

April 29, 2024

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

Dear Ms. Marconi:

Re: Enbridge Gas Inc. 2024 to 2028 Rates Application EB-2022-0200

I am writing on behalf of Environmental Defence to respond to Enbridge's letter of April 26, 2024 regarding the extra length charge ("ELC").

In our letter of April 22, 2024, we stated that Enbridge is actively encouraging residents to submit applications as soon as possible in order to lock in the \$32/m ELC and avoid the \$159/m ordered by the OEB, even if the actual connections will not be made until 2025. Enbridge described that as a "baseless accusation" in its letter of April 26, 2024 and asserted that it "has simply made residents aware of the ELC change and the effective date, so." However, it is clear from the following email sent from Enbridge to HVAC contractors earlier this month in the Bobcaygeon area that Enbridge is not simply providing information and is instead actively encouraging sign-ups to avoid the OEB-mandated ELC increase:

Enbridge will begin construction of Phases 1 and 2 in August / September of this year. We do not expect to add any customers this year but do encourage you to submit any interested customers applications at GetConnected, especially if your customer is suspected of being beyond 20.0 metres from property line, to lock them into the lesser \$32/m. vs. the new \$159/m after May 1, 2024. Unfortunately, Enbridge is only able to accept applications from Phases 1 & 2 because later Phases will be too far out to accommodate. Phases 1 and 2 are customers located along the source gas main located between Omemee (Emily Park Road) and entrance to Bobcaygeon at Pigeon Lake Rd (17). Further details and map viewable with this link: https://Map Phase 1 and 2.pdf

Enbridge will be starting customer outreach April 23, 2024 of all Phase 1 and 2 potential customers. We are doing extensive door-2-door in-person interaction with as many customers as we can reach. We'll be 'shaking the tree's' hoping your phones will start ringing! We are focusing on any potential customers over the allowed 20.0 metres emphasizing the benefit of applying now! This is copy of letter we are sharing with home owners: https://Customer Letter Extended Length Changes May 1 2024.pdf

Enbridge is engaging in a proactive campaign focusing on customers who will be subject to the ELC to convince them to apply now so as to avoid the OEB-mandated ELC increase. Enbridge states that it is "focusing on any potential customers over the allowed 20.0 metres emphasizing the benefit of applying now." This is the case even though none of these connections will actually take place until 2025. This is far more than simply making residents aware – Enbridge is going door-to-door to try to convince customers that will not be hooked up until 2025 to apply now to avoid the price increase ordered by the OEB.

Enbridge argues that it could not have implemented the ELC sooner because this "involves system changes, updates to communications and customer materials, as well as outreach to market participants." This defies logic. It should not take over four months to change a number of forms to read "\$159 per meter" instead of "\$32 per meter", along with other associated wording adjustments. Even if some time was needed to change materials, Enbridge could have stopped accepting applications or sent out automatic emails notifying any persons applying after January 1, 2024 of the ELC change. But even that should not have been necessary. Enbridge submitted its request to increase the ELC in 2022 and no parties objected to an increase – it could have been ready to implement those changes on January 1, 2024.

Finally, Enbridge seems to suggest that this is not a financially material issue. It is difficult to square this submission with Enbridge's previous submissions that blamed its 2023 connection cost shortfall of \$26.5 million to a large extent on the ELC being too low.¹

The outcome of Enbridge's campaign will not be clear until the end of the month. But even if Enbridge's fails to convince a large number of customers to sign up before May 1, 2024 in order to avoid the OEB-mandated increase in the ELC, those efforts are nevertheless concerning.

Thank you for your attention to this matter.

Yours truly,

Kent Elson

cc: Parties to the above proceeding

¹ EB-2022-0200, Decision and Order, December 21, 2023, p. 50.