

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act,
1998, S.O. 1998, c. 15, Schedule B, as amended;

AND IN THE MATTER OF an application by Enbridge Gas Inc. for an Order or Orders approving the balances and clearance of certain non-commodity 2021 Demand Side Management Deferral and Variance Accounts into rates, within the next available QRAM.

APPLICATION

1. Enbridge Gas Inc. (Enbridge Gas or the Company), was formed by the amalgamation of Enbridge Gas Distribution Inc. (EGD) and Union Gas Limited (Union), on January 1, 2019 pursuant to the *Ontario Business Corporations Act*, R.S.O. 1990, c. B. 16. Enbridge Gas carries on the business of selling, distributing, transmitting and storing natural gas in Ontario within the meaning of the *Ontario Energy Board Act*, 1998 (the Act).
2. EGD and Union (collectively, referred to as the Utilities) filed an application dated November 2, 2017 with the Ontario Energy Board (OEB) pursuant to section 43(1) of the Act for an order or orders granting leave to amalgamate into a single company, referred to as “Amalco”, effective January 1, 2019.¹ On November 23, 2017, the Utilities applied to the OEB pursuant to section 36 of the Act, for an order approving a rate setting mechanism and associated parameters for the deferred rebasing period, effective January 1, 2019.² The OEB issued its Decision and Order approving the amalgamation and rate setting mechanism (the MAADs Decision) on August 30, 2018. The Utilities merged effective January 1, 2019. Notwithstanding the amalgamation, Enbridge Gas continued to operate its DSM portfolio of programs by the legacy rate zones of the two Utilities under the prior OEB approvals for same for subsequent years including 2021.

¹ EB-2017-0306 Enbridge Gas Distribution Inc. and Union Gas Limited – MAAD.

² EB-2017-0307 Enbridge Gas Distribution Inc. and Union Gas Limited – Rate Setting Mechanism.

3. Enbridge Gas hereby applies to the OEB pursuant to Section 36 of the Act and pursuant to the MAADs Decision for such final or interim Orders and Accounting Orders as necessary approving the final balances in the 2021 Demand Side Management (DSM) Deferral and Variance Accounts (set out in Table 1 and Table 2 – excluding interest) and the disposition of these balances within the next available Quarterly Rate Adjustment Mechanism (QRAM) application following the OEB’s approval,³ effective as early as October 1, 2023 for the EGD rate zone and the Union rate zones⁴ through a one-time adjustment in rates.

Table 1

2021 DSM Deferral and Variance Account Balances - EGD Rate Zone

Account	2021
DSM Variance Account	\$1,862,404
DSM Incentive Deferral Account	\$4,961,553
LRAM Variance Account	\$37,476
Total Balance	\$6,861,433

Table 2

2021 DSM Deferral and Variance Account Balances - Union Rate Zones

Account	2021
DSM Variance Account	(\$11,372,617)
DSM Incentive Deferral Account	\$1,469,503
LRAM Variance Account ⁵	\$697,467
Total Balance	(\$9,205,646)

4. Enbridge Gas further applies to the OEB for all necessary Orders and Directions concerning pre-hearing and hearing procedures necessary for the determination of this application.

³ Please see Exhibit B, Tab 3, Schedule 1 and Exhibit C, Tab 3, Schedule 1, for details of proposed allocation and disposition methodologies, timing of disposition and derivation of unit rates.

⁴ Collectively, the Union North and Union South rate zones are referred to as the “Union rate zones”.

⁵The 2021 LRAMVA account balance includes volume variances related to 2019, 2020 and 2021 audited Union rate zones results at 2021 rates. This is discussed in further detail in Exhibit C, Tab 3, Schedule 1.

5. Enbridge Gas requests that the OEB's review of this application proceed by means of a written hearing in English.
6. This application is supported by written evidence. This evidence may be amended, from time to time, as required by the OEB or as circumstances may require.
7. The persons affected by this Application are the customers resident or located in the municipalities, police villages, and Indigenous communities served by Enbridge Gas, together with those to whom Enbridge Gas sells gas, or on whose behalf, Enbridge Gas distributes, transmits or stores gas. It is impractical to set out the names and addresses of all the customers because they are too numerous.
8. Enbridge Gas requests that all documents relating to this application and its supporting evidence, including the responsive comments of any interested party, be served on:

The Applicant:

Regulatory Contact:

Ms. Asha Patel
Technical Manager, Regulatory Applications
Enbridge Gas Inc.

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DATED: April 28, 2023

Enbridge Gas Inc.

Asha Patel
Technical Manager, Regulatory Applications