

ENBRIDGE GAS INC.

Answer to Undertaking from
Pollution Probe (PP)

Undertaking

Tr: 11

Enbridge will advise as to whether the maximum rebate is available to customers who are transitioning away from gas; and will advise to whether and/or how its marketing or program materials make that clear; and will advise as to whether any change has been made in the underlying agreement between Enbridge Gas and Enercan, to reflect the availability of the maximum rebate or incentive for customers who are switching away from gas.

Response:

Enbridge Gas can confirm that it has modified the HER+ eligibility requirements consistent with the OEB Decision in EB-2021-0002 (DSM Plan proceeding).¹ This includes modification of the marketing and implementation materials used during training/roll out for the Service Organizations that perform the D and E audits (as defined in the excerpts below). The contract with NRCan has not been amended as none of the contractual terms in that agreement stipulate eligibility requirements or funding caps based on Enbridge Gas funding, so there are no items to amend. The Company can confirm that Enbridge Gas has clearly communicated the OEB Decision and implications for HER+ to NRCan and that, to the best of Enbridge Gas's knowledge, Service Organizations are aware of the HER+ program requirements.

The following is an excerpt from the Service Organization training/rollout communications and serves to demonstrate the HER+ eligibility requirements:

"In order to be eligible for the enhanced Enbridge incentives participants must have Enbridge natural gas space heating at the time for the pre-retrofit energy assessment (the "D Audit") **and/or** the post-retrofit energy assessment (the "E Audit")." [**Emphasis added**]

There are three specific use cases encompassed in the language which are intended to broadly define a gas customer to be consistent with the OEB DSM Plan Decision and

¹ In Exhibit K7.2, page 5, Pollution Probe provided an excerpt from a November 24, 2022 filing of unredacted materials that were created prior to the OEB's EB-2021-0002 Decision. This excerpt was not part of the legal agreement and was not updated after the OEB decision, and therefore contains the pre-decision eligibility criteria.

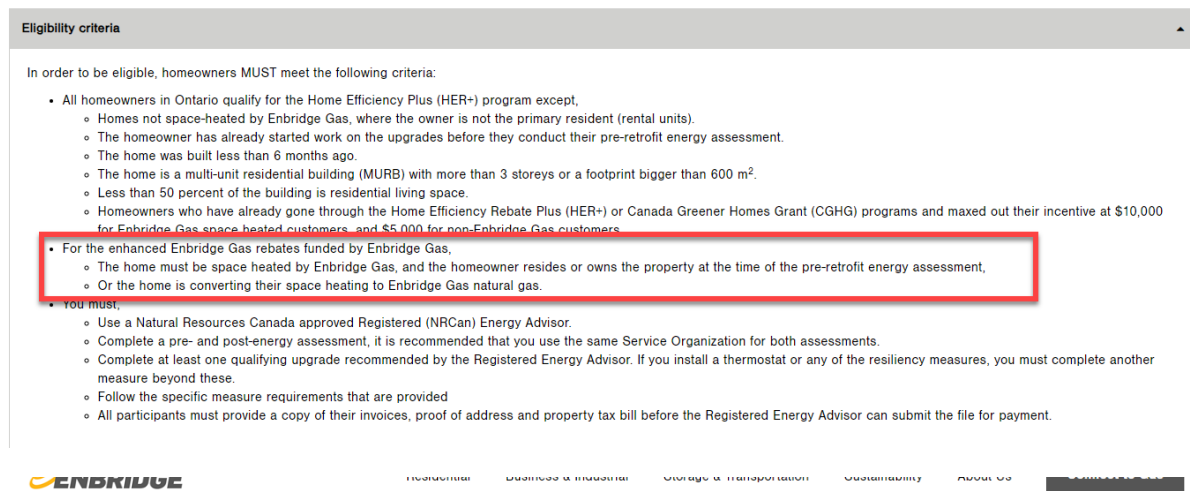
any of the following cases are eligible for the enhanced measure rebates and increased funding cap of \$10,000.

- 1) At the time of “D” **and** “E” – Gas customer both before and after the audits
- 2) At the time of “E” **only** – New gas customer attaching to the gas system
- 3) At the time of “D” **only** – Existing gas customer detaching from the gas system

Additional information/FAQ on the HER+ program, including eligibility requirements, can be found at: <https://www.enbridgegas.com/residential/rebates-energy-conservation/home-efficiency-rebate-plus/faq>

The Company has also provided selected images of the marketing material below describing the program eligibility as requested.

Eligibility



Eligibility criteria

In order to be eligible, homeowners MUST meet the following criteria:

- All homeowners in Ontario qualify for the Home Efficiency Plus (HER+) program except,
 - Homes not space-heated by Enbridge Gas, where the owner is not the primary resident (rental units).
 - The homeowner has already started work on the upgrades before they conduct their pre-retrofit energy assessment.
 - The home was built less than 6 months ago.
 - The home is a multi-unit residential building (MURB) with more than 3 storeys or a footprint bigger than 600 m².
 - Less than 50 percent of the building is residential living space.
 - Homeowners who have already gone through the Home Efficiency Rebate Plus (HER+) or Canada Greener Homes Grant (CGHG) programs and maxed out their incentive at \$10,000 for Enbridge Gas space heated customers, and \$5,000 for non-Enbridge Gas customers.
- For the enhanced Enbridge Gas rebates funded by Enbridge Gas,
 - The home must be space heated by Enbridge Gas, and the homeowner resides or owns the property at the time of the pre-retrofit energy assessment,
 - Or the home is converting their space heating to Enbridge Gas natural gas.
- You must,
 - Use a Natural Resources Canada approved Registered (NRCAN) Energy Advisor.
 - Complete a pre- and post-energy assessment, it is recommended that you use the same Service Organization for both assessments.
 - Complete at least one qualifying upgrade recommended by the Registered Energy Advisor. If you install a thermostat or any of the resiliency measures, you must complete another measure beyond these.
 - Follow the specific measure requirements that are provided
 - All participants must provide a copy of their invoices, proof of address and property tax bill before the Registered Energy Advisor can submit the file for payment.



[Home](#) / [Residential](#) / [Rebates & Energy Conservation](#) / [Home Efficiency Rebate Plus](#)

Program Terms and Conditions

Below is a summary of the Terms and Conditions. For the complete Terms and Conditions, ask your Registered Energy Advisor (a “REA”) for a printed copy.

Enbridge Gas and the Canada Greener Homes Initiative are partnering to provide grants towards eligible retrofits such as home insulation, windows and doors, heat pumps and renewable energy systems, up to a maximum of \$10,000 in rebates. To qualify for a grant, eligible participants must: (a) complete a pre-retrofit EnerGuide home energy evaluation, (b) install at least one of the qualifying retrofit measures recommended in the Renovation Upgrade Report, and (c) complete a post-retrofit EnerGuide home energy evaluation by **March 31, 2027**. The pre-retrofit home energy evaluation and the post-retrofit home energy evaluation must be completed by a Registered Energy Advisor (REA) that is licensed by Natural Resources Canada and it is highly recommended that the same Service Organization conducts both the pre- and post-retrofit home evaluation.

Participants must have their home space heated with Enbridge Gas at the time of the pre-retrofit EnerGuide evaluation or be converting their home to be space heated by Enbridge natural gas, to get the enhanced rebates.

ENBRIDGE GAS INC.

Answer to Undertaking from
Federation of Rental-housing Providers of Ontario (FRPO)

Undertaking

Tr: 136

To confirm, if the Board had rebased Union's costs at the end of 2018, the surplus capacity costs of 210 TJs be allocated in the five categories of ex-franchise, Union South, Union North, Enbridge rate zone, and the PDO.

Response:

Please see Table 1 for the allocation of the 210 TJ/d Dawn Parkway System surplus from Union's 2013 cost of service. The allocation is in proportion to the distance weighted design day demands on the Dawn Parkway System for Winter 2018/2019, consistent with the demands provided at Exhibit I.4.7-FRPO-169, Attachment 1, line 6, column (f).

Table 1

Allocation of 210 TJ/d Surplus Dawn Parkway System Capacity from 2013 Cost of Service
Using Dawn Parkway Transmission Allocation for Winter 2018/2019

Line No.	Particulars	Commodity Kilometres (1)		Allocation
		(10 ⁶ m ⁶ x km) (a)	% (b)	of 210 TJ (2) (TJ) (c)
1	Union South rate zone	8,145	20.8%	44
2	Union South rate zone - PDO (3)	(1,307)	(3.3%)	(7)
3	Union North rate zone	2,548	6.5%	14
4	EGD rate zone	17,503	44.7%	94
5	Ex-franchise	12,274	31.3%	66
6	Total	39,164	100.0%	210

Notes:

- (1) Distance weighted design day demands based on the Winter 2018/2019 budget.
- (2) Allocated in proportion to column (b).
- (3) Union South in-franchise customers receive a distance credit as a result of the PDO, which recognizes that the design day demands supplied from Parkway are transported over a shorter distance than design day demands supplied from Dawn.

ENBRIDGE GAS INC.

Answer to Undertaking from
Industrial Gas Users Association (IGUA)

Undertaking

Tr: 117

Enbridge to confirm whether S&P global ratings used a 38 percent equity thickness rather than a 36 percent equity thickness.

Response:

S&P Global, in its Enbridge Gas ratings report dated July 14, 2023, used a forecasted equity thickness of approximately 39% for 2024 and 2025.

ENBRIDGE GAS INC.

Answer to Undertaking from
Environmental Defence (ED)

Undertaking

Tr: 203

Enbridge to make best efforts to file an update to the table in Attachment 1 to include state-wide restrictions passed.

Response:

The following response was provided by Concentric Energy Advisors:

Attachment 1 contains an update to Exhibit I.5.3-ED-144, Attachment 1. Items that were added or updated are in bold italics. Of particular importance, in May 2023 the State of New York became the first U.S. state to pass legislation that bans the use of natural gas for heating and cooking in most new homes and buildings by 2026 to reduce carbon emissions. Conversely, in April 2023, the Ninth U.S. Circuit Court of Appeals in San Francisco struck down the City of Berkeley, California's ordinance banning natural gas lines in new construction, ruling that the ordinance illegally interferes with federal law, thus rejecting the city's attempt to scale back reliance on the fossil fuel through building codes. Attachment 2 contains an S&P Capital IQ article, "Gas Ban Monitor: All-electric building rules advance coast to coast in 2022," (January 24, 2022). This article provides updates on various efforts across the U.S. at both the state and local level to either restrict natural gas use in buildings, or to prohibit such restrictions.

City	New/Existing Building	Legislation Proposed /Passed	Population	Source
New York City, New York	New	Passed	8,804,190	New York City Bans Gas Hookups in New Buildings; is the State Next?: Hodgson Russ LLP
Ithaca, New York	New and Existing	Passed	32,108	Natural-Gas-Ban-Report_Updated.pdf (instituteeforenergyresearch.org)
Berkeley, California	New	Overturned	124,321	Gas stove ban: Cities and states have already banned gas in new buildi (fastcompany.com)
San Francisco, California	New	Passed	873,965	Natural gas bans: 20 states have laws that prohibit cities from banning natural gas hookups CNN Politics
Seattle, Washington	New	Passed	737,015	Natural-Gas-Ban-Report_Updated.pdf (instituteeforenergyresearch.org)
Burlington, Vermont	New	Proposed	44,743	Natural-Gas-Ban-Report_Updated.pdf (instituteeforenergyresearch.org)
Portland, Oregon	New	Passed	647,176	Natural-Gas-Ban-Report_Updated.pdf (instituteeforenergyresearch.org)
Eugene, Oregon	New	Proposed	176,654	Cities & States Are Moving to All-Electric Buildings (climatenexus.org)
Brookline, Massachusetts	New	Passed	63,191	Cities & States Are Moving to All-Electric Buildings (climatenexus.org)
Shoreline, Washington	New	Passed	58,608	Cities & States Are Moving to All-Electric Buildings (climatenexus.org)
Bellingham, Washington	New	Passed	91,482	Cities & States Are Moving to All-Electric Buildings (climatenexus.org)
Sacramento, California	New	Passed	524,943	Cities & States Are Moving to All-Electric Buildings (climatenexus.org)
Oakland, California	New	Passed	440,646	Cities & States Are Moving to All-Electric Buildings (climatenexus.org)
Ann Arbor, Michigan	New	Proposed	121,536	S&P Capital IQ, "Gas Ban Monitor: All-electric building rules advance coastto coast in 2022," January 24, 2022
Crested Butte, Colorado	New	Passed	1,681	S&P Capital IQ, "Gas Ban Monitor: All-electric building rules advance coastto coast in 2022," January 24, 2022
Washington, D.C.	New	Passed	712,816	https://gas.climatenexus.org/gas-free-buildings
Montgomery County, Maryland	New	Passed	1,055,000	S&P Capital IQ, "Gas Ban Monitor: All-electric building rules advance coastto coast in 2022," January 24, 2022
Los Angeles, California	New	Passed	3,849,000	https://gas.climatenexus.org/gas-free-buildings
San Jose	New	Passed	983,489	https://gas.climatenexus.org/gas-free-buildings
Milwaukee, Oregon	New	Passed	20,946	S&P Capital IQ, "Gas Ban Monitor: All-electric building rules advance coastto coast in 2022," January 24, 2022
King County, Washington	New	Passed	2,252,000	S&P Capital IQ, "Gas Ban Monitor: All-electric building rules advance coastto coast in 2022," January 24, 2022
New York State	New	Passed	19,840,000	https://www.reuters.com/world/us/new-york-state-bans-natural-gas-some-new-construction-2023-05-03/

Gas Ban Monitor: All-electric building rules advance coast to coast in 2022

Tuesday, January 24, 2023 11:24 AM ET

By Tom DiChristopher
Market Intelligence



Ann Arbor, Mich., was among the communities where local lawmakers proposed gas bans for the first time in 2022.

Source: Denis Tangney Jr/iStock/Getty Images Plus

This article is the second of a two-part series on building gas bans and all-electric codes that advanced in the second half of 2022. The first part can be found [here](#).

The Pacific Northwest's push to restrict natural gas use in buildings notched more gains in the second half of 2022, and local governments from Michigan to Massachusetts also moved toward requiring all-electric construction.

The spread of gas bans to new areas demonstrated how the policy has matured and evolved since the San Francisco Bay Area popularized the building decarbonization strategy in 2019. In 2022, it took root in Midwestern and Rocky Mountain communities such as Ann Arbor, Mich., and Crested Butte, Colo., as well as East Coast areas, including Washington, D.C., and Montgomery County, Md.

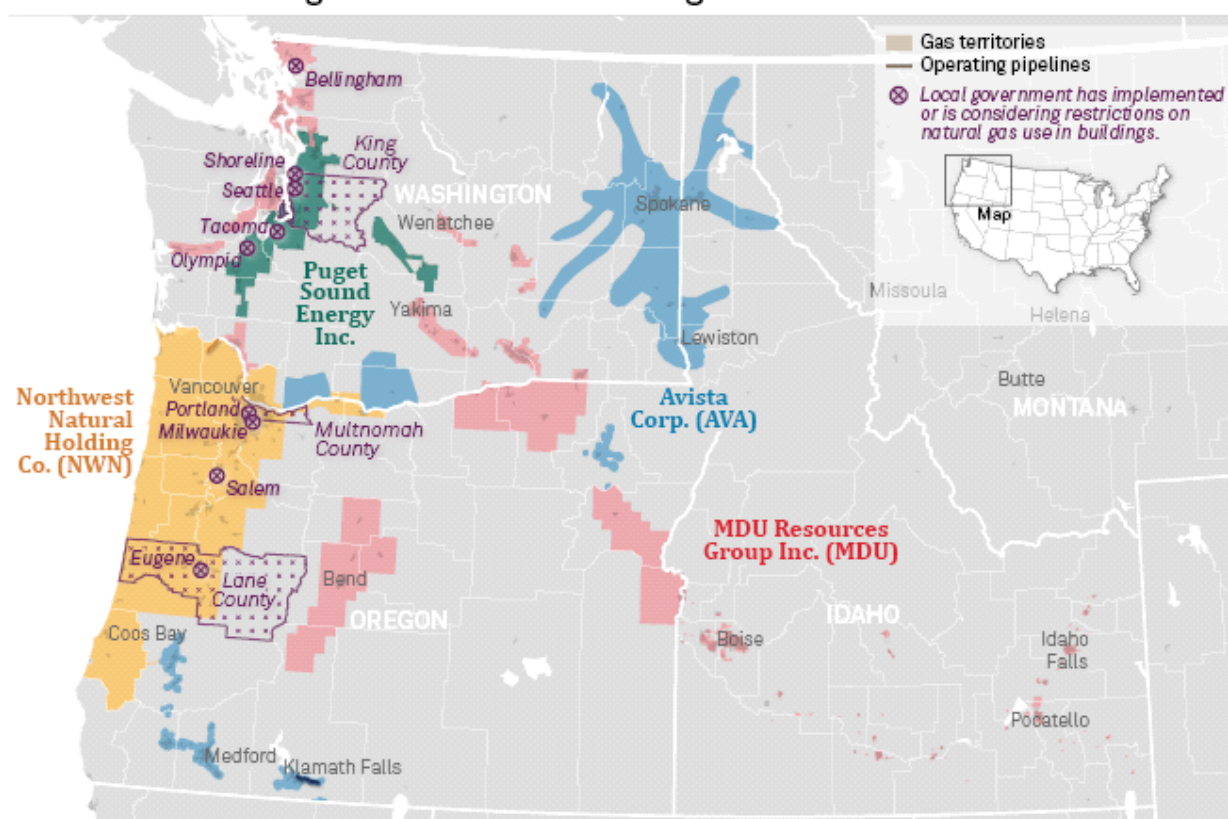
As cities adopt new approaches to mandating electrification, opponents have adapted to organize against the growing variety of gas bans. Even as state-level efforts to prohibit gas bans stalled in 2022, local challenges have delayed gas bans in places like Eugene, Ore.; Washington, D.C.; and New Jersey.

Gas ban movement grinds forward

The Milwaukie, Ore., City Council on Dec. 6, 2022, adopted a resolution directing city staff to develop code updates that prohibit new fossil fuel connections to residential buildings beginning on March 1, 2024. The resolution, adopted on a 3-2 vote, also directed staff to consult with commercial and industrial building owners and propose decarbonization regulations for these building types by June 30, 2025.

In a second resolution, councilors directed the city manager to install electric building equipment in city-owned buildings when natural gas-powered assets burn out, as well as when Milwaukie finances, substantially renovates, donates or sells city-owned property. The resolution, which drew unanimous support, also ordered the city manager to inventory gas equipment in city-owned facilities, evaluate the feasibility of converting to decarbonized equipment and submit preliminary recommendations by June 30, 2024.

Pacific Northwest gas utilities face building electrification movement



All-electric construction requirements

	Adopted	In development	Mandated in municipal, county buildings
Washington			
Bellingham*	X		
King County*	X		
Olympia		X	X
Seattle*	X		
Shoreline*	X		
Tacoma		X	X
Oregon			
Eugene		X	
Lane County			X
Milwaukie		X	

Multnomah County		X
Portland**		X
Salem	X	

As of Dec. 31, 2022.

* Applies to new multifamily and commercial buildings.

** Adopted by school district only.

Map credit: Ciaralou Agpalo Palicpic

Source: S&P Global Commodity Insights.

© 2023 S&P Global.

The council has been following the lead of local lawmakers in Eugene, Ore., who directed city staff to develop a gas ban for new residential buildings in July 2022. The Eugene City Council held a public hearing on a proposed ordinance on Nov. 21, 2022, but did not take any action during a contentious meeting packed with opponents and supporters alike.

In Washington, the State Building Code Council voted on Nov. 4, 2022, to require electric heat pumps in new residential construction. The council included a heat pump mandate in an update to the state's commercial building code in April 2022. Representatives from Olympia and Tacoma, Wash., told S&P Global Commodity Insights that they were waiting for the building code updates to go into effect in July 2023 before they took action to restrict gas use in new buildings.

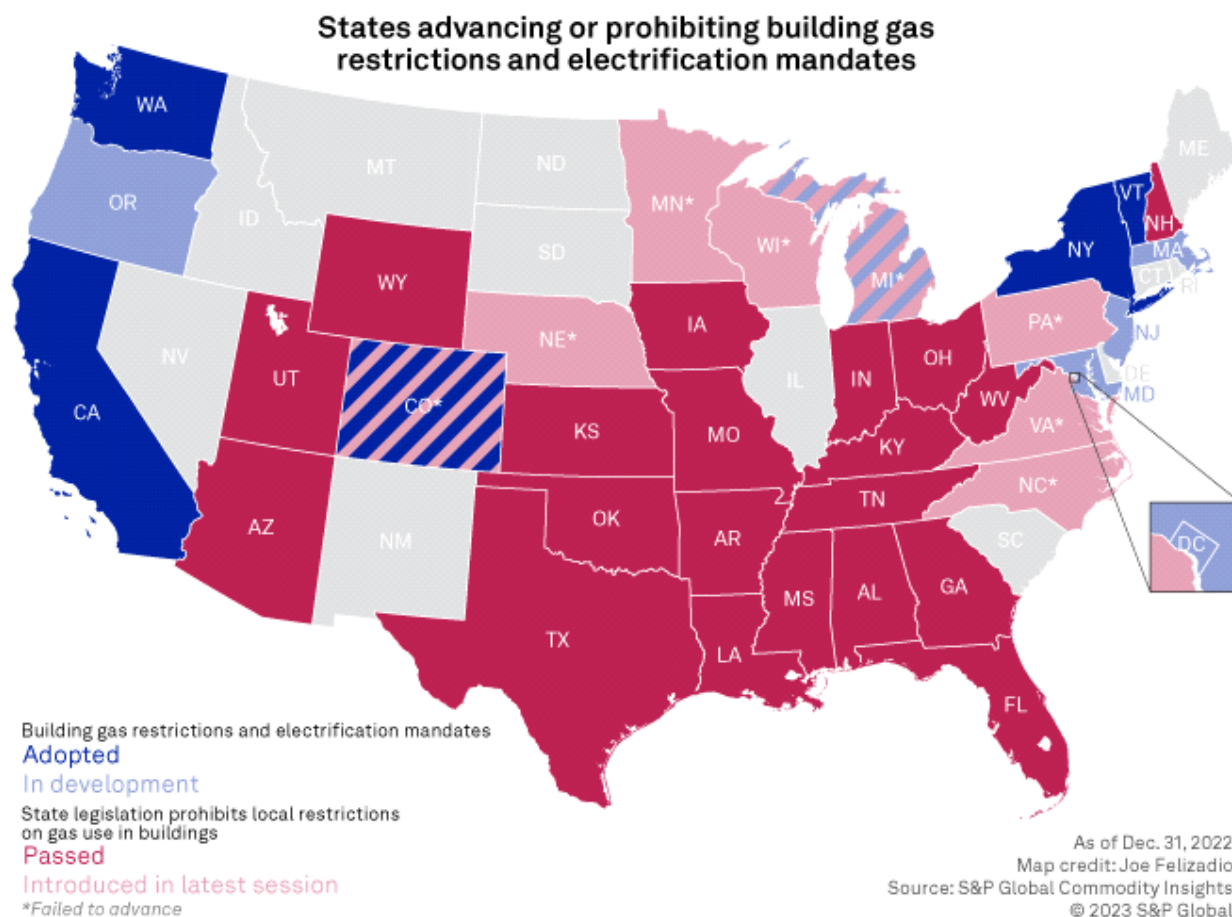
Seattle and Shoreline, Wash., have already prohibited fossil fuel and electric resistance systems for space and water heating in most new commercial buildings, including large apartment complexes. Lawmakers in the cities' home county and Washington state's largest, King County, voted unanimously on Aug. 23, 2022, to adopt a similar update to its building code, which applies to all unincorporated areas. The provision, which also applies to whole heating system replacements in existing commercial buildings, would essentially require electric heat pumps for space and water heating, with some exceptions.

New frontiers for bans

The city planning commission in Ann Arbor, Mich., in November 2022 introduced a proposal to prohibit gas use in new construction through an update to its unified development code, which governs zoning.

The commission held a pair of meetings on the amendment — originally proposed to go into effect Jan. 1 — and intended to further study and consider the proposal through the winter. Building electrification is one of six core strategies that the city is prioritizing to achieve its goal of carbon neutrality by 2030.

A bill to prohibit local governments from adopting gas bans died in committee in the Michigan Senate after passing on a mostly party-line vote in the House of Representatives in September 2022. The bill had little support among Democrats, who flipped both the Senate and House in November 2022 elections. The bill's failure to advance marked the latest defeat for several gas ban preemption bills across the country.



In November 2022, Montgomery County, Md., became the first jurisdiction in the state to pass a measure that will restrict gas use in most new buildings. Montgomery County Council legislation required the county executive to include an all-electric construction standard in the building code by Dec. 31, 2026 — a date that aligns with nearby Washington, D.C.'s timeline for a similar policy.

Washington, D.C.'s Construction Codes Coordinating Board voted in May 2022 to require all-electric construction in an update to the city's residential building code. However, a similar amendment to its commercial code ran into headwinds in October 2022. The updates require approval by the District of Columbia Council, which supports the changes; lawmakers passed an ordinance in July 2022 that ordered code officials to implement a net-zero energy standard for new commercial construction by Jan. 1, 2027.

Headwinds and tailwinds on the East Coast

The Massachusetts Department of Energy Resources on Dec. 23, 2022, launched a pilot program that will allow up to 10 towns and cities to prohibit gas use in new construction, following a nearly three-year campaign to advance the policy. The department designed the program to work with a new specialized stretch energy code that favors building electrification.

In the Clean Energy and Climate Plan for 2050 released Dec. 21, 2022, former Gov. Charlie Baker's administration advocated for using a clean heat standard to encourage electrification and other solutions to decarbonize building heating. The Baker Administration's Commission on Clean Heat recommended the clean heat standard in its final report issued Nov. 30, 2022. The policy would help the state hit greenhouse gas emissions reduction targets by requiring fossil fuel distributors to deploy strategies to help customers reduce gas, propane and heating oil consumption.

New Jersey Gov. Phil Murphy announced on Oct. 3, 2022, that his administration would launch a Clean Buildings Working Group. The stakeholder group will develop building decarbonization policy and legislation recommendations for the state, which must achieve an 80% reduction in greenhouse gas emissions from 2006 levels by 2050.

The New Jersey Department of Environmental Protection, or DEP, on Dec. 2, 2022, withdrew a proposed rule that would have prohibited many commercial and industrial facilities from installing fossil fuel boilers. The department proposed the regulation as an "initial step" toward reducing emissions from the state's building stock, its second-biggest source of greenhouse gas pollution, but the policy ran into opposition.

The rule would have affected thousands of schools and universities, apartment complexes and retail and industrial spaces. DEP "anticipates holding stakeholder sessions to discuss the regulation of boilers in 2023," an agency spokesperson told Commodity Insights in an email.

In neighboring New York, Gov. Kathy Hochul backed final recommendations by the state's Climate Action Council to begin prohibiting gas hookups in new buildings starting in 2025 and restricting the sale of new gas heating systems and appliances beginning in 2030.

S&P Global Commodity Insights produces content for distribution on S&P Capital IQ Pro.

This article was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global.

ENBRIDGE GAS INC.

Answer to Undertaking from
Commissioner Duff

Undertaking

Tr: 35

To advise the Board: if the OEB were to approve a 42 percent increase in 2024, what would be the revenue requirement and the rate increase that would result from that, assuming all of your proposals are approved subject to the settlement proposal which has been filed with the OEB.

Response:

Please see Attachment 1 for an updated version of Exhibit 5, Tab 3, Schedule 1, Table 2 which provides the 2024 revenue requirement impact of transitioning from a 36% equity thickness to either a 38% or 42% equity thickness, based on the proposals included within this Application. As seen at line 14 of Attachment 1, the updated forecast 2024 revenue requirement impact of transitioning to a 42% equity thickness is an approximate increase of \$80.6 million. The 2024 forecast rate base value used to calculate the revenue requirement impact in Attachment 1 has been updated to reflect the June 16, 2023 Capital Update (including the exclusion of 2024 Panhandle Regional Expansion Project (PREP) rate base impacts in accordance with the proposed levelized cost recovery approach), as well as impacts stemming from the June 28, 2023 Settlement Proposal (i.e. the removal of agreed to GTA Reinforcement and WAMS project overspend amounts, and the working cash impact related to the agreed to O&M reduction). Consistent with the calculation of the original change in equity thickness impacts which were presented in Exhibit 5, Tab 3, Schedule 1, Table 2, this updated calculation continues to use the 2022 OEB formula ROE as a placeholder (until it can be updated following the release of the 2024 OEB formula ROE), and continues to leverage the same financing plan/term debt assumptions as the original calculation, which were noted in paragraphs 8 and 9 of Exhibit 5, Tab 3, Schedule 1.

Please see Attachment 2 for the allocation of the revenue requirement impact of \$80.6 million associated with a change in equity thickness from 36% to 42% in 2024. Consistent with the setting of rates for 2024 as proposed in the Settlement Proposal, the revenue requirement impact has been allocated to rate classes based on current approved revenue.

Please see Attachment 3 for the 2024 bill impact for typical customers in all in-franchise rate classes.

The typical residential customer bill impact associated with a change in equity thickness from 36% to 42% in 2024 is:

- An increase of \$14.25, or 1.1%, for a residential customer consuming 2,400 m³ in the EGD rate zone.
- An increase of \$14.47, or 1.0%, for a residential customer consuming 2,200 m³ in the Union North rate zone.
- An increase of \$10.65, or 0.9%, for a residential customer consuming 2,200 m³ in the Union South rate zone.

Table 2
2024 Equity Thickness Impacts on Cost of Capital and Revenue Requirement

Line No.	Particulars (\$ millions)	Principal (a)	Component (b)	Cost Rate (c)	Cost (d)	Gross-up for taxes (e)	Rev. Req. Impact (f)
	<u>Equity thickness - 36%</u>						
1	Medium and Long Term Debt	10,206.0	63.10%	4.17%	425.6	0.0	425.6
2	Short Term Debt	145.1	0.90%	3.00%	4.4	0.0	4.4
3	Common Equity	<u>5,822.5</u>	36.00%	8.66%	<u>504.2</u>	181.8	<u>686.0</u>
	Cost of Capital component of Revenue Requirement	16,173.7			934.2		1,116.0
	<u>Equity thickness - 38% (included in 2024 rev. req.)</u>						
5	Medium and Long Term Debt	10,028.1	62.00%	4.17%	418.0	0.0	418.0
6	Short Term Debt	(0.4)	0.00%	3.00%	(0.0)	0.0	(0.0)
7	Common Equity	<u>6,146.0</u>	38.00%	8.66%	<u>532.2</u>	191.9	<u>724.1</u>
	Cost of Capital component of Revenue Requirement	16,173.7			950.2		1,142.1
	<u>Equity thickness - 42%</u>						
9	Medium and Long Term Debt	9,852.2	60.91%	4.17%	410.4	0.0	410.4
10	Short Term Debt	(471.4)	(2.91%)	3.00%	(14.1)	0.0	(14.1)
11	Common Equity	<u>6,792.9</u>	42.00%	8.66%	<u>588.3</u>	212.1	<u>800.4</u>
	Cost of Capital component of Revenue Requirement	16,173.7			984.5		1,196.6
13	2024 Revenue requirement impact of moving to 38% deemed equity thickness (from 36%)						26.1
14	2024 Revenue requirement impact of moving to 42% deemed equity thickness (from 36%)						80.6
15	42% versus 38% revenue requirement variance to be captured through base rate adjustments in 2025 - 2028						54.5
16	Proposed annual base rate adjustment in each of 2025 - 2028 (1/4 of \$54.5 million)						<u>13.6</u>

Allocation and Unit Rates
Change in Equity Thickness from 36% to 42%

Line No.	Particulars (\$000s)	Current Approved Distribution Revenue (1) (a)	Allocation of Equity Thickness Impact (2) (b)	2024 Forecast Usage (10 ³ m ³) (c)	Billing Units (d)	Unit Rate (cents / m ³) (e) = (b/c*100)
<u>EGD Rate Zone</u>						
1	Rate 1	1,033,105	29,702	5,001,027	10 ³ m ³	0.5939
2	Rate 6	447,767	12,873	4,795,693	10 ³ m ³	0.2684
3	Rate 100	2,060	59	4,503	10 ³ m ³ /d	1.3154
4	Rate 110	36,742	1,056	75,654	10 ³ m ³ /d	1.3963
5	Rate 115	6,950	200	14,481	10 ³ m ³ /d	1.3798
6	Rate 125	12,486	359	111,124	10 ³ m ³ /d	0.3230
7	Rate 135	1,461	42	52,646	10 ³ m ³	0.0798
8	Rate 145	1,608	46	6,138	10 ³ m ³ /d	0.7529
9	Rate 170	3,220	93	30,928	10 ³ m ³ /d	0.2993
10	Rate 200	5,187	149	15,025	10 ³ m ³ /d	0.9925
11	Rate 300	-	-	-	10 ³ m ³ /d	0.0000
12	Total EGD Rate Zone	1,550,586	44,580			
<u>Union North Rate Zone</u>						
13	Rate 01	226,285	6,506	989,005	10 ³ m ³	0.6578
14	Rate 10	30,601	880	327,974	10 ³ m ³	0.2683
15	Rate 20	30,831	886	91,732	10 ³ m ³ /d	0.9663
16	Rate 25	4,865	140	126,831	10 ³ m ³	0.1103
17	Rate 100	11,804	339	42,050	10 ³ m ³ /d	0.8071
18	Total Union North Rate Zone	304,386	8,751			
<u>Union South Rate Zone</u>						
19	Rate M1	548,066	15,757	3,255,132	10 ³ m ³	0.4841
20	Rate M2	92,168	2,650	1,319,376	10 ³ m ³	0.2008
21	Rate M4 (F)	34,805	1,001	46,836	10 ³ m ³ /d	2.1365
22	Rate M4 (I)	119	3	238	10 ³ m ³	1.4334
23	Rate M5 (F)	360	10	432	10 ³ m ³ /d	2.3989
24	Rate M5 (I)	2,313	67	55,087	10 ³ m ³	0.1207
25	Rate M7 (F)	26,161	752	71,858	10 ³ m ³ /d	1.0467
26	Rate M7 (I)	1,870	54	75,999	10 ³ m ³	0.0707
27	Rate M9	1,774	51	6,040	10 ³ m ³ /d	0.8446
28	Rate T1 (F)	13,487	388	26,540	10 ³ m ³ /d	1.4610
29	Rate T1 (I)	824	24	37,536	10 ³ m ³	0.0632
30	Rate T2 (F)	78,057	2,244	308,713	10 ³ m ³ /d	0.7269
31	Rate T2 (I)	1,135	33	41,762	10 ³ m ³	0.0782
32	Rate T3	7,804	224	28,200	10 ³ m ³ /d	0.7956
33	Total Union South Rate Zone	808,945	23,257			
<u>Ex-Franchise</u>						
34	Rate 331	169	5			
35	Rate 332	19,179	551			
36	Rate M12/C1 Dawn-Parkway	104,651	3,009			
37	Rate M13	381	11			
38	Rate M16	428	12			
39	Rate M17	529	15			
40	Rate C1	14,191	408			
41	Total Ex-Franchise	139,528	4,011			
42	Total	2,803,445	80,600			

Notes:

- (1) Exhibit 8, Tab 2, Schedule 8, Attachment 1, page 2, column (a) excluding Rate 401 and non-utility cross charge revenue.
- (2) Allocated in proportion to column (a).

Bill Impacts for Typical Small and Large Customers
Change in Equity Thickness from 36% to 42%

Line No.	Particulars	Unit Rate (1)	Billing Units		Bill Impact (2)	
		(cents/m ³)			(\$)	(%)
		(a)	(b)	(c)	(d)	(e)
	<u>EGD Rate Zone</u>					
1	Rate 1 - Residential	0.5939	2,400	m ³	14.25	1.1%
2	Rate 6 - Heating & Other Uses	0.2684	22,606	m ³	60.68	0.6%
3	Rate 100 - Small	1.3154	2,993	m ³ /d	472.44	0.4%
4	Rate 100 - Large	1.3154	30,000	m ³ /d	4735.44	0.7%
5	Rate 110 - Small	1.3963	3,292	m ³ /d	551.60	0.3%
6	Rate 110 - Large	1.3963	53,871	m ³ /d	9026.44	0.3%
7	Rate 115 - Small	1.3798	15,300	m ³ /d	2533.25	0.2%
8	Rate 115 - Large	1.3798	238,928	m ³ /d	39559.71	0.2%
9	Rate 125 - Average	0.3230	2,315,000	m ³ /d	89742.56	0.1%
10	Rate 135 - Average	0.0798	598,567	m ³	477.50	0.2%
11	Rate 145 - Small	0.7529	2,993	m ³ /d	270.43	0.2%
12	Rate 145 - Large	0.7529	4,489	m ³ /d	405.60	0.2%
13	Rate 170 - Small	0.2993	36,413	m ³ /d	1307.96	0.0%
14	Rate 170 - Large	0.2993	255,089	m ³ /d	9162.81	0.0%
15	Rate 200 - Average	0.9925	1,252,000	m ³ /d	149115.45	0.4%

Notes:

- (1) Exhibit J9.1, Attachment 1, column (e).
- (2) Bill impact % is derived as column (d) divided by the current approved total bill for a sales service customer as provided at Exhibit 8, Tab 2, Schedule 8, Attachment 10, column (a).

Bill Impacts for Typical Small and Large CustomersChange in Equity Thickness from 36% to 42%

Line No.	Particulars	Unit Rate (1)	Billing Units		Bill Impact (2)	
		(cents/m ³)			(\$)	(%)
		(a)	(b)	(c)	(d)	(e)
	<u>Union North Rate Zone</u>					
1	Rate 01 - Residential	0.6578	2,200	m ³	14.47	1.0%
2	Rate 10	0.2683	93,000	m ³	249.47	0.6%
3	Rate 20 - Small	0.9663	14,000	m ³ /d	1623.37	0.1%
4	Rate 20 - Large	0.9663	60,000	m ³ /d	6957.28	0.1%
5	Rate 25 - Average	0.1103	2,275,000	m ³	2508.83	0.3%
6	Rate 100 - Small	0.8071	100,000	m ³ /d	9684.87	0.1%
7	Rate 100 - Large	0.8071	850,000	m ³ /d	82321.41	0.1%
	<u>Union South Rate Zone</u>					
8	Rate M1 - Residential	0.4841	2,200	m ³	10.65	0.9%
9	Rate M2	0.2008	73,000	m ³	146.61	0.5%
10	Rate M4 - Small	2.1365	4,800	m ³ /d	1230.64	0.4%
11	Rate M4 - Large	2.1365	50,000	m ³ /d	12819.17	0.3%
12	Rate M5 - Small	0.1207	825,000	m ³	996.03	0.3%
13	Rate M5 - Large	0.1207	6,500,000	m ³	7847.54	0.3%
14	Rate M7 - Small	1.0467	165,000	m ³ /d	20724.44	0.2%
15	Rate M7 - Large	1.0467	720,000	m ³ /d	90433.91	0.5%
16	Rate M9 - Small	0.8446	56,439	m ³ /d	5720.06	0.3%
17	Rate M9 - Large	0.8446	168,100	m ³ /d	17036.83	0.3%
18	Rate T1 - Small	1.4610	25,750	m ³ /d	4514.50	0.2%
19	Rate T1 - Average	1.4610	48,750	m ³ /d	8546.87	0.2%
20	Rate T1 - Large	1.4610	133,000	m ³ /d	23317.61	0.3%
21	Rate T2 - Small	0.7269	190,000	m ³ /d	16574.35	0.1%
22	Rate T2 - Average	0.7269	669,000	m ³ /d	58359.14	0.1%
23	Rate T2 - Large	0.7269	1,200,000	m ³ /d	104680.07	0.1%
24	Rate T3	0.7956	2,350,000	m ³ /d	224361.84	0.3%

Notes:

- (1) Exhibit J9.1, Attachment 1, column (e).
- (2) Bill impact % is derived as column (d) divided by the current approved total bill for a sales service customer as provided at Exhibit 8, Tab 2, Schedule 8, Attachment 10, column (a).

ENBRIDGE GAS INC.

Answer to Undertaking from
Environmental Defence (ED)

Undertaking

Tr: 145

For 2024, as information is available, Enbridge to advise how much of the \$16.2 billion is attributable to all of the direct customer connection costs that are still remaining in rate base.

Response:

Enbridge Gas is unable to isolate the costs that are specific to Customer Attachments from the plant accounts. However, Enbridge Gas believes that the balances in the steel and plastic services plant accounts are a reasonable proxy for the direct customer connection costs remaining in 2024 rate base. The costs are represented as follows:

Particulars (\$ millions)	Reference	Amount
Services – metallic (gross)	Exhibit 2, Tab 2, Sch 1, Attachment 8, Page 1, Line 5, updated July 6, 2023	674.1
Services – plastic (gross)	Exhibit 2, Tab 2, Sch 1, Attachment 8, Page 1, Line 6, updated July 6, 2023	5,006.6
Services – metallic (accumulated depreciation)	Exhibit 2, Tab 2, Sch 1, Attachment 8, Page 6, Line 4, updated July 6, 2023	(307.4)
Services – plastic (accumulated depreciation)	Exhibit 2, Tab 2, Sch 1, Attachment 8, Page 6, Line 5, updated July 6, 2023	(1,843.7)
Net 2024 Rate Base		3,529.6

The above represents approximately 22% of the 2024 Rate Base of \$16,212.3 million.

ENBRIDGE GAS INC.

Answer to Undertaking from
Consumers Council of Canada (CCC)

Undertaking

Tr: 10

RE Exhibit K10.3, Page 7: Enbridge Gas to provide the 20-year figures for the various revenue horizons.

Response:

Please see the updated Table 1 after incorporating 20-year revenue horizon.

Table 1
Customer Connections Capital Expenditure Supported by Different Revenue Horizons

Line no.	Revenue Horizon	2024	2025	2026	2027	2028	Total	Reduction vs. 40 Year Revenue Horizon	CIAC per Customer
	(Years)	(\$MM)	(\$MM)	(\$MM)	(\$MM)	(\$MM)	(\$MM)	(\$MM)	
1	40	304	248	258	254	250	1,314		
2	30	238	235	247	249	262	1,231	83	428
3	25	214	211	223	225	235	1,108	206	1,067
4	20	188	185	196	198	205	972	342	1,774
5	15	146	144	153	154	159	757	557	2,890
6	10	89	88	93	95	96	460	853	4,428

Note: 40-year revenue horizon reflects the Company's most updated capital forecast

ENBRIDGE GAS INC.

Answer to Undertaking from
Commissioner Moran

Undertaking

Tr: 71

Enbridge to advise as to how the customer contribution was determined for the Ridge Landfill site, an injection customer, and whether Enbridge holds any security, or any future protection, from the customer.

Response:

As stated in EB-2022-0203, Tab 1, Schedule 1, page 3, paragraph 3:

The Customer has contracted with Enbridge Gas under Rate M13-Union South Transportation of Locally Produced Gas. The executed contract between Enbridge Gas and the Customer is included as Attachment 1 to this Exhibit. The Customer has elected to pay the full capital cost of the Project through an upfront CIAC payment, resulting in a net investment of \$0.0 million. Consequently, a Net Present Value or Profitability Index calculation is not required for the Project.

As is stated in the M13 General Terms and Conditions, when a customer elects to pay the full capital cost of the project upfront, 50% of the payment is required at contract execution and the final 50% is due prior to installation of the meter station. If actual capital costs vary from the estimate that was used for determining the upfront payments, a true-up is calculated after all construction has finished and a payment to/from the customer is determined.

Enbridge Gas holds security in the form of a letter of credit in the amount of \$120,000.