for each of the years from the in service year until 2022, and the now-current forecasts of the above metrics for each of the years 2023-2030.
b. The forecast total cost of the project.
c. The amount actually added to rate base with respect to the project.
d. The original forecast of cost-effectiveness of the project.
e. A recalculation of the cost-effectiveness of the project using the actuals and current forecasts in (b) above, including a copy in Excel format.

Where any of the above includes past data or forecasts, please provide the appropriate reference to public filings, if any.

2.1-SEC-100
[2-1-1, p.5] Based on the forecast capital expenditures included in the AMP, please expand Table 2 to include years 2025 to 2028. Please also provide the response in Excel format.

2.2-SEC-101
[2-2-1, Attach 1, p.3-4] For each table, please provide the individual monthly averages for each year between 2021 and 2024.

2.3-SEC-102
[2-3-1, Attach 1, p.1-2] Please confirm that lines 8 and 9, on p.1, are equivalent to line 2 on p.2, and that lines 11 and 12 on p.1, are equivalent to line 4 on p.2.

2.4-SEC-103
[2-4-2, p.17] With respect to capitalized overheads:

a. Please provide a table (or tables) that show, using a similar breakdown as provided in Table 3 (i.e. operations, business unit, shared services, pension and benefits costs), for each year between 2013 and 2024. both capitalized amounts and capitalization rates, for each utility (Union, EGD, EGI).

b. Please provide a table that shows for each year, between 2013 and 2024, by category of capitalized overheads (operations, business unit, shared services, pension and benefits costs), the amounts charged to OM&A, for each utility (Union, EGD, EGI).
c. For each category of capitalized overheads (operations, business unit, shared services, pension and benefits costs), please provide the amount of costs approved (or included in rates) in each of Union and EGD's 2013 rebasing application, broken down into amounts capitalized and amounts charged to OM&A. Please provide a citation for the source of the information (i.e. application, rate order, etc).

2.5-SEC-104
[EB-2022-0157] On February 1, 2022, as part of EB-2022-0157, Enbridge wrote to update the OEB on developments with its leave to construct application of the Panhandle Regional Expansion Project. Enbridge wrote: "Following the receipt of the new cost information, Enbridge Gas re-assessed the capacity position of the Panhandle System based on actual 2022 attachments and their system locations, as well as updated 2023 customer demand. As a result, the Company now anticipates that incremental demand for Winter 2023/2024 can be accommodated and that the Project's in-service date can be deferred one year from November 1, 2023 to November 1, 2024.":

a. Please provide details regarding the difference between the capacity position and forecast 2022 attachments (and system locations) as compared to 2022 actuals.
b. Please provide the updated 2023 customer demand and how that differs from the forecast.
c. Please explain any implications for the customer forecast numbers that underlie this application because of update provided in EB-20122-0157.
d. Please provide the 2024 test year revenue requirements impacts, including all sub-components, of a delay in the in-service of the Panhandle Regional Expansion Project from November 1, 2023 to November 1, 2024.
e. Please explain, what if any, adjustments to the Applicant's capital plan will occur in 2023 and 2024, as a result of the delay of the Panhandle Regional Expansion Project.

2.5-SEC-105
[2-5-2, p.2] With respect to Table 1:

a. Please provide a revised version of Table 1 that includes years 2013 to 2023. Please also provide the response in Excel format.
b. Please provide a similar table included in part (a) on an in-service addition basis. Please also provide the response in Excel format.

2.5-SEC-106
[2-5-2, p.6] Please provide the amount forecast to spend on community expansion projects each year between 2023 and 2028.

2.5-SEC-107
[2-5-3, p.13] Please provide a revised version of Table 6 that includes the combined EGD and Union capital expenditures for each year between 2013 and 2018, and forecast Enbridge capital expenditures for each year between 2025 and 2028. Please also provide the response in Excel format.

2.5-SEC-108
[2-5-3, p.13] Please provide a version of the table requested in 2.5-SEC-107, on an in-service addition basis. Please provide the response in Excel format.

2.5-SEC-109
[2-5-3, p.13] SEC seeks to understand in what year capital expenditures were incurred for 2024 for in-service additions. Please complete the attached Excel file 4.4-SEC-109.

2.6-SEC-110
[2-6] Please provide a copy of all third-party review, assessment, report, study, analysis, or similar document undertaken on behalf, and for Enbridge, since 2018, regarding a review or assessment of any material aspect of Enbridge's capital work and planning processes. This includes capital planning, project execution, project development, asset condition, needs assessment, an reliability modelling.

2.6-SEC-111
[2-6-1, p.18] In Figure 2, Enbridge provides a summary of the steps of its budget and long-range planning process. As it relates to the budget included in this application, please provide the dates each step was undertaken. If there are other important steps undertaken as part of the planning process and is not included in Figure 2, please include them and provide the details of when they were undertaken.

2.6-SEC-112
[2-6-1, p.34] For each year between 2023 and 2028, please provide the annual spending, broken down by USP category and asset program. Please also provide the response in Excel format.

2.6-SEC-113
Please provide a similar version of the table requested in 2.6-SEC-112 on an in-service additions basis.

2.6-SEC-114
[2-6-1, p.34] SEC seeks to better understand the connection between approvals sought in this application and that sought/granted in other applications.

a. Please provide a table that shows for each year between 2014 and 2028, total capital expenditures broken down into the following categories:
    i. Granted leave to construct approval and approved as an ICM or Y-Factor
    ii. Granted leave to construct approval only
    iii. Leave to construct not required, project approved as an ICM or Y-Factor
    iv. Leave to construct approval will be required
    v. Other
b. Please provide a version of table requested in part (a) on an in-service additions basis.
c. Please explain what would happen if the OEB approves the 2024 in-service additions as applied for in this application, but subsequently, denies leave to construct for a specific project that is scheduled to go in-service in 2024.

2.6-SEC-115
[2-6-1, p.32] Please provide the table component of Figure 6 on an in-service additions basis. Please provide the response in Excel format.

2.6-SEC-116
[2-6-1, p.32] Please provide a revised version of Figure 7 that allocated ICM projects and overhead to specific USP categories.

2.6-SEC-117
[2-6-1, p.32] With respect to proposed investments that are subject to leave to construct:

a. For each investment listed in Table 5, please provide the status of the leave to construct application, and if it has yet to be filed, the forecast month/year it will be filed.

b. Please provide a similar table as Table 5 for each year between 2025 and 2028.

2.6-SEC-118
[2-6-1, p.48-49] With respect to customer connection feasibility:

a. For each year between 2013 and 2024, please provide the annual investment portfolio PI. Please provide all underlying calculations.
b. Please provide the most recent 12-month rolling project portfolio (RPP) PI. Please provide all underlying calculations.

2.6-SEC-119
[2-6-1, p.53-55] With respect to community expansion:

a. For each community expansion project, please provide the following information:
    i. Name of project
    ii. Budgeted capital costs
    iii. Forecast cost
    iv. Actual capital costs-to-date
    v. Forecast final capital costs
    vi. 10-year customer forecast
    vii. Actual customer forecast by year
    viii. Original forecast PI
    ix. Revised forecast PI based on the most recent forecast costs and customer attachment forecast
    x. SES term
    xi. If the PI in part (ix) is below 1.0, the forecast revenue shortfall

b. Enbridge states that during the 10-year rate stability period "the utility is to bear the risk of its customer attachment forecast and revenue requirements". Please explain how Enbridge has ensured that this is the case in this application.

2.6-SEC-120
[2-6-2, p.18] With respect to Figure 1.4-1, please provide in tabular format. Please also provide the information in Excel format.

2.6-SEC-121
[2-6-2, p.42] Please provide a copy of Enbridge's risk matrix.

2.6-SEC-122
[2-6-2, p.55] With respect to estimate class:

a. Please explain how the contingency amount is determined for a given project/program based on the estimate class.
b. Please provide a copy of any internal guidelines, standards or similar document that outline the level of contingency that is to be budgeted.

2.6-SEC-123
[2-6-2, p.56-57] With respect to capital plan performance monitoring:

a. Enbridge states: "During project planning and execution, periodic forecasts track project and program costs, and reports are generated on actual incurred costs." Please detail how Enbridge monitors and reports on the execution of its capital plan and provide a copy of the most recent report(s) that the company uses to monitor plan execution.

b. Enbridge discusses its AIPM Performance Review. Please explain how the information is used within the company.
c. Please provide the most recent reports for each of 'Scope Delivery to Plan', "Capital Budget Delivery to Plan', "Asset Class Objectives' and 'Assess Management Health Check'.

2.6-SEC-124

[2-6-2, p.66] Enbridge states: "When the 2022 LRP including ET forecast was produced, EGI compared it to the 2022 LRP forecast without ET assumptions. The comparison showed that the ET assumptions reduced the capital expenditure forecast by ~$60k in 2024 and by ~$44M over the 2024- 2028 rebasing period.":

a. Please detail the referenced ET assumptions.
b. Please explain what capital expenditures were reduced because of these assumptions.
c. Please confirm that while the AMP was not revised as a result, the reductions were made to the capital expenditure forecast in the application.

2.6-SEC-125

[2-6-2, p.66-67] With respect to the 10-year customer growth forecast:

a. Please provide Figures 5.1-2 and 5.1-3 in tabular format.
b. Please provide a similar forecast, by rate zone, of the number of customers disconnecting from the natural gas system over the same period.

2.6-SEC-126

[2-6-2, p.81-120] With respect to distribution pipe:

a. [p.81] For each type of distribution pipe, and for each year between 2013 and 2028, please provide how many km per year have been:
    i. replaced
    ii. renewed
b. [p.87] Does Enbridge classify the overall condition of its various types of distribution pipe through a scoring methodology or otherwise? If so, please explain the methodology and provide the most recent condition breakdown by each distribution pipe type.

2.6-SEC-127

[2-6-2, p.95-96] With respect to the DIMP Risk Model:

a. Please explain how the DIMP Risk Model is used by Enbridge in determining the capital work to be undertaken.
b. Please provide a detailed explanation, including using illustrative examples, of the DIMP Risk Model calculation.
c. Please provide a copy of any internal guidance document or explanation material regarding the DIMP Risk Model.
d. Please provide the output of the DIMP Risk Model in a tabular format that shows the number of kilometers for each risk value at its current state.
e. [p.96] The evidence states that the "platform allows the user to create systemic risk views for current or future years, based on the reliability curves from the Asset Health Review Reliability Models." Please provide a revised version of part (c) that shows output of the DIMP Risk model

at the end of the rate framework period (2028), both with and without the proposed capital expenditure and O&M plan.

2.6-SEC-128
[2-6-2, p.95-96] With respect to predicted failure projected in Figure 5.2-50, and 5.2-51:

a. For each year between 2024 and 2028, how many kilometers of vintage steel pipe does the Enbridge plan to renew? How many kilometers of vintage steel pipe were (or are forecast to be) renewed each year between 2013 and 2023?
b. If Enbridge's strategy was to maintain the number of failures (leaks) pear year, please provide the number of kilometers of vintage steel pipe that would need to be replaced in each year between 2024 and 2028.

2.6-SEC-129
[2-6-2, p.19-120] Please provide a revised version of Table 5.2.3-4 that includes the following:

a. 2013 to 2022 actual information on a similar basis.
b. For each asset class strategy/investment name, the number of kilometers replaced/renewed for each year.

2.6-SEC-130
[2-6-2, p.133, p.137] With respect to distribution station condition:

a. Enbridge states that "Utilizing the aggregated ranking of each sub-system based on their criticality to the station level, Figure 5.2-67 helps to illustrate the findings of the condition assessments and provides insight into the mitigation levels required for the current replacement program." Please explain, using illustrative examples, of how Enbridge aggregates the ranking for each sub-station to determine the overall distribution system station condition.
b. For each of the system and customer stations, please provide the total number of stations at each condition level (i.e. recommended mitigation work, plan for mitigation, to be monitored, minor degradation, no issue, unknown) for both the EGD and Union rate zones.
c. For each of the system and customer stations, and for each sub-system, please provide the total number of systems for each condition level, for both EGD and Union rate zones.

2.6-SEC-131
[2-6-2, p.p.142-143] Please provide a revised version of Table 5.2.4-8 that includes the following:

a. 2013 to 2022 actual information on a similar basis.
b. For each asset class strategy/investment, name the number of assets replaced/renewed each year.

2.6-SEC-132
[2-6-2, p.p.142-143] For each type of measurement system, please provide the number of assets in each condition category (like new, some minimal surface corrosion or evidence of aging, moderate surface corrosion, pitting corrosion, severe localized or extensive corrosion).

2.6-SEC-133
[2-6-2, p.172] Please provide a revised version of Table 5.2.5-9 that includes the following:

a. 2013 to 2022 actual information on a similar basis.
b. For each asset class strategy and program name, the number of assets meters installed/replaced in each year.

Please also provide the response in Excel format.

2.6-SEC-134
[2-6-2, p.185] With respect to compressors:

a. Please provide a similar asset health index table (as was shown in Table 5.3.5-2) for all compressors that Enbridge plans to replace between 2024 and 2028.
b. For all compressors Enbridge replaced or plans to replace between 2014 and 2023, that were not subject to an ICM, capital pass-through, or leave to construct application, please provide a similar asset health index table (as was shown in Table 5.3.5-2) or other document, that shows the condition of all compressors before they were replaced.

2.6-SEC-135
[2-6-2, p.194] Please provide a revised version of Table 5.2.5-3 that includes 2013 to 2022 actual information on a similar basis.

Please also provide the response in Excel format.

2.6-SEC-136
[2-6-2, p.202-203] Please provide a revised version of Table 5.3.6-1 that includes the following:

a. 2013 to 2022 actual information on a similar basis.
b. For each asset class strategy /investment name and program name, the number of assets or (km of pipe as applicable) installed/improved/replaced each year.

Please also provide the response in Excel format.

2.6-SEC-137
[2-6-2, p.215] With respect to the Enbridge Facility Assessment Results:

a. What is the basis for Enbridge's standard (i.e. FCI scores between 0-5% are considered good, etc.)?
b. For each property where the summary strategy is disposition, please detail when Enbridge plans to dispose of the property and the forecast proceeds from disposition.

2.6-SEC-138
[2-6-2, p.231] For each year, between 2013 and 2032, how much has been spent or is forecast to spend on each of the light, medium, and heavy vehicles?

2.6-SEC-139
[2-6-2, p.233] Please provide a revised version of each of the following tables that includes 2013 to 2022 actual information on a similar basis:

a. [p.209] Table 5.2.7-1
b. [p.224] Table 5.4.8-1
c. [p.250] Table 5.6.9-1

2.6-SEC-140
[2-6-2, p.255] With respect to pre-optimized spending profile:

a. Please provide Figure 6.1-2 in tabular format. Please also provide in Excel format.

b. In Figure 6.1-1, Enbridge presents the information by rate zone. Does Enbridge plan by rate zone? If so, please explain how.
c. On the same basis as provided in Figure 6.1-2, please provide the number of investment (as opposed to cost of the investment costs). Please provide in tabular format and also provide in Excel format.
d. On the same basis as provided in Figure 6.1-2, please provide a breakdown of each investment category (i.e. growth, distribution stations, TIS, etc.), by planning group (i.e. compliance – fixed timing, mandatory – fixed timing, etc.). Please provide in tabular format and also provide in Excel format.

2.6-SEC-141
[2-6-2, p.257] With respect to the post-optimized and final 10-year capital plan:

a. [p.256] The evidence discusses that an optimized solution could not be obtained, and so certain adjustments had to be made. Please explain the list of constraints, and the basis for them, that were inputted into Copperleaf that led to a solution that cannot be optimized.
b. [p.257] Please explain the changes to the constraints that were inputted into Copperleaf that led to the final optimized plan (i.e. final 10 year capital plan).
c. [p.257] Please provide Figure 6.1-3 in tabular format. Please also provide in Excel format.
d. [p.257] On the same basis as provided in Figure 6.1-3, please provide the number of investments (as opposed to cost of the investment). Please provide in tabular format and also provide in Excel format.
e. [p.255, p.257] On the same basis as provided in Figure 6.1-3, please provide a breakdown of each investment category (i.e. growth, distribution stations, TIS, etc.), by planning group (i.e. compliance – fixed timing, mandatory – fixed timing, etc.). Please provide in tabular format and also provide in Excel format.

2.6-SEC-142
[2-6-2] Please detail all changes to Enbridge's planning process, including but not limited to, condition and risk assessment methodologies, since its most recent filed Asset Management Plan filed in EB-2019-0195.

2.6-SEC-143
[2-6-2, p.260] For each year of 2024 and 2025, please provide a similar table that compares, on a combined basis (EGI), the difference between the budgets as proposed in the 2021-2025 AMP and 2023-2032 AMP.

2.6-SEC-144
[2-6-2, p.280] Please provide, as soon as each document is available, each of the following:

a. The report of the subcommittee of the IRP Working Group dealing with the DCF+ test.
b. The Applicant's final (or if not then finalized, the draft two days before the technical conference in this proceeding) proposal for the DCF+ Guide it intends to file with the first non-pilot IRP project.
c. The 2021 annual report of the IRP Working Group dated June 9, 2022.
d. The 2022 annual report of the IRP Working Group, when finalized.

2.6-SEC-145
[2-6-2, Appendix A, p.4] With respect to the Dawn C: Compression Lifecycle Project.

a. Please reconcile the total cost of the project shown ($125M) in the with the amount shown in Exhibit 2, Tab 6, Schedule 1, p.46, Table 6 ($163.4M).
b. Please provide the full business case for the proposed project.
c. Is the project expected to go in-service in 2027, or will parts go in-service earlier? If so, please provide details of the amounts that will go in-service by year.

2.6-SEC-146
[2-6-2, Appendix A, p.11] With respect to the A10: Wilson Ave, VSM Replacement Project:

a. Please reconcile the total cost of the project shown ($72M) in the with the amount shown in Exhibit 2, Tab 6, Schedule 1, p.46, Table 6 ($91.2M).
b. Please provide the full business case for the proposed project.
c. Is the project expected to go in-service in 2026, or will parts go in-service earlier? If so, please provide details of the amounts that will go in-service by year.
d. Please provide details regarding status of the consideration of IRP alternatives for the project are.

2.6-SEC-147
[2-6-2, Appendix A, p.35] With respect to the Kennedy Road Expansion project:

a. Please provide the full business case for the proposed project.
b. Is the project expected to go in-service in 2025, or will parts go in-service earlier? If so, please provide details of the amounts that will go in-service by year.

2.6-SEC-148
[2-6-2, Appendix A, p.47] With respect to the Contract Market Systems – Technology Obsolescence Project:

a. Please reconcile the total cost of the project shown ($53.2M) in the with the amount shown in Exhibit 2, Tab 6, Schedule 1, p.46, Table 6 ($48.9M).
b. Please provide a full business case for the proposed project.
c. Please explain how Enbridge forecast the cost of this program,
d. Is the project expected to go in-service in 2026, or will parts go in-service earlier? If so, please provide details of the amounts that will go in-service by year.

2.6-SEC-149
[2-6-2, Appendix A] With respect to the material capital investments included in the Appendix to the AMP:

a. Please provide the total number of projects and total cost.
b. How many projects, and what is the total costs, for those that meet each of the following Enbridge investment categories:
   i. Compliance - Compliance Investment
   ii. Must Do – Must DO Investment
   iii. Must Do – Intolerable Risk (EGI)
   iv. Mist Do – Third-Party Relocation (EGI)
   v. Must Do – Program work with sufficient history and risk to warrant continuation (EGI)

2.7-SEC-150
[2-7-1, p.22] Please provide a Dawn-Parkway design day schematic (similar to file EB-2022-0133, Exhibit I.FRPO.5, Attach 1) for each winter between 2022/2023 and 2028/2029.

2.7-SEC-151
[2-7-2, p.6] Enbridge states "Enbridge Gas plans to file a stand-alone AMI Application as soon as practically possible requesting approval from the OEB for the funding and implementation of an AMI solution.":

a. Please explain when Enbridge expects to file this application and its expected scope.
b. Please provide any existing estimate of costs, even at this early stage.
c. Please explain how this stand-alone AMI application fits in to its proposed rate-setting framework.

3.2-SEC-152
[3-2-2] With respect to the Guidehouse, *Natural Gas Volume Forecast Benchmarking Study*:

a. [p.5,7] For each of the comparator utilities, please provide the individual score based on each tier/criterion included in Table 2-1.
b. Did Guidehouse look at the accuracy of the comparator utilities forecasts? If so, please provide details. If not, please explain why not.
c. [p.14-33] Please explain how each comparator utility has included, if at all, in their customer and volume forecast methodologies, as a result of decarbonization and electrification policies and expectations.
d. Notwithstanding your answer to part (c) regarding what other utilities may or may not be doing, please provide Guidehouse's views on the appropriateness of using historic information as the basis for volume forecasts, when the future may look different than the past.
e. [p.25-27] Using the same format as Table 3-14, how would Guidehouse classify Enbridge, both as it relates to its 2024 and post-2024 approvals.
f. [p.25-27] For each mechanism discussed in Table 3-14, please provide a reference, and a web-link to a copy of the specific rate filing/order, that provides the exact details of how each mechanism works.
g. [p.25-27] For each utility where an under-recovery variance is capped, please provide details on how the cap works.

3.2-SEC-153
[3-2-2, p.8] Please explain the 'Energy Probe' methodology.

3.2-SEC-154
[3-2-4, p.2-4] With respect to the economic outlook information:

a. Please update the information in Table 1-3 with the most recent available information.
b. For each variable in Table 1 and 2, please provide the source of the information.
c. [Table 1, ft. 2] Please provide a copy of the most recent Consensus Forecast.

3.2-SEC-155
[3-2-5, p.7] Please provide Figure 1 in a tabular format and provide 2022 actuals and 2023 and 2024 forecast amounts.

3.2-SEC-156
[3-2-6] Please provide a copy of all analyses, undertaken informally or otherwise, regarding customer connections and average use forecasts in the longer-term (post-2024).

3.2-SEC-157
[3-2-8, p.5] Enbridge states "The forecast for new customers is based on two main sources of information. First, the forecast includes new customers and associated volumes relating to discrete capital projects included in the AMP and capital budget for projects that are anticipated to go into service in the forecast period". Please show the direct link between the new customers and associated volumes included in the load forecast, and the specific projects detailed in the AMP.

4.2-SEC-158
[4-2-1] With respect to gas supply costs, please explain what Enbridge believes is being approved in this proceeding, as compared to the 2024 QRAM applications and the 2024 annual update process outlined in the Framework for Assessment of Distributor Gas Supply Plans.

4.2-SEC-159
[4-2-1, p.10-11] With respect to gas supply:

a. Using the same particulars as Table 1, please provide a table that shows the gas supply/demand position for each year between 2013 and 2024.
b. Using the same particulars as Table 2, please provide a table that shows design day position for each year between 2013 and 2024.

4.2-SEC-160
[4-2-1, p.19] Please provide a revised version of Table 4 that shows in-franchise storage space for each year between 2013 and 2024.

4.2-SEC-161
[4-2-1, p.19] Does Enbridge Inc. (or any of its affiliates) have any ownership stake (directly or indirectly) in any storage or transportation contract held by Enbridge? If so, please provide details.

4-.2SEC-162
[4-2-1, Attach 1, p.2] Please explain what is meant by 'Affiliate Adjustment' and how is it calculated.

4.2-SEC-163
[4-2-1, Attach 6] With respect to the ICF, *Assessment of Storage Capacity Requirements for Enbridge Gas in-franchise Bundled Service Customers* Report:

a. [p.14] Is holding storage capacity above that of a utility's calculated Aggregate Excess an industry standard? If so, please provide details.
b. [p.24] Please provide greater detail of the ICF natural gas price forecast between 2025 and 2035, including inputs and assumptions.
c. [p.26,37] Please provide the forecast market-based storage prices used in the ICF assessment and explain how they were derived.
d. [p.26] Please explain the driver in Exhibit 3-1 of the significant relative year-over-year changes in costs across all scenarios.

4.2-SEC-164
[4-2-3] With respect to the proposal for the design demand process:

a. [p.23] Please explain how the steps set out in paragraph 41 differs, in any way, from the current Union methodology for determining design day demand.
b. [p.28] Please explain how the steps set out in paragraph 59 differs, in any way, from the current Union methodology for determining general service design hour demand.

c. [p.28] Please explain how the steps set out in paragraph 60 differs, in any way, from the current Union methodology for determining contract rate design hour demand.

4.2-SEC-165
[4-2-3, p.34] Please provide the incremental costs across all elements of the proposed revenue requirement, of the harmonized design day demand methodology.

4.2-SEC-166
[4-2-4, p.3] Please explain how the operational contingency is different than the proposed 10PJ of additional storage Enbridge is proposing above the Aggregate Excess calculation.

4.3-SEC-167
[4-3-4, p.1, p.4-5] With respect to Table 1:

a. Please provide a revised version of Table 1 that shows company name.
b. For each utility whose methodologies is categorized as "other methodology", please explain the methodology and provide reference to any publicly available information that documents it.
c. For each utility listed, please provide flow-through for the impacts to customers of the variance between forecast and actual UFC, similar to those that Enbridge has and proposed to do through use of a variance account.

4.3-SEC-168
[4-2-4, p.4, p.1] Please explain what the 2024 UFG forecast would be if methodologies were not harmonized.

4.3-SEC-169
[4-3-4, p.10] Please provide a revised version of Table 3, showing information on a weather normalized basis. Please provide the information back to 2013.

4.4-SEC-170
[4-4-1, pp. 3 & 7] Enbridge states that COVID-19 had a substantial influence on the Company's operations and costs during 2019-2021, and beyond. COVID-19 restrictions led to a reduction in work volume from access limitations and staff availability creating a backlog that will need to be addressed as the company returns to normal operating conditions in 2022, and notes that from 2022 to 2024, there are cost pressures expected from the impacts of COVID-19:

a. Please provide details of all costs included in the 2024 forecast which are specifically attributable to COVID-19, broken down by driver.
b. When does Enbridge expect the backlog of work related to deferred work, due to COVID, will be caught up?

4.4-SEC-171
[4-4-1, p. 57 and 4-4-2, p. 49] Please provide further details on what the Integrity Management Program entails and the Integrity Management Framework Standard entails and the associated costs.

4.4-SEC-172
[4-4-2, Tables 2 & 12, p. 62, Attachment 2, Ex. 1-9-1, Table 2, January 27, 2023 update, EB-2021-0002 Decision and Order, November 15, 2022] Utility Operating & Maintenance (O&M) is forecasted as follows and includes integration costs and savings and productivity savings:

$M	2019A	2020A	2021A	2022F	2023F	2024F

Utility O&M Exhibit 4-1-1 Table 2	914.6	948.4	920.6	963.8	969.7	991.7
Increase in DSM as a result of EB-2021-0002					25.24	26.2
Increase in Pensions in update					?	28.9
Updated Total	914.6	948.4	920.6	963.8	994.9	1046.8
Increase year over year		3.7%	(2.9%)	4.7%	3.2%	5.2%
Included in the above numbers are the following costs/savings						
Integration-Related Costs Attachment 2				15.7	19.5	0
Integration Savings Ex 4-4-2 Table 2	(32.3)	(52.4)	71.2	(85.8)	(86)	(86)
Productivity Savings Ex 4-4-2 Table 2	(8.2)	(18.6)	(18.6)	(17.7)	(31)	(35.2)

a. Please correct any errors in the above table, if there are any.
b. Please provide the change in pension and OPEB for 2023 based on the latest evaluation from Mercer Canada Limited discussed in the January 27, 2023, update letter.
c. The Decision and Order for EB-2021-0002 issued on November 15, 2022, states that 'A total budget of $167.24 million is approved for 2023. This amount is to be increased each subsequent year of the DSM plan by the annual rate of inflation and an additional 3% for all program related costs.' Based on the current forecast for 2023, the increase is ($167.24M-$142M = $25.24M). How was the increase of $26.2 determined for 2024?
d. Please provide an update of available actual O&M spending, integration costs and savings and productivity savings in 2022, broken out as per Table 12. (Note: please make best efforts to provide the most current actual numbers for 2022, understanding that they will be unaudited)
e. If 2022 actuals are materially different than that forecasted, please update the 2023 and 2024 forecasts as required.

4.4-SEC-173
[4-4-2, p. 13, Table 3] Enbridge states that BD&R costs in 2024 include costs recovered in deferral accounts in 2023 and earlier in the amount of $7.1M:

a. Provide further details of what costs the $7.1M represent, i.e., which deferral accounts and in which years were these costs previously charged to.
b. Provide a breakdown of all costs included in Table 3 related to this application.
c. Please provide further details about what is included in sponsorships and memberships costs.

4.4-SEC-174
[4-4-2, p. 35] Please confirm that for 2023 Enbridge (or Enbridge Inc.) is making a corporate decision to reduce the amount it pays in insurance premiums by increasing the deductibles liability and non-liability insurance from $10 million and $20 million, respectively, to $100 million each, resulting in an increase of $10.4M ($13.4M minus $3M in previous years) in the potential cost exposure. This is offsetting by an $8.5M reduction in insurance premiums from 2022, but represents a savings of $19M from what Enbridge forecasts the premiums would be if it did not make the change.

4.4-SEC-175
[4-4-2, p. 37] Enbridge states that the 2024 Test Year Forecast includes $51.1 million for locate delivery costs. $45 million of the costs are for locate delivery services provided to customers and locate delivery services required for Enbridge's own operations. $6.1 million of the costs include internal company resources that provide administrative support to respond to locate requests.

Included in Exhibit 8-3-1 Section 1.8, is a request for a new $200 charge for third-party contractors and other utilities asking for locates. In Exhibit 9-1-3 Enbridge is requesting a new DVA to record the difference between actual and 2024 Test Year Forecast external locate delivery service costs, offset by the revenue collected through the new locate delivery service charge:

a. Please confirm that the amounts included in 2024 for locates do not include the expected increase in costs based on Bill 93.
b. Are the increased requirements for locates applicable to all locates or only locates for third-party contractors and other utilities?
c. Is the $200 charge intended to cover the total cost of the locate or just the incremental cost?

4.4-SEC-176
[4-4-2, p. 53] Central Functions costs have increased by $135M since amalgamation in 2019. One of the explanations Enbridge has provided for the increase is the move to an 'as a service' model' in the Technology Information Systems area:

a. Please describe in further detail the 'as a service' model which Enbridge has moved to and explain the reasons for the resulting increases in costs in each year between 2021 and 2024.
b. Provide the business case for moving to this model, including the change in costs and the benefits.
c. Provide details of the resulting reduction in capital and depreciation related to this move to an 'as a service' model.

4.4-SEC-177
[4-4-2, p 53-55] Enbridge states that improvements to Central Functions Cost Allocation Model (CFCAM) in 2021 have led to a more representative breakdown of benefit costs between Business Unit (BU) and CF, resulting in an increase in the benefit costs associated with CF:

a. Have the benefit costs associated with CF changed as a result of the updated Mercer Report?
b. If so, are these included in the $28.9M in updated costs of the 2024 O&M?
c. If not, what is the increase in allocated CF benefit costs to Enbridge for 2024?

4.4-SEC-178
[4-4-2, Table 9 and p. 53]

a. Please breakdown the BU Benefits shown in Table 9 to the following components: pension and OPEB, STIP, LTIP and health and other employee benefits.

b. Does the allocation of CF costs for pensions and OPEBs change as a result of the updated Mercer report? If so, what is the impact on O&M?

4.4-SEC-179
[4-4-3, Table 1 and pp. 4-6] Based on the data in Table 1 and explanations provided, SEC has produced the following table for FTEs:

	EGD	Union	Bus	Central Functions	Total	Change in FTEs	
2013	2206	2182			4388		
2014	2194	2220			4414	26	0.6%
2015	2130	2253			4383	-31	-0.7%
2016	2063	2272			4335	-48	-1.1%
2017	1934	2239			4173	-162	-3.7%
2018	1639	1810		691	4140	-33	-0.8%
2019			3229	569	3798	-342	-8.3%
2020			2946	526	3472	-326	-8.6%
2021			3013	503	3516	44	1.3%
2022			3346	563	3909	393	11.2%
2023			3507	546	4053	144	3.7%
2024			3470	546	4016	-37	-0.9%

For years 2022-2024, Enbridge is forecasting a total increase of FTEs of 500 and has provided the following explanation for the change:

- Reduction in staff dedicated to integration work (185)
- Distribution Operations 282
- Engineering and Storage & Transmission Operations 150
- Customer Care 46
- Business Development & Regulatory 38
- Energy Services 16
- Demand Side Management 10

a. Does Table 1 include vacant positions? If so, please quantify the vacant positions. If not, how does Enbridge budget for vacant positions?
b. The above explanation nets to 357. Please provide an explanation for the additional 143 FTEs.
c. One of the explanations for the increases in Distribution Operations and Engineering and Storage & Transmission Operations is to address the backlog of deferred work caused by COVID-19 restrictions. Please provide further details on the number of additional employees required to address the backlog.
d. Are the additional employees to address the backlog considered temporary? If not, why not?
e. The increase in FTEs in Customer Care is attributed to the growing customer base. Please provide actual and forecasted total customer #s for 2019-2024.

4.4-SEC-180
[4-4-3, Table 2 and p. 9] Please breakdown the Total Benefits and Incentive Pay column into its two components:

a. Table 2 shows total compensation and note (3) indicates that the costs for employees that are part of CFs have been excluded from Enbridge's compensation amounts starting in 2018. Please add a column to Table 2 to show the employee costs (salaries & wages, benefits and incentive pay for the CFs), which are allocated to Enbridge.
b. Enbridge notes that as a result of additional productivity opportunities, the expectation there could be lower FTEs then in Table 1 and this has been built into Table 2. What is Enbridge's estimate of the number of fewer FTEs in 2023 and 2024 due to productivity improvements?

4.4-SEC-181
[4-4-3, Table 2 and p. 12] Please provide further information on the short-term incentive pay (STIP) and long-term incentive pay (LTIP) as follows:

a. For the forecasts for 2022, 2023 and 2024 what are the assumed enterprise and business units achieved results/targets that the STIP and LTIP are based upon?
b. In previous years, 2019-2021 what were the actual enterprise and business unit results underlying the amounts paid?

4.4-SEC-182
[4-4-3, Table 3] Table 3 shows the Central Functions O&M allocated to Enbridge for 2018 to 2024:

a. Please complete the following table, for each year to include the total cost of each of the Central Functions and the various allocations to each of the Segments, and then within the individual lines of business within the Gas Distribution & Storage. For example, for 2024:

Central Functions	Enbridge Allocation	Total Cost	Amount Allocated to Liquid Pipelines	Gas Transmission and Midstream	Gas Distribution and Storage	Renewable Power Generation	Energy Services	Eliminations & Other
	2024	2024						
Particulars ($ millions)	Test Year							
	(g)							
Aviation	0.0							
CDO	2.5							
EAWM	1.9							
Executive	1.1							
Finance	36.7							
REWS	28.7							
HR	25.9							
Legal	15.3							
PAC	6.6							
S&R	7.5							
SCM	12.2							
TIS	139.7							
Benefits	61.4							
Depreciation	25.6							
Insurance	7.3							

CF Costs	372.4							

b. For the Gas Distribution and Storage segment, please provide the same information for the allocations to the various lines of business.

4.4-SEC-183
[4-4-3] Please complete the attached Excel file 4.4-SEC-183.

4.4-SEC-184
[4-4-3, p. 28 and Attachment 4] With respect to the Intercorporate Services Agreement:

a. Has the Dispute Resolution Process (section 16) for CF allocations in the Intercorporate Services Agreement (ISA) been employed to resolve a dispute between Enbridge and Enbridge Inc. since 2019? If so, please describe the circumstances, results and who makes the final determination.
b. Schedule 3 of Attachment 4 contains a CF cost allocated amount for each year agreed to by the signatories, for example for 2019 the agreed to amount is $336.2M.
    i. The actual 2019 CF allocation was $237M (4.4.2 – Table 1). The confirmation notice was signed on September 28, 2020, when actual amounts would be known. Please explain the difference in amounts.
    ii. What is meant by "Corporate adjustment & other" and how is this amount determined?
c. Please provide a copy of the most recent CCAM Report (section 5.2).

4.4-SEC-185
[4-4-3, p. 38] The application states that allocated depreciation costs are increasing in 2021 related to the depreciation expense expected from the implementation of a new Enterprise Resource Planning (ERP) System at Enbridge. The new ERP will integrate Enbridge Inc. systems:

a. Is the new ERP considered an asset of Enbridge or Enbridge Inc?
b. If it is not an asset of Enbridge, please explain as it appears to be solely for the benefit of Enbridge.
c. If it is an asset of Enbridge Inc. what would be the dollar impact if it was reclassified as an Enbridge asset?

4.4-SEC-186
[4-4-3, Attachment 1, p. 10] With respect to the Mercer, *Compensation Benchmarking Review*:

a. Please list any amounts of compensation that are included in the compensation costs included in Table 2 [4-4-3, p.8], but are not considered as part of the benchmarking study.
b. [p.4-5] For each of the Non-Union Position and Union Position tables (2nd table on p.4 and table on p. 5), Mercer shows avg. market variances broken down in different ways (e.g. position type, compensation category). For each, please provide the avg. market variance in dollars.
c. [p.4-5] Please explain how Mercer takes the variances of the individual positions, and aggregates them to average variances across broader categories (i.e. union and non-union (management and non-management).
d. Did Mercer benchmark only positions of Enbridge (EGI), or did it also include centralized service/function positions where costs are allocated to Enbridge (EGI) but are actually provided by Enbridge Inc.?

4.4-SEC-187
[4-4-3, Attachment 1, p. 10] With respect to the Mercer, *Compensation Benchmarking Review*:

a. [p.10] Mercer used 44 organizations for the Union Comparator Group, the majority of which are electricity utilities which are municipally or provincially owned. How has Mercer ensured that this group is representative of private sector organizations as compared that are municipally/provincially owned?
b. [p.4] Mercer states "Enbridge Gas base salary is compared to the collective agreement job rate (i.e. structure maximum). Mercer has supplemented the job rate data with short- and long- term incentive data from our energy sector and Ontario general industry surveys to supplement the data available in the collective agreements. This allows us to provide a perspective of Enbridge Gas' competitiveness on target total cash and target total direct compensation.":
    i. Please explain what is meant by "structure maximum" and explain when it is appropriate to use the maximum as compared to the median.
    ii. Please explain and provide examples of how Mercer has used short-and long-term incentive data to supplement information available in the collective agreements to calculate total cash and total direct compensation for the comparators.
    iii. Please revise the Union benchmarking results to use the collective agreement job rate structure median (i.e. the mid-point within any job band).
c. Please provide a list of each Union position benchmarked, the number of Enbridge FTEs who hold that position, the job classification as defined in the relevant Enbridge collective agreement, and the number of comparator organizations used to benchmark that position.
d. [p.9] Please explain why Mercer did not include any non-energy companies in its Union Comparator Group.
e. [p.9] Please explain why the Non-Union comparator groups does not include any public sector organizations such as the IESO, OEB, CER, Ontario Government etc.

4.4-SEC-188
[4-4-3, Attachment 1, p. 10] With respect to the Mercer, *Compensation Benchmarking Review*:

a. [p.3] Please provide a separate version of the non-union table that compares Enbridge positions against only general industry organizations in Ontario (Non-Union Ontario comparator group) , and national energy sector organizations (Non-Union Energy comparator group_.
b. [p.3] For the Non-Union Ontario comparator group, Mercer used private sector organizations with annual revenue greater than $3Bn. Please explain the reasons for this, and provide evidence, to demonstrate that include companies with lower annual revenue is not comparable.
c. [p.8] Please explain why the non-union comparator groups does not include any public sector organizations such as the IESO, OEB, CER, Ontario Government etc.
d. [p.3] For the Non-Union energy comparator group, Mercer used private sector organizations with annual revenue greater than $1Bn. Please explain the reasons for this, and provide evidence, to demonstrate that include companies with lower annual revenue is not comparable.
e. Please provide a list of each non-union position benchmarked, the number of Enbridge FTEs who hold that position, and the number of comparator organizations used to benchmark that position (broken down into each of Ontario and Energy comparator groups).

4.4-SEC-189
[4-4-3, Attachment 3] Enbridge retained Guidehouse to review and assess the CF cost allocations received by Enbridge through the CFCAM for alignment with principles of the ARC, using the OEB's Three-Prong Test. It first assessed the 2022 Central Functions cost allocations budget:

a. Please provide preliminary numbers showing the actual Central Functions cost allocations for 2022 and explain any material differences from the budget.
b. Guidehouse concluded that 98.2% of the allocated costs to Enbridge per the 2022 budget are reasonably incurred and offer benefits that equal or exceed costs for Enbridge. Has Guidehouse or

any other company reviewed the prudence of the total cost of Central Functions and the allocators for the other Segments? If so, please provide the report(s).

4.4-SEC-190
[4-4-3, Attachment 3, p. 29] In reviewing the CF allocations for the 2022 budget, Guidehouse identified that a total of $2,517,733 had been allocated to Enbridge for Aviation and aviation related depreciation. Guidehouse concluded that 'Using the corporate jet for executive business travel is unnecessary for a stand-alone utility in Ontario' and recommended the adjustment:

a. Were the allocators used to develop the 2022 CF cost budget before adjustments based on the allocators used for 2021?
b. The aviation costs were initially allocated as an Indirect Cost, which are for services provided by CFs to the whole enterprise and not specifically related to a single Segment, but from which all Segments benefit. Were Enbridge employees using the corporate jet in years prior to 2022 or was it determined that Enbridge was benefiting from the use of the corporate jet by other Segments?
c. Has Enbridge adopted the recommendation of Guidehouse that using the corporate jet for executive business travel is unnecessary for a stand-alone utility in Ontario, as its policy going forward? If not, please explain.

4.4-SEC-191
[4-4-3, Attachment 3, p. 44] With respect to the Finance Central Function, Guidehouse made an adjustment of $1.6M to reflect the level of effort for US Tax Services:

a. Subsequent to the adjustment how much is being allocated to Enbridge in 2022 for US Tax Services and what work is this allocation for?
b. Guidehouse states that 'The cost driver was subsequently updated to high-level time forecasting in the 2022 Forecast; therefore, no further adjustment is required in relation to the 2022 Forecast'. Does this mean that in 2024 US Tax Services are allocated based on forecast of time to be spent?
c. What is the forecasted allocation in 2024 for US Tax Services?

4.5-SEC-192
[4-5-1, p.5] SEC seeks to understand the impact of the proposed methodology as compared to the historic EGD and Union methodologies. For each methodology in Table 2, please provide what the 2024 test year depreciation expense would (is forecast to) be, broken down by 'topic'.

4.5-SEC-193
[4-5-1] With respect to Enbridge's consideration of a segregated fund for SRC amounts:

a. [p.17] Please provide a copy of the referenced Fortis BC Energy application evidence that Enbridge considered. [Note: It is sufficient to simply provide the evidentiary reference and a web link to the document.]
b. [p.19] Enbridge states that in its view it is in the "best interest of customers not to set up a segregated fund for SRC amounts <u>at this point in time.</u>" [emphasis added]. When or under what conditions does Enbridge believe it would be appropriate to set up a segregated fund for SRC?
c. [p.18-19] Enbridge states: that, "As an example, if the December 31, 2021, SRC liability balance of $1.5 billion was deposited into a segregated fund, rate base and revenue requirement would increase by $1.5 billion and $93 million respectively. The annual increase in revenue requirement thereafter is estimated to be $3.1 million;" Please provide a detailed calculation that underlines the revenue requirement estimate.

d. Please provide a copy of all further analysis, memos, research, forecast costs, or similar information that Enbridge undertook regarding the issue.

4.7-SEC-194
[4-7-1, p.4] With respect to changes to the PDO Framework:

a. Please provide the forecast 2024 PDO costs, broken down into each of the PDO Demand, PDO Fuel and PDCI costs.
b. [p.4-7] For each of the proposed changes to the PDO Framework, please provide the incremental cost/savings, broken down into the three categories in part (a).

4.7-SEC-195
[4-7-1, p.5] With respect to the expansion of PDCI payments to customers contractually required to deliver gas to the CDA:

a. What is the forecast 2024 volume of gas related to this requirement that would be eligible for PDCI payments and the costs?
b. Please confirm that before the PDO Settlement Framework, certain direct-purchase Union South customers were required to deliver their gas to Parkway, while others were simply required to deliver them to Dawn.
c. Please confirm that before the merger, all Enbridge direct-purchase customers in the EGD CDA were required to deliver their gas to the EGD CDA.

4.7-SEC-196
[4-7-1; EB-2017-0306/307 JT 2.5] Please provide an updated version of Attachments 1 and 2 to Undertaking JT2.5 (EB-2017-0306/307), which includes information through 22/23.

5.2-SEC-197
[5-2-1; 5-2-3] Please restate Table 1 in Tab 2 and Table 2 in Tab 3 replacing the ROE placeholder with the current OEB ROE figure of 9.36%, and in each case provide the response in Excel format.

5.2-SEC-198
[5-2-1, p.6] Please provide any reports, analyses, presentations or other documents in the Applicant's possession dealing with the reasons for Enbridge's increasing interest rate spreads. Without limiting the generality of the foregoing, please provide any such materials related to spreads increasing due to the business risks associated with climate change, net zero, and other aspects related to the energy transition.

5.2-SEC-199
[5-2-1, p.9] Please provide a breakdown the figures in Table 3 between those incurred by the Enbridge directly, and those incurred by an affiliate (including Enbridge) of the Enbridge and charged to the Enbridge through internal cost allocations.

5.2-SEC-200
[5-2-1, p. 11] Please restate Table 4 as a continuity table showing the outstanding balance of existing and planned medium term notes after each issuance or retirement.

5.2-SEC-201
[5-2-1, Attachment 6, p.2] Please confirm that the Enbridge had or expects a sufficiency (i.e. ROE in excess of OEB-approved) for each year prior to the Test Year, but expects a deficiency in the Test Year and each subsequent year unless rates are increased. Please provide all reports, analyses, presentations, memoranda and other documents identifying and/or analyzing this fact and the reasons for it. Please

include, without limiting the generality of the foregoing, all reports to the Applicant's Board of Directors or to the Applicant's parent company that discuss this fact.

5.2-SEC-202
[5-2-1] With respect to Enbridge's long-term debt:

a. [p.6] Please provide information on Enbridge's interest rate spreads since September 2022.
b. [p.11] Please explain Enbridge's long-term debt strategy (e.g. when it issues new debt, length of time of any new medium-term note, issuance, etc.).

5.2-SEC-203
[5-3-1, p.11] Please provide an illustrative example of how Enbridge proposes that the equity thickness base rate adjustment would work in conjunction with the annual price cap escalation for each through the end of 2028.

5.2-SEC-204
[5-3-1, Attach 1] With respect to the Concentric, *Enbridge Gas Inc. Common Equity Ratio Report*:

a. [p.40] Please update Figure 40, to show beta coefficients for each between 2012 and 2022.
b. [p.132-p.137] For each proceeding listed in which the author provided expert evidence on utility capital structure, please provide the following information:
    i. the existing utility capital structure
    ii. the author's proposed capital structure
    iii. the capital structure ordered by the regulator

6.1-SEC-205
[6] In addition to any changes required by the OEB's decision, please provide a list of all elements of the revenue requirement or any other aspect of the requests sought in the application that Enbridge proposes to update at the time of the final rate order process.

6.1-SEC-206
[6-1-2, Attach 2, p.2] Please provide the underlying calculations used to derive the 'Drivers of the Revenue Deficiency' table.

7.1-SEC-207
[7-1-1, p.10] Please explain why the listed Exhibit 7 adjustments are being undertaken as part of the cost allocation process and not adjustments to the base revenue requirement.

7.1-SEC-208
[7-1-2, 7-2-1] Please provide a copy of the live spreadsheet/model that underlies the 2024 Cost Allocation Study.

7.1-SEC-209
[7-1-2, p.5] Enbridge notes that third-party contracts that provide a system benefit all customers, and are required to serve in-franchise demands, are considered distribution costs for cost allocation purposes:

a. Please provide the total amount of 2024 costs that are captured under the referenced functionalization.
b. Please confirm that if instead of transportation contracts, the demand (and the benefits) were served by Enbridge transportation assets, those costs would be functionalized as transportation costs for cost allocation purposes.

c. If (b) is confirmed, please explain why the differing functionalization approach is appropriate.

7.1-SEC-210
[7-1-2, p.13] Please provide a more detailed explanation of the zero-intercept methodology.

7.1-SEC-211
[7-1-2, p.14-24] For each category/classification where the allocation is based on demand, please explain why Enbridge has used the specific demand allocator (e.g. design, average day).

8.1-SEC-212
[8] Based on information in Enbridge's records, please provide a table that shows the number of accounts for school buildings associated with a school board in each rate class, and further broken down by service category (i.e. system, bundled DP, etc.)

8.2-SEC-213
[8-2-2, p.9] Enbridge proposes to recover fully allocated costs of the O&M required to administrator sales services through the gas supply administration charge. Please provide:

a. For each year between 2013 and 2024, the total costs to administrator sales services, broken down into employee compensation, benefits, overheads, bad debt, and any other category of costs related to the administration of sales service.
b. For each year between 2013 and 2022, the total amount of revenue collected from the gas supply charges.
c. Is there a true-up process between the total amount collected through the gas supply administration charge and the total amount spent on sales service administration?
d. Please show how the forecast overhead costs included in the 2024 gas supply forecast are not also included in other aspects of the 2024 revenue requirement.

8.2-SEC-214
[8-2-4 p.6] With respect to the proposed negotiated interruptible rates for IRP, is Enbridge proposing that it should be granted the approval in this application to set negotiated rates, or that any negotiated rates will require OEB approval in a subsequent IRP application?

8.2-SEC-215
[8-2-7, p.5-6] Please provide a black line version of the proposed Enbridge rate handbook as compared to the current EGD rate handbook.

8.2-SEC-216
[8-4-7] Please provide a table that shows for each year since 2013, by rate zone, the:

a. number of customers with interruptible rates
b. total volume subject to interruptible rates
c. number of customers interrupted
d. total number of customer interruptions
e. total volumes interrupted
f. average length of the interruption

8.2-SEC-217
[8-2-8] For each year since 2013 (including a 2023 and 2024 forecast), please provide a breakdown by rate zone and rate class, of the number of customers and total volumes, and by service type (system service, bundled DP, semi-unbundled DP, and unbundled DP, other).

9.1-SEC-218
[9-1-2, p.2] Please explain why Enbridge believes it is appropriate to continue the two IRP Cost deferral accounts and not include any IRP related costs in base rates.

9.1-SEC-219
[9-1-2, p.3-4] Are there any components that will be recorded in any of the new QRAM DVAs that were previously included in DVAs that were cleared on an annual basis? If so, please provide details and the rationale for the change.

9.1-SEC-220
[9-1-1, Attach 2; 9-1-2, p.7-9] For all existing non-QRAM related accounts that Enbridge plans to continue or harmonize, please provide the annual balance since each of EGD and Union last rebased.

9.1-SEC-221
[9-1-2**]** With respect to the QRAM process:

a. As a result of the application, please explain all the changes that Enbridge expects to make to the PGVA reference price, clearing process, and rate adjustments, as part of the QRAM process beginning for rates effective January 1, 2024.
b. Assuming the OEB does not issue a decision in Phase 1 before Enbridge files its QRAM application for January 1, 2024, please explain what Enbridge proposes do it as it rates to that QRAM.

9.1-SEC-222
[9-1-2, p.14] For each year since 2014, please provide a table that shows the actual UFG Volume DA balance with and without the deadband.

9.1-SEC-223
[9-1-2, p.18] With respect to the proposed GDAR DA:

a. Please provide a reference to the decisions for each of EGD and Union, where their respective GDAR impact/cost accounts were first established.
b. Please provide the 2024 capital and OM&A budget amounts related to impacts associated with development, implementation, and operation of GDAR. Please explain the basis of those budgeted amounts.
c. Please confirm that if Enbridge spends less than the amount included in its budget related to impacts associated with development, implementation, and operation of GDAR, the variance is not credited to the account.
d. Please explain why the continuation of this account is appropriate.

9.1-SEC-224
[9-1-2, p.23] Enbridge states that “On a prospective basis, the Company is proposing to capture all ICM project capital expenditure variances on a symmetrical basis, underspend or overspend, in the determination each project’s actual revenue requirement.” Is Enbridge seeking approval for this approach to the ICM in this proceeding or is that a matter for any specific ICM application and/or DVA clearance application?

9.1-SEC-225
[9-1-2, p.27] Please provide a table that shows since the rebasing, the actual AUTUVA and NAC account balances each year, and what those amounts would have been, if not weather normalized as Enbridge is proposing with respect to its Volume Variance Account.

9.1-SEC-226
[9-1-2, p.27] Enbridge is not proposing an ESM for 2024. For each of EGD and Union, please provide a comparison of actual ROE to the deemed ROE included in base rates in each of their last rebasing test years.

9.1-SEC-227
[9-1-2, p.28] With respect to the Tax Variance Account, please provide the forecast 2028 balance including the input calculations.

9.1-SEC-228
[9-1-3, p.8-11] With respect to the proposed Locate Delivery Services Variance Account:

a. Please explain how the $45M locate cost budget that included base rates was determined.
b. Is Enbridge forecasting any revenue through the proposed new locate delivery service charge as part of Other Revenue? If so, how much?

9.1-SEC-229
[9-1-4, p.9] Please confirm that all previous dispositions of the Parkway West Project Costs Deferral Account have been on an interim basis. If confirmed, is Enbridge seeking now to have those dispositions declared final?

9.1-SEC-230
[9-1-4, p.4-16] With respect to the Accounting Policy Change Deferral Account (APCDA):

a. [p.6] Please expand Table 2 to show revenue requirement impact by year.
b. [p.14-16] Regarding Amortized Gas Supply Storage and Transportation Costs:
    i. Please confirm that the impact of the category of costs is that a debit was made to the APCDA in 2022 of $64.9M, and in 2023 gas costs are $64.9M less than they would be without the APCDA.
    ii. If confirmed, please explain where the $64.9M in gas costs now in the APCDA would have been located and recovered from ratepayers (i.e. base rates, a specific DVA, etc).
    iii. Based on your response to part (ii), please explain the difference in which customers (including rate class, system vs. direct purchase) will pay for these costs based on the amounts proposed to be included in the APCDA as opposed to the previous method.

9.1-SEC-231
[9-2-2, p.3] If the OEB determines that it is more appropriate that existing DVA account be disposed of to the Union and EGD rate zone on the basis of attribution of the balances as opposed to Enbridge's proposal, please provide a revised proposal for disposition of each account and provide the bill impacts.

Respectfully, submitted on behalf of the School Energy Coalition this February 10, 2023.

Mark
Rubenstein
2023.02.10 10:
23:42-05'00'

Mark Rubenstein
Counsel for the School Energy Coalition