

February 10, 2023

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street
P.O. Box 2319
Toronto, Ontario
M4P 1E4

Dear Ms Marconi:

EB-2022-0200 – Enbridge Gas Inc. – 2024 Rebasing Application – Interrogatories from the Consumers Council of Canada

Please find, attached, interrogatories for Enbridge Gas Inc. from the Consumers Council of Canada pursuant to the above-referenced proceeding.

Please feel free to contact me if you have questions.

Yours truly,

Julie E. Girvan

Julie E. Girvan

CC: All parties

INTERROGATORIES FOR ENBRIDGE GAS INC.

FROM THE CONSUMERS COUNCIL OF CANADA

RE: EB-2022-0200

NATURAL GAS RATES – 2024-2028

1.2-CCC-1

Ex. 1/T2

Please provide all materials presented to the EGI Board of Directors and Enbridge Inc.'s Board of Directors with respect to this Application.

1.2-CCC-2

Please indicate to what extent EGI had discussions with the Ontario Government regarding this Application particularly with respect to energy transition. Please provide all materials, including letters, emails, and presentations related to any discussions with the Ontario Government regarding this Application.

1.2-CCC-3

Ex. 1/T2

Please provide a complete list of all consulting/legal reports produced to support this Application. Please indicate if all of those reports have been included with the pre-filed evidence. Please file all of the Terms of Reference for each of those engagements. Please file those that have not been included with the pre-filed evidence. For each engagement, please indicate whether the work was retained through an RFP process. If not, please explain why not. Please set out the total costs expected for each of those engagements and indicate how those costs will be recovered.

1.2-CCC-4

Ex. 1/T2/p. 2 and January 27 update

The forecast total revenue deficiency is now \$294.1 million. Please provide one schedule setting out how the \$294.1 million was calculated itemizing all of the impacts including depreciation, adjustments to the capital structure, the increasing cost of providing service to customers and the offsetting savings.

1.2-CCC-5

Ex. 1/T2

On January 27, 2023 EGI filed an update to its evidence. Does EGI intend to file any more updates or additional evidence in support of its Application? If so, please indicate what that evidence will consist of and the expected timing.

1.2-CCC-6

Ex. 1/T2/p. 4

Overall, Enbridge Gas is requesting a 4% increase in revenues in 2024. The rates would result in annual bill increases for 2024 of up to 3% for customers in the EGD rate zone, an increase of up to 8% for customers in the Union South rate zone and a decrease of 3-13% for customers in the Union North rate zone:

- a) Please explain how EGI determined what would be acceptable rate levels for each of its rate zones;
- b) Do these include impacts of deferral and variance account dispositions? If not, please provide these impacts;
- c) Please indicate when the rate impacts were finalized by the Board of Directors;
- d) Please explain the extent to which EGI presented annual bill impacts to its customers as part of its customer engagement;
- e) Please explain if EGI, in its customer consultations, referred to increasing gas costs in order to give its customers a complete picture of the potential bill impacts that customers will face?
- f) In calculating these bill impacts what has EGI assumed regarding gas costs?
- g) Has EGI completed a forecast of bill impacts assuming continued increases in natural gas pricing? If not, why not? If so, please provide that analysis.
- h) Has EGI prepared a five-year gas cost forecast? If not, why not?

1.2-CCC-7**Ex. 1/T2/p. 4**

Please provide a detailed breakdown of the \$121.2 million in annual integration and productivity savings realised during the 2019-2023 rebasing term. Are these all OM&A savings or a combination of OM&A and Capital.

1.2-CCC-8**Ex. 1/T2/p. 15**

The evidence states that the Energy Transition Plan has been informed by Enbridge Gas's understanding of current energy transition and climate policies, stakeholder input and a review of research and studies, both external and commissioned by the Company. Energy transition has been incorporated into Enbridge Gas's forecasting and planning processes by including energy transition assumptions in forecasting, in the efforts to include Integrated Resource Planning (IRP) in the AMP and by accounting for energy transition in the Company's finance and regulatory approaches and stakeholder engagement.

- a) Please provide a list of all studies EGI has relied on in this context regarding energy transition;
- b) Please explain in detail how energy transition has been specifically incorporated in EGI's forecasting for the rate plan term. What energy transition assumptions have been included in this forecasting?
- c) How has energy transition been accounted for in the Company's finance and regulatory approaches?

1.2-CCC-9**Ex. 1/T2/p. 16**

The evidence states that energy transition planning is not only reflected in the Company's "safe bet" actions, but also in the way Enbridge Gas is forecasting growth, managing risk and allocating capital. Please explain specifically how energy transition planning is impacting the way in which EGI manages risk and allocates capital. How is this different from what EGI has done in the past?

1.2-CCC-10**Ex. 1/T2/p. 17**

The Concentric study concluded that the combination of the lowest deemed equity ratio and the low authorized ROEs in recent years places Enbridge Gas at a competitive disadvantage in terms of attracting capital and compensating existing shareholders. Please provide evidence (other than the conclusions reached by Concentric) to support the claim that Enbridge Gas has experienced a competitive disadvantage in terms of attracting capital or will face a competitive disadvantage.

1.2-CCC-11**Ex. 1/T2/S1/p. 21**

The evidence states that EGI is expecting it will add 40,000 new customers in 2024, in line with growth in recent years. The long-range forecast that underpins EGI's customer connection forecast does reflect a gradual decline in the number of new customers that are connected over the AMP's 10-year planning period, as a wider variety of energy solutions become available:

- a) Please provide a table setting out the total customer additions for each year 2013-2022 for the previous EGD and Union Gas Limited and the merged EGI;
- b) Please provide the customer additions assumed for 2023;
- c) Please provide the customer additions assumed for each year of the 10-year planning period.

1.2-CCC-12**Ex. 1/T2/S1/p. 22**

The evidence states that Enbridge Gas is also connecting communities that have not had access to natural gas in the past. Through phase 1 and phase 2 of the Natural Gas Expansion Program the Company has helped residents nine community expansion areas switch from higher emitting fuels to natural gas since 2019. An additional 22 community expansion projects are slated to start construction by the end of 2025:

- a) Please provide a complete description of the Natural Gas Expansion Program;
- b) Please indicate what phase 1 and phase 2 has consisted of;
- c) Please list each of the nine communities and describe each project - providing the cost of the project, any surcharges paid by customers, the number of customers connected

and expected to be connected. Also, please indicate whether grants were provided for each project and the level of the grant;

- d) Please list each of the additional 22 communities and describe each project – providing the cost of the project, any surcharges paid by customers, and the number of customers expected to be connected. Also, please indicate whether grants are to be provided for each project and the level of each grant;
- e) How are the grants from the Province treated from an accounting perspective?
- f) What is the current status of the program? Does EGI expect additional communities will be connected beyond the 22 that are slated for construction by the end of 2025?

1.2-CCC-13

Ex. 1/T2/S1/p. 22

Please provide a detailed comparison of the annual savings achieved during the 5-year rebasing period (\$86 million) and the estimated first 5 years included in the 10-year submission in the MADDS Application. Please also provide a detailed comparison of the integration costs.

1.2-CCC-14

Ex. 1/T2/S1/p. 23

Please provide a copy of the documents defining the Voluntary Workforce Options (VWO) program. Please indicate how many employees participated in the VWO program in each year and the overall cost of the program.

1.2-CCC-15

Ex. 1/T2/S1/p. 23

EGI has consolidated its Customer Information System aligning billing process and migrating 1.6 million Union Gas customers to the one system. Please set out the overall cost of the CIS migration and provide year by year expenditures. When were those cost added to rate base?

1.2-CCC-16

Ex. 1/T2/S1/p. 24

EGI undertook a multi- year, phased project to bring the asset and work management system onto a common platform, creating a common system and processes for planning work, and harmonized policies, processes and procedures for distribution maintenance operations. Please set out the overall cost of this project and provide year by year expenditures. When were those costs added to rate base?

1.2-CCC-17

Ex. 1/T2/S1/p. 28

What has been the annual impact of compliance with Bill 93 – Getting Ontario Connected Act on OM&A costs? What is the expected impact for 2023 and 2024?

1.2-CCC-18

Ex. 1/T2/S1/p. 28

2024 OM&A will be further impacted by the inclusion of costs previously recovered separately through deferral accounts. Please identify all of these costs and the impact on 2024 OM&A costs.

1.2-CCC-19

Ex. 1/T2/S1/p. 30

The evidence states, “While Enbridge Gas has been collecting amounts for future abandonment within the net salvage component of depreciation rates for some time, the Company has concluded establishing a segregated fund is not in the best interests of customers at this time, as it would unnecessarily increase rates.” Please provide all analysis and studies produced to support this position.

1.3-CCC-20

Ex. 1/T3/S1/Attachment 1

Please describe the nature of the business activities undertaken by Enbridge Sustainable Energy Solutions Inc. When was this entity created? Please describe any interactions between this entity and EGI. Please explain how the activities undertaken by this entity relate to EGI’s Demand Side Management programs.

1.3-CCC-21

Ex. 1/T3/S1/Attachment 2

Please provide a copies of the following documents:

- a) An organization chart for Enbridge Gas Distribution prior to the merger;
- b) An organization chart for Union Gas Limited prior to the merger;
- c) A complete list of all roles that were eliminated.

1.3-CCC-22

Ex. 1/T3/S1/Attachment 2/p. 7

Please provide a complete description of the roles and responsibilities of the Director Energy Transition Planning and the group this individual oversees.

1.6-CCC-23

Ex. 1/T6/S1/p. 3

The evidence refers to Enbridge Gas’s Customer and Market Insights Team (CMI). Who is on the CMI Team? Please explain the nature of the CMI Team’s involvement in the Innovative Research work at each stage of that work. Overall, what was EGI’s involvement in the Innovative Research work?

1.6-CCC-24

Ex. 1/T6/S1/p. 14

The Phase Three reports prepared by Innovative were shared with all Enbridge Gas teams as soon as they were available. For the Residential Representative Report an interim report was made available to all project stakeholders in mid-December, with final reports being shared in

early 2022. Please explain what changed between the interim and final reports. Why were these changes made?

1.9-CCC-25

Ex. 1/T9/S1/pp. 3-4

“Enbridge Gas undertook significant investments during the rebasing term, in both OM&A and Capital, to deliver the anticipated savings. Enbridge Gas defined integration costs as one-time incremental costs required to deliver value for an opportunity or set of opportunities related to utility integration, and included items such as labour, consulting and capital expenditures. Integration costs, both OM&A and capital expenditures, were identified and managed separately throughout the deferred rebasing term. These investments were made to deliver the highest level of sustainable savings to customers, even as investments in the latter years of the term provide limited opportunity for Enbridge Gas to benefit from these investments as the sustained savings would be rebased at the end of the rebasing term. At the time these savings are rebased to customers, so are the corresponding net book value of integration capital costs.”

“Integration results were delivered through a portfolio of initiatives governed by senior leadership and enabled through a program office.”

- a) Please set out a list of all of the one-time incremental integration costs incurred during the 5-year rebasing period, both OM&A and capital;
- b) Please list the portfolio of specific initiatives that were enabled through the program office;
- c) Please specifically identify the quantitative and qualitative benefits and costs for each specific initiative;
- d) Please provide a complete list of all cost savings embedded in the 2024 Revenue Requirement related to the merger;
- e) Please describe the process undertaken internally to define merger costs and savings;
- f) Please indicate whether EGI retained external consultants to assess these costs and savings. If so, please provide any reports prepared by these consultants.

1.9-CCC-26

Ex. 1/T9/S1/p. 5/ Tables 2 and 3

Tables 2 and 3 set out Integration Savings as Achieved by Category and Integration Savings as Achieved by Area.

- a) For each of the 2023 amounts in these two Tables please provide a detailed explanation as to how they were calculated. Please include all assumptions;
- b) Please recast the Tables 2 and 3 to include the amounts of savings embedded in the 2024 Revenue Requirement. Please provide a detailed explanation as to how these amounts were calculated.
- c) Please provide a forecast of any further integration savings for the years 2025-2028

1.9-CCC-27

Ex. 1/T9/S1/p. 25

The evidence states, “The annual integration synergies of \$86 million demonstrate the amalgamation Of EGD and Union provides ongoing benefits to customers. As those savings are passed on to customers in 2024, it is appropriate the corresponding net book value of integration costs of the assets used to provide continued safe and reliable services are included in rate base.” Is EGI seeking to add the net book value to 2024 ratebase of all of its integration projects? If not, please identify those that are not in Attachment 1.

1.10-CCC-28**Ex. 1/T10/p. 1**

Please specifically set out how energy transition issues have impacted the 2024 revenue requirement and deficiency. What financial impact will energy transition issues have on EGI’s rates for the 5-year period beginning in 2024?

1.10-CCC-29**Ex. 1/T10/S2/pp. 15-26**

EGI has provided a detailed overview of the Ontario electricity sector. Is the reason why this evidence was produced is to support the statement that, “The IESO’s planning activities clearly demonstrate that the gas system, despite longer-term energy transition pathway uncertainty, is needed over the time period covered by this Application.”?

1.10-CCC-30**Ex. 1/T10/S3/p. 7**

“In October 2021, the federal government announced Canada’s commitment to develop a plan to further reduce methane emissions, setting a target of reducing methane emissions by at least 75% below 2012 levels by 2030. In March 2022, the government released a discussion paper and began consulting with the provinces, industry and other stakeholders on how to achieve the increased ambition. Enbridge Inc. submitted a response to the discussion paper.” Please provide a copy of Enbridge Inc.’s response. Please provide the draft regulations when they become available.

1.10-CCC-31**Ex. 10/S4/p. 4**

“Energy transition adjustments were considered for the general service average use forecast, as well as for the general service number of customers forecast.” Please provide the following:

- a) The average use forecast for the residential rate classes for the period 2013-2024;
- b) The actual average use for the residential rate classes for the period 2013-2023;
- c) The actual average use for the residential rate classes on a weather normalized basis for the period 2013-2023;
- d) The customer number forecast for the residential rate classes for the period 2013-2024;
- e) The actual customer numbers for the residential rate classes for the years 2013-2022

1.10-CCC-32**Ex. 1/T10/S4/p. 8**

“As a result of the energy transition adjustment to the customer forecast, the 2024 Test Year general service annual volume forecast is approximately 2,899,408 cubic meters per year lower that would otherwise be the case.” What is the impact of this reduction on the revenue deficiency?

1.12-CCC-33**Ex. 1/T12/S1**

Please provide the forecast in-service dates and the actual in-service dates for the projects included in Attachment 1 and Attachment 2

1.14-CCC-34**Ex. 1/T4/S2/p. 1**

EGI is proposing to continue its Natural Gas Vehicle Program as a utility activity, expand the current program to all EGI franchise areas, and remove the requirement to impute revenue in any fiscal year that the NGV Program’ annual rate of return does not meet or exceed the required rate of return:

- a) Please provide a complete description of the current NGV Program;
- b) EGI assists in the conversion of vehicles to natural gas, which provides customers with turnkey NGV solutions that help customers reduce operating costs and their environmental footprints. Do these customers pay for the services provided by EGI in this context?;
- c) Why did Union Gas exit the NGV Program?;
- d) Is EGI aware of any jurisdictions other than BC that have expanding NGV Programs?;
- e) How has the annual rate of return been established for the NGV Program?;
- f) Please confirm that EG’s non-participating ratepayers have not benefitted from the NGV program;
- g) Please provide the capital and O&M costs of the program included in the 2024 revenue requirement;
- h) Please explain how the \$5 million in revenue for 2024 was derived?

2.2-CCC-35

Since the merger application EGI has requested Incremental Capital Module funding in each year with the exception of 2023. Please set out the following in one schedule:

- a) All ICM project requests;
- b) The forecast project amounts and the actual project amounts;
- c) The variance analysis explaining the difference between the forecast amounts and the actual amounts;
- d) The in-service dates for all projects;
- e) For each project the true-up amount being sought;
- f) The impact of each project on the 2024 opening rate base amount.

2.1-CCC-36**Ex. 2/T1/S1**

- a) Please add 2022 Actuals to all excel tables provided in EGI_Rebasing Appl_Exhibit 2 Written Evidence Tables_20221101 where 2022 Estimates are included.
- b) Please identify any changes to the 2023 Bridge Year in-service additions and 2024 Test year in-service additions based on 2022 Actuals.

2.1-CCC-37**Ex. 2/T1/S1/Attach. 1/p. 3**

Please recast the Table to include 2022 Actuals.

2.1-CCC-38**Ex. 2/T1/S1/Attach. 1/p. 4**

Please recast the Table to include 2022 Actuals.

2.4-CCC-39**Ex. 2/T4/S2/p. 19**

Please provide the O&M impact in 2024 due to the change in Overhead Capitalization methodology in the same format as Table 4.

2.5-CCC-40**Ex. 2/T5/S1/p. 3**

With respect to Figure 1, please provide a breakdown of the Base Capital, Special Projects, Integration Capital and Other Capital amounts by year for the years 2013 to 2024.

2.5-CCC-41**Ex. 2/T5/S1/p. 4**

The evidence states, "Special Projects include certain significant Leave to Construct (LTC) projects for EGD, investments approved under the Union's CPT mechanism, and projects approved for ICM treatment under Enbridge Gas's ICM mechanism."

Please provide a further breakdown of Special Project spending into the above categories for each of the years in Figure 1 on page 3.

2.5-CCC-42**Ex. 2/T5/S2/p. 2**

With respect to Table 1:

- a) Please provide the Interest During Construction (IDC) amounts by year by asset class;
- b) Please provide the Overhead amounts by year by asset category;
- c) Please provide the contribution amounts by year by asset class;
- d) Please define EA Fixed Overheads;
- e) Please provide the forecast contingency amounts for the years 2024 to 2028 by asset class.

2.5-CCC-43

Ex. 2/T5/S3/p. 13

With respect to Table 6:

- a) Please provide the Interest During Construction (IDC) amounts by year and by asset class;
- b) Please provide the Overhead amounts by year and by asset class;
- c) Please provide the contribution amounts by year and by asset class;
- d) Please provide the contingency amounts by year and by asset class;
- e) For each of the particulars in the Table 6, (Lines 1-16), please provide the forecast amounts for each of the years 2019 to 2022.

2.5-CCC-44

Ex. 2/T5/S3/p. 28-32

- a) Please provide a revised Table 10 to compare the 2023 Bridge Year to 2022 Actuals.
- b) Please provide the variance analysis of Lines 1-15 in revised Table 10 in part (a) for the 2023 Bridge Year compared to 2022 Actuals.

2.5-CCC-45

Ex. 2/T5/S3/p. 14-36

At pages 14-36, EGI provides a Year-over-Year Variance Analysis of Capital Expenditures 2019 to 2024 that compares costs in a certain year to the previous year:

- a) Please provide a variance analysis for the period 2019 to 2022 that provides an explanation of the variances of actuals versus budget/planned amounts;
- b) Please provide a variance analysis of planned compared to actual volume of work completed/delivered for each of the years 2019 to 2022 by asset class.

2.6-CCC-46

Ex. 2/T6/S1/p. 37

Table 3 provides the alignment of sections of EGI's AMP to the OEB's Chapter 5 requirements for Electricity Distribution Rate Applications. Chapter 5 requires that appendices 2-AA – Capital Projects Table and 2-AB – Capital Expenditure Summary Table be completed.

- a) Please provide a Capital Projects Table in the same format as Appendix 2-AA.
- b) Please complete a Capital Expenditure Summary Table in the same format as Appendix 2-AB.

2.6-CCC-47

Ex. 2/T6/S2/p. 17

Copperleaf was used to optimize the 1,500 EGD RZ investments and 1,901 Union RZ investments in the initial pre-optimized request for capital:

- a) Please confirm the initial pre-optimized request for capital covered the 10-year period 2023 to 2032;
- b) Of the 1,500 investments, please provide the number of EGD rate zone investments prioritized for the period 2023 to 2032;

- c) Of the 1,901 investments, please provide the number of Union rate zone investments prioritized for the period 2023 to 2032;
- d) Please provide the total number of investments in the final capital plan for the period 2023 to 2032;
- e) Please provide the pre-optimized and optimized value of the capital plan;
- f) Please provide the total number of capital investments in 2024;
- g) Please provide a breakdown of the capital investments in 2024 in the following categories: mandatory, compliance, executing and value-driven.

2.6-CCC-48

Ex. 2/T6/S2/p. 46

An investment's value is quantified through Copperleaf's value framework or evaluated via the GDS Risk Management process. Certain investments were prioritized through EGI's Risk Management Process. Please provide the number and percentage of investments in 2024 prioritized through EGI's Risk Management Process.

2.6-CCC-49

Ex. 2/T6/S2/p. 47

The evidence indicates value measures are used to quantify an investment's value. Value measures are investment attributes that are evaluated objectively based on risk or opportunity to determine how the investment delivers value to Enbridge and the ratepayer. These value measures are placed on an economic scale to assist in optimization. An investment's net value is used to determine both its independent merit and its standing among other investments in a constrained optimization process:

- a) Please provide project/program examples to illustrate how the value measures in Table 4.1-3 are used to quantify investment value;
- b) Please provide the economic scale used in optimization;
- c) Please provide the relative weightings of each value Measure in Table 4.1-3;
- d) Please provide the total investment value of each project/program in 2024.

2.6-CCC-50

Ex. 2/T6/S2/p. 56

EGI indicates the capital portfolio is captured in Microsoft Excel as well as Copperleaf. Please provide the Microsoft Excel version of the capital portfolio.

2.6-CCC-51

Ex. 2/T6/S2/p. 75

- a) Please provide the Growth Capital Summary in the same format as Table 5.1.10-1 for the years 2019 to 2022 and provide an excel version of the table.
- b) Please confirm expenditures are net of contributions and include interest during construction.

2.6-CCC-52**Ex. 2/T6/S2/p. 109**

With respect to the Vintage Steel Replacement Program, EGI indicates that its selection process identifies approximately 5,100 km of the 17,423 km of Vintage Steel mains for renewal based on their predicted future risk. The Proactive Vintage Steel Replacement Program proposes renewing these targeted mains over a 20-year term. This would equate to renewing about 253 km/year after ramping up to full pace.

- a) Please provide the date of the first year of the Vintage Steel Replacement Program; and
- b) Please provide the number of km renewed per year for each of the years 2019 to 2032.

2.6-CCC-53**Ex. 2/T6/S2/p. 117**

With respect to the AMP Fitting Replacement Program, EGI indicates the current pacing of the AMP-fitting Replacement Program plans to replace increasing numbers of copper risers per year increasing to 20,000 by 2027. Please provide:

- a) The start date of the AMP Fitting Replacement Program;
- b) The number of copper risers replaced/year for each of the years 2019 to 2032;
- c) Please provide the number of leaks per year for 2019 to 2022.

2.6-CCC-54**Ex. 2/T6/S2/p. 119**

Please provide the Distribution Pipe Capital Summary in the same format as Table 5.2.3-4 for the years 2019 to 2022 and provide an excel version of the table.

2.6-CCC-55**Ex. 2/T6/S2/p. 133**

With respect to the condition assessments for Station Components, the evidence states, “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. Note that the section of the chart marked as Unknown reflects the assets that were not part of the station condition assessments completed as of March 2021.” Please provide the percentage of assets that were not part of the station condition assessments.

2.6-CCC-56**Ex. 2/T6/S2/p. 137**

With respect to Customer Stations, the evidence states “Figure 5.2-71 helps to illustrate the findings of the condition assessments and provides insight into the mitigation levels required for the current replacement program. Note that the assets reflected as Unknown were not part of this initial condition assessment.” Please provide the percentage of assets that were not part of the station condition assessments.

2.6-CCC-57**Ex. 2/T6/S2/p. 137**

With respect to Stations with Auxiliary Equipment Replacement, the evidence states, “This strategy targets the replacement and/or rebuild of station components at sites prioritized based on condition, age and observations identified through site inspections and SMA reviews. Station investments are selected based on value framework assessment results and compliance/design standards.” Please provide the value framework assessment results for the station investments in 2024.

2.6-CCC-58

Ex. 2/T6/S2/p. 142

With respect to the Stations with Auxiliary Equipment Replacement Strategy, EGI plans to increase spending in 2024 to \$46.1 million compared to \$35.9 million in 2023:

- a) Please provide the average spend for the years 2018 to 2022;
- b) Please explain the increase in spending in 2024.

2.6-CCC-59

Ex. 2/T6/S2/p. 142

Please provide the Distribution Stations Capital Summary in the same format as Table 5.2.4-8 for the years 2019 to 2022 and provide an excel version of the table.

2.6-CCC-60

Ex. 2/T6/S2/p. 172

Please provide the Utilization Capital Summary in the same format as Table 5.2.5-9 for the years 2019 to 2022 and provide an excel version of the table.

2.6-CCC-61

Ex. 2/T6/S2/p. 172

With respect to the Meter Purchases - Meters (mtc), EGI plans to increase spending in 2024 to \$66.8 million compared to \$58.6 million in 2023:

- a) Please provide the average spend for the years 2019 to 2022.
- b) Please explain the increase in spend in 2024.

2.6-CCC-62

Ex. 2/T6/S2/p. 194

Please provide the Compression Stations Capital Summary in the same format as Table 5.3.5-3 for the years 2019 to 2022 and provide an excel version of the table.

2.6-CCC-63

Ex. 2/T6/S2/p. 202

With respect to Well Casing Inspection, Maintenance & Replacements:

- a) Please provide the average spend for the years 2019 to 2022;
- b) Please explain the increase in spend in 2024 compared to 2023.

2.6-CCC-64

Ex. 2/T6/S2/p. 202

Please provide the Transmission Pipe and Underground Storage Capital Summary in the same format as Table 5.3.6-1 for the years 2019 to 2022 and provide an excel version of the table.

2.6-CCC-65

Ex. 2/T6/S2/p. 209

Please provide the LNG Asset Class Capital Summary in the same format as Table 5.3.7-1 for the years 2019 to 2022 and provide an excel version of the table.

2.6-CCC-66

Ex. 2/6/2/p. 224

- Please describe the impact if the Kennedy Road Expansion project is deferred for 5 years;
- Please provide the value framework assessment results for this project.

2.6-CCC-67

Ex. 2/6/2/p. 224

Please provide the Real Estate and Workplace Services Capital Summary in the same format as Table 5.4.8-1 for the years 2019 to 2022 and provide an excel version of the table.

2.6-CCC-68

Ex. 2/T6/S2/p. 231

- With respect to the Vehicle Replacement Strategy, please complete the following table of vehicle replacements for the years 2018 to 2032:

#	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Replacements															
Light-Duty															
Medium- Duty															
Heavy-Duty															
Total															

- For each of the vehicles replaced in part a) please provide the age in months, km, and hours of use at the time of replacement.

2.6-CCC-69

Ex. 2/T6/S2/p. 233

Please provide the Fleet and Equipment Capital Summary in the same format as Table 5.5.9-1 for the years 2019 to 2022 and provide an excel version of the table.

2.6-CCC-70

Ex. 2/T6/S2/p. 250

Please provide the Technology and Information Services Capital Summary in the same format as Table 5.6.9-1 for the years 2019 to 2022 and provide an excel version of the table.

2.6-CCC-71

Ex. 2/T6/S2

Please provide excel versions of the following Tables: Table 5.1.10-1

- Table 5.2.3-4

- b) Table 5.2.4-8
- c) Table 5.2.5-9
- d) Table 5.3.5-3
- e) Table 5.3.6-1
- f) Table 5.3.7-1
- g) Table 5.4.8-1
- h) Table 5.5.9-1

2.6-CCC-72

Ex. 2/T6/S2/Appendix A

Appendix A includes descriptions of discrete investments with a Net Base Capex greater than \$10M in 2023 to 2032.

- a) Please define Net Base Capex.
- b) Please explain why the capital amounts by year for the investments in Appendix A do not correspond to the capital amounts for the same projects in the capital tables in the AMP (Table 5.1.10-1, Table 5.2.3-4, Table 5.2.4-8, Table 5.2.5-9, Table 5.3.5-3, Table 5.3.6-1, Table 5.3.7-1, Table 5.4.8-1, Table 5.5.9-1).

2.6-CCC-73

Ex. 2/T6/S2

EGI identified the investment requirements and needs and then rationalized the expenditures with a constraint. Please identify the specific projects and programs that could be deferred if the OEB imposed the following:

- a) A 10% reduction in in-service additions in 2024;
- b) A 15% reduction in in-service additions in 2024.

What would be the impact on the 2024 Revenue Requirement if the OEB reduced the in-service additions by 10%, 15% and 20%?

4.1-CCC-74

Ex. 4/T1/S1/Attachment 1

Please provide all 2022 actual Operating Expense and O&M numbers when they become available.

4.2-CCC-75

Ex. 4/T2/S1/p. 2

For the purposes of developing the 2024 Gas Supply Plan Enbridge Gas has used the most recent information available at the time of the filing of its Application, including the existing transportation and storage contracts in Section 1.4. To capture the costs of uncontracted assets, Enbridge Gas has included an estimate of costs associated with 2024 transportation and storage requirements. Any variances between actual transportation and storage costs are proposed to be captured in the respective deferral and variance accounts, which are provided at Exhibit 9, Tab 1, Schedule 2. Enbridge will not contract for these uncontracted assets until OEB approval is received.”

- a) Please describe the process that EGI proposes for OEB approval of the transportation and storage costs;
- b) What is the range of possible variances between forecast and actual transportation and storage costs?

4.4-CCC-76

Ex. 4/T4/S1/p. 1

Please provide all budget directives and guidelines provided to EGI staff prior to the development of the Test Tear 2024 budgeting process.

4.4-CCC-77

Ex. 4/T4/S1/p. 3

Please recast Table 1, Utility O&M to include the full amounts which includes the amounts that have been capitalized and allocated to the unregulated storage business.

4.4-CCC-78

Ex. 4/T4/S1/p. 4

Please provide the impact on O&M of Bill 93 - the Getting Ontario Connected Act - in each year 2022-2028.

4.4-CCC-79

Ex. 4/T4/S1/p. 5

Please provide bad debt levels for each year 2018-2024.

4.4-CCC-80

Ex. 4/T4/S1/p. 9 and Ex. 4/T4/S2/p. 5

Please provide a complete list of the “costs previously subject to deferral and variance account treatment” and indicate the impact these costs will have on the 2024 Revenue Requirement. Please confirm that these are the 2024 costs that were previously recorded in the OEB Cost Assessment Variance Account, Greenhouse Gas Emissions Administration Deferral Accounts and the IRP Operating Costs Deferral Account.

4.4-CCC-81

Ex. 4/T4/p. 10

EGI has identified certain performance measures that not achieved the threshold amounts. These include telephone answering performance, call abandon rates and meter reading performance. When does EGI expect to meet or exceed the OEB targets? What are the additional costs of achieving the targets? Is it EG’s proposal to have the ratepayers fund the costs of achieving these targets?

4.4-CCC-82

Ex. 4/T4/S2/p. 4

Please provide the 2022 actual Utility O&M numbers. Please recast Table 1 – Utility O&M to reflect the update provided on January 27.

4.4-CCC-83

Ex. 4/T4/S2/p. 4

Utility O&M Costs are set out in Table 1. The evidence states, “In addition to the reductions tied to amalgamating EGD and Union, in 2020, COVID-19 resulted in a significant curtailment of work as provincial restrictions limited site and asset access. In addition, travel was limited due to reduced work volumes and provincial restrictions and labour shortages were driven by worker and contractor illness”. Please provide the specific impact COVID-19 had on O&M costs for the years 2020-2022. What are the specific COVID-19 impacts on the 2023 and 2024 O&M levels?

4.4-CCC-84

Ex. 4/T4/S2/p. 4

In the Utility O&M – Table 1 annual Integration-Related Costs are set out for each year 2019 to 2023. Please provide a detailed explanation of these costs for each year 2019-2023.

4.4-CCC-85

Ex. 4/T4/S2/pp. 8-10 Table 2

Please explain how these Integration Synergies and Productivity Savings numbers were derived. Please include all assumptions. Please itemize all components. For example, the evidence points to higher e-billing adoption. In each year what are the savings associated with increased e-billing adoption? Please explain how the \$4.2 million of “net O&M embedded productivity” was derived.

4.4-CCC-86

Ex. 4/T4/S2/p. 8

Please describe in detail EGI’s policy with respect to e-billing. Are new customers automatically on e-billing or are customers given a choice of billing method? Have incentives been provided to customers to switch to e-billing? If so, how have these incentives been funded?

4.4-CCC-87

Ex. 4/T4/S2/p. 4 – Table 1

For each category of O&M expenses set out in Table 1 please provide the following:

- a) Number of FTEs
- b) Total Salaries and Wages

4.4-CCC-88

Ex. 4/T4/S2

In the variance analyses provided EGI repeatedly refers to merit as a reason for variances in salaries and wages. Please provide copies of all of EGI’s compensation policies including those that set out the guidelines for merit and STIP and LTIP.

4.4-CCC-89**Ex. 4/T4/S2**

Please provide all wage and salary assumptions used to derive the 2024 revenue requirement. What are the wage and salary assumptions for each year 2024-2028?

4.4-CCC-90**Ex. 4/T4/S2/p. 46**

Engineering & Storage & Transmission Operations costs are increasingly significantly primarily due to increases in Contract Services. Please explain the reasons for these significant increases. Why is it preferable to use Contract Services?

4.4-CCC-91**Ex. 4/T4/S2/p. 47**

The evidence states that Engineering & STO's costs vary from year to year based on the timing of proactive measures taken to maintain the integrity, safety and reliability of Enbridge Gas's assets. One of the key drivers of this group's historical cost variability is the integrity Management Program. Enbridge Gas has developed a risk model to assess the primary risks for pipeline assets in the distribution system in order to prioritize those approaching end-of-life which need to be replaced. Please provide that risk model.

4.4-CCC-92**Ex. 4/T4/S2/p. 48**

The Engineering & STO O&M increase from \$113 in 2018 to \$155.8 million in 2024. The evidence points to "significant O&M reductions". What were these reductions in each year and why were they not sustainable?

4.4-CCC-93**Ex. 4/T4/S2/pp. 53-55**

Please update the summary of Business Unit Benefits in light of the evidence update provided on January 27, 2023.

4.4-CCC-94**Ex. 4/T4/S3/p. 3**

One of the expectations of a merger is an overall reduction in employees and a corresponding reduction in costs. In 2018 the total FTEs for Union and EGD were 3449. In 2024 EGI is projecting an FTE level of 3470. Please provide the following:

- a) A list of all positions eliminated as part of the merger;
- b) A list of all of the new positions created since the merger;
- c) The annual cost of the new positions created since the merger in 2024.

4.4-CCC-95**Ex. 4/T4/S3/p. 8**

Please file a table in the same format as “Appendix 2-K Employee Costs” of the Filing Requirements for Electricity Distributors for each year 2013-2024.

4.4-CCC-96

Ex. 4/T4/S. 3/p. 8

Please recast Table 2 – Compensation to include a column setting out Central Function compensation costs for the years 2018-2024.

4.4-CCC-97

Ex. 4/T4/S3/p. 33

Total Central Function costs have increased by \$142 million since 2018. Has EGI explored whether or not it would be more cost effective to have these services provided through unaffiliated entities? If not, why not? Can EGI demonstrate that the provision of these services by Enbridge Inc. is more cost effective than alternative service providers?

4.5-CCC-98

Ex. 4/T5/S1

Was the Concentric Depreciation study subject to an RFP process? If not, why not? If so, please provide the RFP and indicate why Concentric was chosen. Was the contractual arrangement with Concentric with respect to the Depreciation Study connected to its work regarding equity thickness? Please provide all correspondence between EGI and Concentric regarding the scope of work expected.

4.7-CCC-99

Ex. 4/T7/S1/p. 3

The evidence states, “Enbridge Gas is proposing to continue with the PDO reduction and PDCI payment as outlined in the proposed PDO Framework, provided at Attachment 1, as its reasonable for the efficient management of the Dawn Parkway System capacity. The proposed PDO Framework will replace the current PDO Settlement Framework effective January 1, 2024 and serve as a reference document for the PDO reduction, PDCI payment and PDO reporting for the next IR term and beyond”. Please explain how this change impacts EGI’s residential rate classes in 2024.

5.1-CCC-100

Ex. 5/T1/S1/p. 4

For each year since 2013 please provide the ROE embedded in rates and the actual ROE for EGD, Union and EGI. Please include dollar amounts of overearning for each year.

9.1- CCC-101

Ex. p/T1/S2/p. 26

EGI is proposing to consolidate the following existing variance accounts into one account – the EGD Greenhouse Gas Emissions Administration Deferral Account and the Union Greenhouse Gas Emissions Deferral Account. The purpose of these accounts is to record the incremental

administrative costs and all bad debt associated with the impacts of provincial and federal regulations related to greenhouse gas emission requirements:

- a) What is the current level of administrative costs in 2024 base rates?
- b) How does EGI determine “incremental administration costs”?
- c) How does EGI determine “bad debt associated with the impacts of provincial and federal regulations related to greenhouse gas emission requirements”?
- d) What have been the annual balances in these accounts since they were established?
- e) What is the proposed materiality threshold for the new account?
- f) Why is this account required given EGI has employees dedicated to issue related to greenhouse gas emissions requirements?

9.1-CCC-102

Ex. 9/T1/S3/p. 9

EGI is proposing to establish the Locate Delivery Services Variance Account in response to Bill 93, the Getting Ontario Connected Act, which was recently passed. Does EGI intend to record the revenue received from the proposed service charge in that account? How did EGI determine its forecast of external locate delivery costs of \$45 million which is included in base rates? How was the \$6.1 million derived? Where are these costs set out in the O&M schedules? Why does EGI expect that the external costs for locate services to materially increase from the forecast?