

ENBRIDGE GAS INC.

Answer to Undertaking from
School Energy Coalition (SEC)

Undertaking

Tr: 78

Subject to data availability, to provide responses to the portions of SEC-119(a) that were previously declined

Response:

The requested information is unavailable in some instances and, in others, will require an onerous amount of data extraction that is not possible to complete within the timeframe provided for undertaking responses.

Further, as indicated in the response at Exhibit I.1.12-FRPO-21, certain information requested by SEC bears no relevance to the current Application because Enbridge Gas has not included any forecasted capital costs or revenue requirement adjustments associated with actual attachments to date for its community expansion projects in its proposed 2024 rate base; only the original forecast project costs have been included.

Enbridge Gas will report on the actual capital costs, actual customer attachments, and final project PI through future rebasing applications, following completion of the 10-year rate stabilization period(s) (RSP) and attachment forecast term(s) associated with each community expansion project, in accordance with the OEB's determinations in prior applications, including the Company's SES/TCS/HAF Application¹.

Updated Response:

Pursuant to Enbridge Gas's letter dated April 11, 2023, in relation to Motions Day, please see below for the information sought in Exhibit I.2.6-SEC199 a)/Undertaking Exhibit JT3.16.

Table 1 summarizes the requested information for Community Expansion projects in execution to date. Additional information is available in Attachment 1 for all Community Expansion projects to date.

¹ EB-2020-0094, Decision and Order, November 5, 2020, sections 3.2 and 3.3.

Table 1

(i) Project Name	(ii) Budgeted Capital Cost (\$)(1)	(iii) Forecast Cost (\$)(2)	(iv) Actual Capital Cost-to-date (\$)	(v) Forecast Final Capital Cost (\$)(3)	(vi) 10-year Forecast Customer Attachments (Total)(4)	(vii) Actual Customer attachments to date (Total)(4)	(viii) Original Forecast PI	(ix) Revised Forecast PI (based on most recent forecast cost)	(x) SES Term	(xi) Shortfall if the current Forecast PI is less than 1.0 \$(5)
Milverton and Rostock/Wartburg	5,976,000	5,976,000	7,008,147	9,117,941	739	761	1.01	1.14	15	
Kettle and Stoney Point First Nation and Lambton Shores	2,095,000	2,095,000	2,097,092	2,884,545	364	394	1.03	0.90	12	328,155
Delaware Nation of Moraviantown	564,000	564,000	\$628,615	628,615	38	38	1.00	1.25	40	-
Prince Township	2,721,000	2,721,000	2,427,968	2,765,254	291	224	1.01	1.06	22	-
Fenelon Falls	46,878,981	46,878,981	55,493,796	64,425,880	1920	866	1.00	0.50	40	28,667,344
Chippewa of the Thames First Nation	1,863,000	1,863,000	1,169,065	1,244,199	45	49	1.00	1.00 (6)	40	
Saugeen First Nation	2,536,617	2,536,617	3,069,824	3,571,108	89	33	1.00	0.47	40	1,036,969
Northshore and Peninsula Rd	10,095,411	10,095,411	12,057,826	12,156,459	134	161	1.00	0.64	40	1,355,698
Scugog Island First Nation	16,550,837	16,550,837	27,714,665	32,177,771	810	454	1.00	0.52	40	12,896,120
Brunner (Perth East)	2,210,351	1,293,836	1,019,042	1,050,898	44	42	1.00	2.98	40	-
Burk's Falls	1,653,917	1,653,917	1,160,701	1,734,353	41	11	1.00	0.96	40	19,929
Kenora District (Highway 594)	1,551,582	1,551,582	1,785,436	1,803,174	30	35	1.00	0.55	40	448,867
Stanley's Olde Maple	820,779	820,779	830,674	838,714	11	12	1.00	0.78	40	118,874

Table 1 Continued

(i) Project Name	(ii) Budgeted Capital Cost (\$)(1)	(iii) Forecast Cost (\$)(2)	(iv) Actual Capital Cost-to-date (\$)	(v) Forecast Final Capital Cost (\$)(3)	(vi) 10-year Forecast Customer Attachments (Total)(4)	(vii) Actual Customer attachments to date (Total)(4)	(viii) Original Forecast PI	(ix) Revised Forecast PI (based on most recent forecast cost)	(x) SES Term	(xi) Shortfall if the current Forecast PI is less than 1.0 (\$)(5)
Haldimand Shores	4,048,709	4,048,709	3,261,207	4,281,580	112	59	1.00	0.98	40	32,528
Mohawk of Bay of Quinte	10,715,495	10,715,495	-	10,715,495	179	-	1.00	-	40	-
Hidden Valley	3,463,661	3,339,388	-	3,339,388	110	-	1.00	-	40	-
Selwyn	6,041,151	4,502,425	-	4,502,425	87	-	1.00	-	40	-

Notes:

- (1) The budgeted cost is based on the original estimated capex for the project
- (2) The forecast cost is based on updated estimated capex (e.g., LTC filed project cost if applicable)
- (3) The forecast final capital cost is based on the projected number of attachments. Attachments numbers are subject to change in the remaining year during the 10-year rate stability period
- (4) The annual forecast and actuals customer attachments are provided in Attachment I
- (5) for part (xi), the shortfall amount is based on the additional capital funding required and not the required revenue forecast shortfall to achieve a PI of 1.0
- (6) The PI cannot be calculated as the current projected final capital cost is lower than the available funding of \$1,430,000. However, the rate stability period has yet to be concluded, and additional customers might be attached, which might drive the final cost to exceed the available funding.

Enbridge Gas will report on the actual capital costs, actual customer attachments, and final project PI through future rebasing applications, following the completion of the 10-year rate stabilization period(s) (RSP) and attachment forecast term(s) associated with each community expansion project, in accordance with the OEB's determinations in prior applications, including the Company's SES/TCS/HAF Application².

Enbridge Gas cautions against making conclusions based on the information provided before completing the 10-year rate stabilization period associated with each community expansion project.

² EB-2020-0094, Decision and Order, November 5, 2020, sections 3.2 and 3.3.

(i) Mohawk of Bay of Quinte Community Expansion Project

(i) Budgeted Capital Cost(\$) ¹	\$	10,715,495														
(ii) Forecast Cost (\$) ²	\$	10,715,495														
(iv) Actual Capital Cost-to-date (\$)		N/A														
(v) Forecast final Capital Cost (\$) ³	\$	10,715,495														
			2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total			
(vi) Forecast Customer Attachments (#/yr)			45	45	19	13	9	11	9	10	9	9	179			
(vii) Actual Customer Attachment (#/yr) - Installed Services			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0			
(viii) Original Forecast PI		1.00														
(ix) Revised forecast PI based on the most recent forecast costs and customer attachment forecast		N/A														
(x) SES term		40														
(xi) If the PI in part (ix) is below 1.0, the forecast capital funding shortfall ⁴		N/A														

(i) Hidden Valley Community Expansion Project

(i) Budgeted Capital Cost(\$) ¹	\$	3,463,661														
(ii) Forecast Cost (\$) ²	\$	3,339,388														
(iv) Actual Capital Cost-to-date (\$)		N/A														
(v) Forecast final Capital Cost (\$) ³	\$	3,339,388														
			2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total			
(vi) Forecast Customer Attachments (#/yr)			29	26	10	7	6	7	6	7	6	6	110			
(vii) Actual Customer Attachment (#/yr) - Installed Services			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0			
(viii) Original Forecast PI		1.00														
(ix) Revised forecast PI based on the most recent forecast costs and customer attachment forecast		N/A														
(x) SES term		40														
(xi) If the PI in part (ix) is below 1.0, the forecast capital funding shortfall ⁴		N/A														

(i) Selwyn Community Expansion Project

(i) Budgeted Capital Cost(\$) ¹	\$	6,041,151														
(ii) Forecast Cost (\$) ²	\$	4,502,425														
(iv) Actual Capital Cost-to-date (\$)		N/A														
(v) Forecast final Capital Cost (\$) ³	\$	4,502,425														
			2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total			
(vi) Forecast Customer Attachments (#/yr)			34	19	12	7	5	4	2	2	1	1	87			
(vii) Actual Customer Attachment (#/yr) - Installed Services			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0			
(viii) Original Forecast PI		1.00														
(ix) Revised forecast PI based on the most recent forecast costs and customer attachment forecast		N/A														
(x) SES term		40														
(xi) If the PI in part (ix) is below 1.0, the forecast capital funding shortfall ⁴		N/A														

Notes:

- The budgeted cost is based on the original estimated capex for the project
- The forecast cost is based on updated estimated capex (e.g. LTC filed project cost if applicable)
- The forecast final capital cost is based on the known projected number of attachments. Attachments numbers are subjected to change in the remaining year during the 10-years rate stability period
- For part (vi) the shortfall amount is based on the additional capital required and not the required revenue forecast shortfall to achieve a PI of 1.0
- For Chippewas FN project, the PI can not be calculated as the current projected final capital cost is lower than the available funding of \$1,430,000. However, the rate stability period additional customers might be attached which might drive the final cost to exceed the available funding.

