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**VIA RESS AND EMAIL**

Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. (Enbridge Gas, or the Company)  
EB-2022-0200 – 2024 Rebasing – Capital Update**

Enbridge Gas filed its 2024 Rates Application and the majority of its supporting evidence on October 31, 2022 and the balance of its evidence on November 30, 2022. In this Application, Enbridge Gas requests approval of rates for the sale, distribution, transmission, and storage of gas commencing January 1, 2024. Enbridge Gas also applies for approval of an incentive rate-making mechanism (IRM) for the years from 2025 to 2028.

As noted during the Technical Conference<sup>1</sup>, Enbridge Gas committed to providing a capital update in advance of the hearing. The updated evidence reflects Enbridge Gas's changes to its capital budget for 2023 and 2024 which were completed very recently.

The enclosed Capital Update includes:

- A revised capital budget for 2023 and 2024;
- Adjustments for the Panhandle Regional Expansion Project (PREP) and the Dawn to Corunna Project to remove the impacts of these projects from 2024 rate base and revenue requirement;
- Updated depreciation rates to address the inclusion of historical retirement data for Union assets not originally included in the Depreciation Study and to incorporate a revised truncation date for a specific asset to address changes in retirement of that asset;
- A proposal for a levelized approach for PREP;
- A proposal to consider the Dawn to Corunna rate base amount in Phase 2; and
- The resulting revenue requirement and deficiency impacts.

Additionally, while the bulk of this update is focused on capital, it also includes an adjustment to forecast expenditures for DSM to account for inflation impacts pursuant to the OEB's Decision in Enbridge Gas's multi-year DSM plan. This adjustment has been included to more accurately reflect the updated revenue deficiency.

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<sup>1</sup> 5 TC Tr. 10.

Enbridge Gas will post the updated material on its website at [www.enbridgegas.com/about-enbridge-gas/regulatory](http://www.enbridgegas.com/about-enbridge-gas/regulatory). Enbridge Gas will send a copy of this letter, and a link to the website page, to all parties to the proceeding.

Should you have any questions, please let us know.

Sincerely,

Vanessa Innis  
Manager, Strategic Applications – Rate Rebasing