



Vanessa Innis
Program Director
Strategic Regulatory Applications –
Rebasing
Regulatory Affairs

tel 416-495-5499
EGIRegulatoryProceedings@enbridge.com

Enbridge Gas Inc.
P. O. Box 2001
50 Keil Drive North
Chatham, ON N7M 5M1

February 16, 2024

VIA RESS AND EMAIL

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

Dear Nancy Marconi:

Re: Enbridge Gas Inc. (Enbridge Gas, or the Company)
EB-2022-0200 – 2024 Rebasing – Draft Rate Order

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.

On December 21, 2023, the OEB issued its Decision and Order on Phase 1 of the 2024 Rates Application (Decision) and directed Enbridge Gas to file a Draft Rate Order, including a proposed Rate Handbook, reflecting the OEB's findings in the Decision. In Procedural Order No. 7 the OEB approved Enbridge Gas's requested extension to file its Draft Rate Order by February 16, 2024.

Enclosed is the Draft Rate Order for 2024 rates effective January 1, 2024 reflecting the Decision. The 2024 rates are interim pending the outcomes of Phase 2 of the Application, as well as any impacts arising from Enbridge Gas's motion to review¹ and appeal to Divisional Court². The filing includes updates to rates and customer bill impacts schedules, in addition to customer rate impacts and the associated rate riders.

The Draft Rate Order is based on January 1, 2024 rates as approved in January 1, 2024 QRAM (EB-2023-0330) updated for the Decision. Enbridge Gas is proposing to implement the interim 2024 rates and rate adjustment rider on May 1, 2024. Given the proposed implementation of this Draft Rate Order is subsequent to April 2024, Enbridge Gas is proposing to file an updated rate order to incorporate all approved rate changes from the April 2024 QRAM prior to the implementation of 2024 rates.

¹ EB-2024-0078.

² Court File No. DC-24-00000055-0000.

The 2024 bill impacts for individual customers resulting from the Draft Rate Order vary by rate zone and rate class. For a typical residential sales service customer, the interim 2024 rates, reflecting the OEB Phase 1 Decision based on the January 1, 2024 QRAM, result in an annual bill increase for 2024 of:

- \$22.83 (or 1.9% of total bill) for a Rate 1 customer in the EGD rate zone;
- \$32.64 (or 2.5% of total bill) for a Rate 01 customer in the Union North rate zone;
and
- \$22.11 (or 2.1% of total bill) for a Rate M1 customer in the Union North rate zone.

The residential bill impacts will be offset by the clearance of deferral and variance accounts. The deferral and variance accounts are proposed to be cleared by way of a prospective rate rider effective May 1, 2024, for a period of eight months. The 2024 annual bill impact for the clearance of the deferral and variance accounts for a typical residential sales service customer is a refund of:

- \$38.37 (or 3.1% of total bill) for a Rate 1 customer in the EGD rate zone;
- \$42.25 (or 3.2% of total bill) for a Rate 01 customer in the Union North rate zone;
and
- \$35.01 (or 3.3% of total bill) for a Rate M1 customer in the Union South rate zone.

To implement the interim rates on May 1, 2024, Enbridge Gas requires a decision on the Rate Order by April 12, 2024.

Should you have any questions, please let us know.

Sincerely,

Vanessa Innis
Program Director, Strategic Regulatory Applications – Rebasing