

Enbridge Gas 2024 Rebasing: Phase 3

Stakeholder Presentation

Agenda



- Introduction and key components (15 min.)
- Directives, commitments and evidence (5 min.)
- Rate harmonization and design (20 min.)
- Service harmonization and deferral accounts (15 min.)
- Bill impacts and mitigation (10 min.)
- Next steps (5 min.)
- Q&A (45 min.)

Values moment: National Disability Employment Awareness Month (NDEAM) 2024



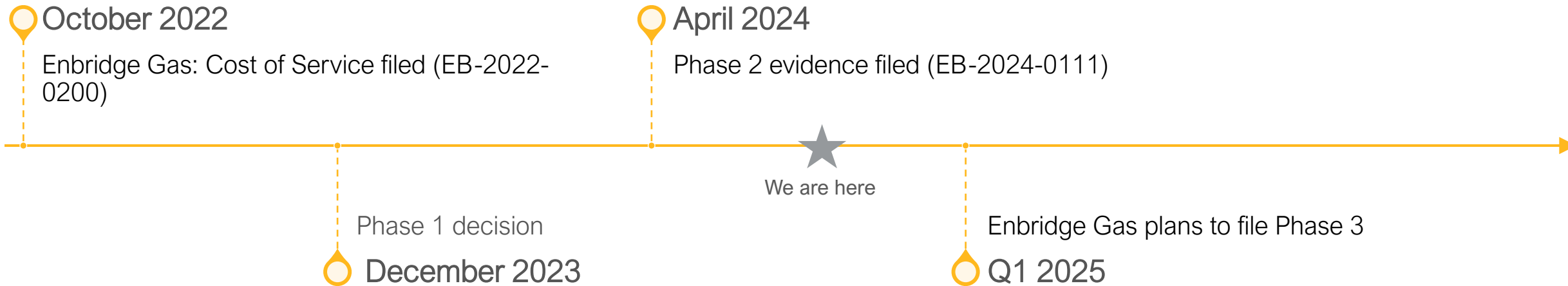
- NDEAM celebrates disability employment awareness every October
- Promotes inclusive hiring and values workers with disabilities
- Key statistics for Canada
 - 65.1% employment rate for Canadians with disabilities (compared to 80.1% for those without disabilities)
 - Persons with disabilities earn 79 cents for every dollar earned by persons without disabilities
- Inclusive hiring, accessibility improvement and partnerships

2024 theme: Access to Good Jobs for All

Introductions

Opening remarks

Background



Key components of Phase 3 application



- Address directives and commitments (Phase 1 Settlement, Decision and DRO, Filing Requirements, MAADs)
 - Rates and services harmonization
 - > Rate class harmonization
 - > Cost allocation harmonization
 - > Rate design harmonization
 - > Consistent set of service offerings available to customers
 - > Request for deferral and variance accounts
 - Other rates directives including Interruptible Rates Study
- Report on capital reduction steps taken
- AMI pilot project update

Phase 3 evidence: Directives and commitments



Component	Source	Directive
Rates/Services	MAADs, Filing Requirements, Phase 1 Settlement Agreement	<ul style="list-style-type: none">• File a rate harmonization proposal.• Provide additional evidence on cost allocation and rate harmonization options, including alternatives to rate zones and consideration of a density driven rate design.
Rates	2020 Rates	<ul style="list-style-type: none">• To address the cost allocation of major projects (Dawn-Parkway, Panhandle).
Rates/Services	IRP Planning Proposal	<ul style="list-style-type: none">• Interruptible Rates Study
Rates	2017 Rates, Interruptible LNG Service, Phase 1 Settlement Agreement	<ul style="list-style-type: none">• Other rates, such as customer managed service revenue neutrality, Hagar cost allocation, assessment of station costs and avoided costs as it relates to local producers.

Phase 3 evidence: Directives and commitments



Component	Source	Directive
AMI	Phase 1 Decision	<ul style="list-style-type: none">• File an AMI pilot project update.
Report on Capital Reduction	Phase 1 Interim Rate Order	<ul style="list-style-type: none">• Provide a report on the steps taken to achieve the capital reduction based on principles (inspection, repair and life extension of assets).
Other	Phase 1 Decision	<ul style="list-style-type: none">• Consideration of exit fees• Reassess the need for the Volume Variance Account
Phase 2	Phase 2 Settlement Proposal	<ul style="list-style-type: none">• Any additional directives and commitments agreed to be included in Phase 3

What is different from EB-2022-0200?



- New directives and commitments:
 - AMI pilot project update
 - Capital reduction reporting
 - Producer station charges and avoided costs
 - Report on the outcomes of rate design alternatives for rate zones and consideration of a density driven rate design, including a mitigation plan to phase in impacts
 - Additional alternatives based on a cost allocation study with separate Panhandle and St. Clair systems and transmission asset allocation based on design day demands for each respective system
- Revenue requirement based on the 2024 cost of service including 2024 gas supply plan
- Proposed implementation plan timing has been updated to 2027 to reflect change in Rebasing timelines

Phase 3 evidence index summary



Evidence	Name	Proposal
Exhibit 2 Tab 5 Schedule 5	Capital Reduction Reporting	<ul style="list-style-type: none">• Provide a report on the steps taken to achieve the capital reduction based on principles (inspection, repair and life extension of assets).
Exhibit 2 Tab 7 Schedule 2	AMI Pilot Project update	<ul style="list-style-type: none">• File an AMI pilot project update.
Exhibit 4 Tab 2 Schedule 2	Gas Cost Reference Price	<ul style="list-style-type: none">• Approval of a common reference price methodology to set gas costs as part of harmonization proposals.
Exhibit 7	Cost Allocation and Rate Design Comparison of Rate Zone Alternatives Density Study Cost Allocation Study: Rate Classes Cost Allocation Study: Rate Zones Cost Allocation Study: Rate Zones (alternative Panhandle)	<p>Approval of Enbridge Gas' 2024 Test Year Cost Allocation Study including approvals of:</p> <ul style="list-style-type: none">• Harmonized cost allocation study to support the current rate classes.• Harmonized cost allocation study to support the harmonized service and rate class proposals for implementation post 2024.

Phase 3 evidence index summary



Evidence	Name	Proposal
Exhibit 8 Tab 1 - Tab 2	Rate design Rate harmonization Bill impacts and mitigation plan Rate handbook Rates model and working papers	Approval of Enbridge Gas' 2024 rate design including approvals of: <ul style="list-style-type: none">• Recovery of the 2024 revenue requirement from proposed harmonized rates• Rate harmonization plan, including rate zone harmonization and implementation plan• Rate design for the gas supply commodity charge and gas supply transportation charges• Rate design for general service rate classes• Rate design for the in-franchise contract rate classes• Rate design for the ex-franchise rate classes• Rate mitigation plan• Rate handbook for the harmonized rate classes
Exhibit 8 Tab 4 - Tab 5	Service harmonization Harmonization of Terms and Conditions of Service	Approval of Enbridge Gas' harmonized services and related charges including approvals of the: <ul style="list-style-type: none">• Distribution services• Bundled direct purchase service• Semi-unbundled direct purchase service• Unbundled direct purchase service• Ex-franchise services

Phase 3 evidence index summary



Evidence	Name	Proposal
Exhibit 9 Tab 1 Schedule 2 - Schedule 3	Deferral and Variance Accounts	<p>Rate Harmonization Variance Account: New deferral account to record material differences related to customers switching rate classes as a result of implementing the rate harmonization plan.</p> <p>Gas Supply Deferral and Variance Accounts: Introduce harmonized gas cost deferral accounts consistent with the rate harmonization plan, including:</p> <ul style="list-style-type: none">• Purchase Gas VA• Third-Party Transportation VA• Load Balancing VA• Inventory Revaluation VA• Market-Based Storage VA

Rate harmonization plan



- Key Components:
 - Cost Allocation Study
 - Rate design (Rate zones, Rate classes, Rate handbook)
 - Services
 - Gas cost recovery
 - Deferral and variance accounts
- Benefits:
 - Simplifies and aligns services and processes to provide a consistent and improved customer experience
 - Consistent pricing that treats Enbridge Gas customers across the province similarly
 - Administrative simplicity for Enbridge Gas, the OEB and other stakeholders

Cost allocation harmonization

- Proposed harmonized cost allocation study for the 2024 test year for the company
 - Current rates for the EGD and Union rate zones are based on the last OEB-approved cost allocation studies for each utility from 2013
- 2024 cost allocation studies prepared to support proposed and alternative rate design approach based on:
 - Existing rate zones and rate classes
 - One rate zone alternative (proposed)
 - Alternative approaches to rate zones

Cost allocation harmonization

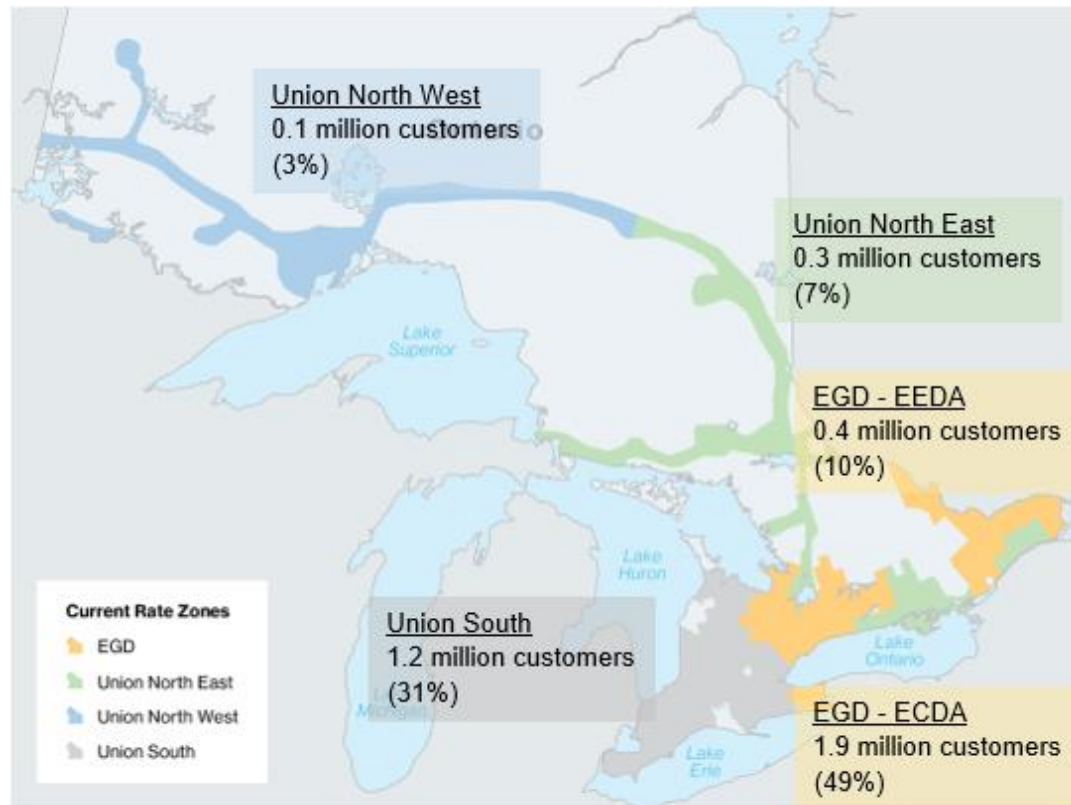
- Prepared based on four utility functions: gas supply, storage, transmission, distribution
- Allocation factors have been harmonized incorporating Enbridge Gas Distribution (EGD) and Union Gas methodologies where possible

Functionalization			
Gas Supply	Storage	Transmission	Distribution
Classification	Classification	Classification	Classification
Gas supply commodity	Storage demand <ul style="list-style-type: none"> • Deliverability • Space • Operational contingency 	Transmission demand <ul style="list-style-type: none"> • Dawn Station • Kirkwall Station • Parkway Station • Dawn Parkway • Albion • Panhandle/St. Clair 	Distribution demand <ul style="list-style-type: none"> • High pressure >4" • High pressure ≤4" • Low pressure • Specific allocation
Load balancing <ul style="list-style-type: none"> • Transportation demand • Commodity 	Storage commodity	Transmission commodity	Distribution customer <ul style="list-style-type: none"> • Mains • Services • Meters • Stations • Specific Allocation
Transportation <ul style="list-style-type: none"> • Demand • Commodity 			Distribution commodity
Admin			

Rate zone harmonization

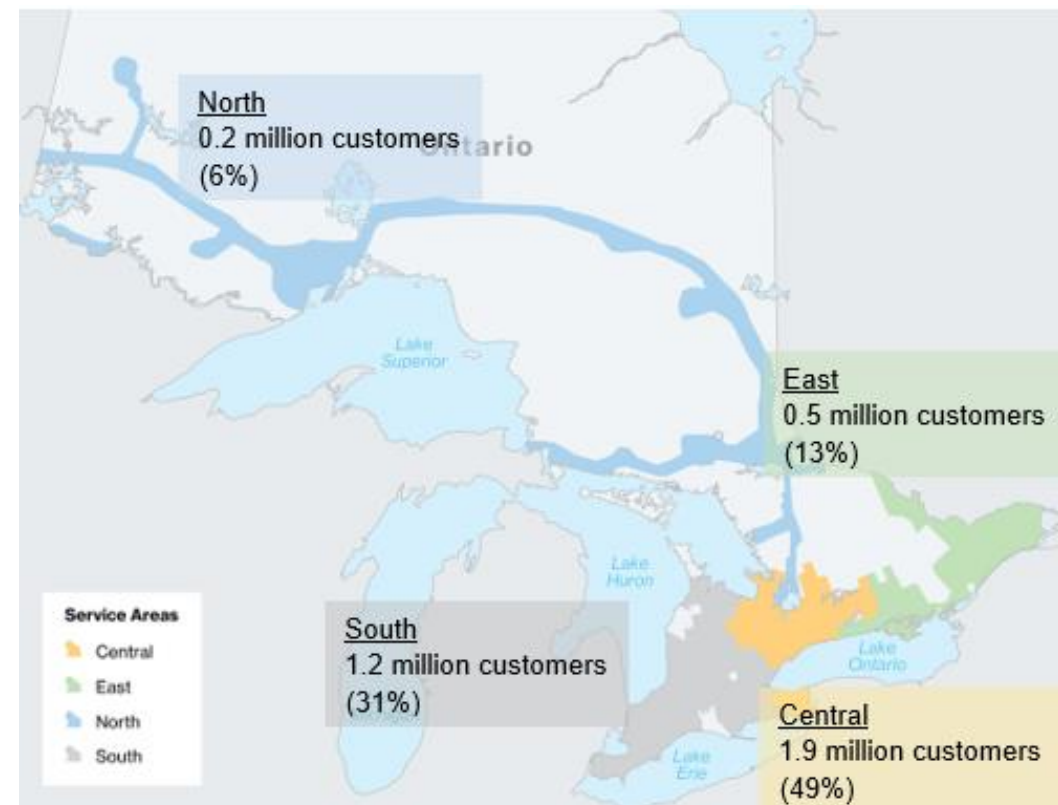
- Proposing one rate zone instead of current rate zones
 - EGD Rate Zone: One rate zone with postage stamp rates
 - Union Rate Zones: Three rate zones based on separate geographic/operating areas

Current rate zones



- Rate zone alternatives derived based on proposed service areas with similar operating characteristics

Proposed service areas



Rate zone alternatives



Rate zone alternative	Description
Current rate zones	Current rate zones (EGD, Union North and Union South) and rate classes based on proposed cost allocation methodology
One rate zone: proposed	A single, province-wide rate zone for all costs as proposed with harmonized rate classes
One rate zone alternative ^{1, 2, 3}	A single, province-wide rate zone for all costs with alternative transmission asset allocation based on specific system design day demands and harmonized rate classes
Two rate zones ^{1, 2}	Two rate zones for all costs (North, South) and harmonized rate classes
Two rate zones (one rate zone distribution) ^{1, 2}	A single, province-wide rate zone for distribution costs and two rate zones for other costs (North, South) with harmonized rate classes
Four rate zones (one rate zone distribution) ^{1, 2}	A single, province-wide rate zone for distribution costs and four rate zones for other costs (North, East, Central, South) with harmonized rate classes

Notes:

- 1 A variation is also provided for the separate cost allocation methodology for the Panhandle and St Clair Systems, as per the Settlement Proposal.
- 2 Transmission allocation based on in-franchise design day demands for each system.
- 3 Gas costs based on in-franchise design day demands for each service area.

Current rate zones



- Current rate zones (EGD, Union South, Union North West and Union North East) and rate classes based on proposed cost allocation methodology
- Used to compare impacts of alternate approaches to rate zones

Pros	Cons
Recognizes some differences in cost to serve for each of the current rate zones	Does not recognize the utility amalgamation
No changes to systems, reporting, processes of customer communication	Enbridge EDA and Union EDA in separate rate zones but same geographic region
	Added complexities with multiple rate zones
	Boundary issues between existing rate zones
	Impacts to customers of harmonized cost allocation study and length of time since last cost of service proceeding for EGD and Union

One rate zone

- Enbridge Gas prepared two approaches for one rate zone alternatives:
 - A single, province wide rate zone for all costs as proposed with harmonized rate classes (proposed)
 - Alternative transmission asset allocation based on specific system design day demands and harmonized rate classes (as per Settlement Agreement)
- Proposed approach ensures consistent pricing across rate classes and regions, and avoids any location-based advantage within the province

Pros	Cons
All customers are treated similarly regardless of their location	Does not recognize the differences in cost to serve for each service area
Recognizes diversity of supply in serving geographic regions (versus traditional western supplies)	Impacts to customers from transition to one rate zone
Provides for administrative simplicity and operational efficiencies	Change required from current reporting and processes
Consistent experience for all customers	

Two rate zones

- Enbridge Gas prepared two approaches for two rate zones alternatives:
 - Two rate zones for all costs (North, South) and harmonized rate classes
 - A single, province-wide rate zone for distribution costs and two rate zones for other costs (North, South) with harmonized rate classes

Pros	Cons
Recognizes some differences in cost to serve for each service area	Significant impacts when separate EGD rate zone into Central and East service areas
Recognizes diversity of supply in serving geographic regions (versus traditional western supplies)	Separate rate zone for smallest service area (19% of customers)
More consistent experience for all customers (as compared to current rates and services)	Change required from current reporting and processes
	Allocation required to separate distribution costs between rate zones

Four rate zones

- A single, province-wide rate zone for distribution costs and four rate zones for other costs (North, East, Central, South) with harmonized rate classes

Pros	Cons
Recognizes differences in cost to serve for each service area (e.g., the South service area is directly connected to Dawn storage)	Significant impacts when separate EGD rate zone into Central and East service areas
	Separate rate zone for smallest service area (6% of customers)
	Change required from current reporting and processes
	Allocation required to separate distribution costs between rate zones
	Added complexities with multiple rate zones

Rate design harmonization

- Proposed harmonized rates set for recovery of fixed costs through fixed charges
 - Customer and demand related costs recovered in monthly fixed charges and demand rates
 - Commodity related costs recovered based on use
- Rate design considerations:
 - Common customer profiles with a rate class
 - Sufficient rate class size
 - Sufficient differentiation among rate classes
 - Sufficient interest and reasonable prospect of rate class use
 - Rate class cost causality
 - Rate class rate stability and predictability
 - Rate class simplicity of use

Rate class harmonization

- Rates harmonization plan includes a proposal to harmonize rate classes

Service Description	Harmonized Rate Class	Current Rate Classes		
		EGD	Union South	Union North
General Service	E01 – Small General E02 – General	1/6	M1/M2	01/10
Firm Contract	E10 – Firm Bundled	100/110/115	M4/M7	20/100
Large Firm Contract	E20 – Semi-Unbundled		T1/T2	
	E22 – Unbundled	300		20/100
	E24 – Extra Large Unbundled	125	T2	
Other Contract Services	E30 – Interruptible	145 170	M4/M5	25
	E34 – Seasonal Firm	135	M7	
	E38 – Unbundled Storage	315 316		
Wholesale	E60 – Wholesale Transportation		M17	
	E62 – Bundled	200	M9	
	E64 – Semi-Unbundled		T3	
Ex-franchise Transportation	E70 – Transportation	331/332	M12/C1	
	E72 – Transportation for Embedded Storage Pools		M16	
Ex-franchise Other	E80 – Producer Injection and Transportation Service	401	M13/GPA	
	E82 – Renewable Natural Gas Injection Service			

Rate harmonization: 41 to 16 rate classes

Rate class harmonization

- Rate class harmonization changes for each rate zone alternative

Rate zone alternative	Description
Current rate zones	Maintain existing rate classes
One rate zone: proposed	Based on proposed harmonized rate classes
One rate zone: alternative ^{1, 2, 3}	Based on proposed harmonized rate classes
Two rate zones ^{1, 2, 3}	Two sets of in-franchise rate classes based on harmonized rate classes (i.e. separate rate classes and rate schedules for Rate E01 North and Rate E01 South)
Two rate zones (one rate zone distribution) ^{1, 2}	Based on proposed harmonized rate classes with combined delivery charges and separate gas supply charges by rate zone (i.e. one rate class and rate schedule for Rate E01 with common delivery charges and separate gas supply charges for the North and South rate zones)
Four rate zones (one rate zone distribution) ^{1, 2}	Based on proposed harmonized rate classes with combined delivery charges and separate gas supply charges by rate zone (i.e. one rate class and rate schedule for Rate E01 with common delivery charges and separate gas supply charges for North, East, Central and South rate zones)

Notes:

¹ A variation is also provided for the separate cost allocation methodology for the Panhandle and St Clair Systems, as per the Settlement Proposal.

² Transmission allocation based on in-franchise design day demands for each system.

³ Gas costs based on in-franchise design day demands for each service area.

General service rate design alternatives



E01 and E02: Rate class eligibility based on customer size

Straight Fixed Variable (SFV)

- Monthly fixed charge that covers the system connection and system capacity, and is the same for every general service (GS) customer in the same class
- Every customer pays the same charge regardless of usage

SFV with Demand (SFVD)

- Monthly fixed charge that covers the system connection, and is the same for every GS customer in the same class
- Additionally, there is a demand charge that varies for each GS customer based on their peak demand

Traditional Volumetric + Volume Variance Account

- Monthly fixed charge that covers the system connection, and is the same for every GS customer in the same class
- Additionally, there is a volumetric charge that covers the system capacity based on their volume consumption

Note: Energy (~25% of the bill) and federal carbon taxes (~30% of the bill) continue to be recovered volumetrically.

General service rate design

- Enbridge Gas preferred approach is Straight Fixed Variable with Demand (SFVD) rate design for harmonized general service rate classes: E01 and E02
- Reasons for SFVD rate design:
 - Cost causality: aligns revenue recovery with the fixed nature of cost to serve
 - Rate harmonization: results in modest bill impacts across all GS customers with respect to transition from current rate design to SFVD rate design
 - Energy transition: reflects how customers use the system and individual usage choice
 - Consistent with OEB policy: fixed costs are recovered through fixed charges

Contract rate design


Service Type	Harmonized Rate Classes			Current Rate Classes		
				EGD	Union North	Union South
Firm Contract Service	Rate E10	Firm	Bundled	Rate 100 Rate 110 Rate 115	Rate 20 Rate 100	Rate M4 Rate M5 Rate M7
Large Contract Service	Rate E20 Rate E22 Rate E24	Firm/IT Firm/IT Firm/IT	Semi-Unbundled Unbundled Unbundled	Rate 300 Rate 125	Rate 20 Rate 25 Rate 100	Rate T1 Rate T2
Other Contract Service	Rate E30 Rate E34 Rate E38	IT Seasonal Firm Storage	Bundled Bundled Unbundled	Rate 135 Rate 145 Rate 170 Rate 315 Rate 316	Rate 20 Rate 25 Rate 100	Rate M4 Rate M5 Rate M7 Rate T2
Wholesale Contract Service	Rate E62 Rate E64	Firm Firm/IT	Bundled Semi-Unbundled	Rate 200	-	Rate M9 Rate T3

Contract rate: 21 to 9 rate classes

Service harmonization

- Consistent service offerings available to customers across all areas:
 - Distribution services
 - Direct purchase services
 - > Bundled
 - > Semi-Unbundled
 - > Unbundled

	Sales Service	Bundled DP Service	Semi-Unbundled DP Service	Unbundled DP Service
Gas Supply Services	Gas Supply Commodity	Obligated Deliveries	Obligated Deliveries	Non-Obligated Deliveries
	Storage	Banked Gas Account	Storage	Balancing Storage
Distribution Services	General Service or Contract Rate	General Service or Contract Rate	Contract Rate	Contract Rate

 Obligated and non-obligated deliveries not provided by the utility.

Distribution services

Customer type	Rate zone	Changes to distribution services
Firm service	Union North	Addition of firm service with no load factor requirement (1) New compliance rules for overrun—automatic increase of contract demand
	EGD	Addition of firm service with no load factor requirement (1) Ability to request authorized overrun of firm services
	Union South	Addition of firm service with no load factor requirement (1) New compliance rules for overrun—automatic increase of contract demand
Interruptible service	Union North	Removal of system supply (R25 sales today) for Direct Purchase customers
	EGD	Change in non-compliance methodology from curtailment credits/overrun charge to a simplified \$/GJ charge
	Union South	Removal of 40-day restriction on interruption
Seasonal service	Union North	Addition of seasonal service
	EGD	Reduction in seasonal service parameters in the winter instead of 5% annual consumption allowance Ability to add seasonal service to a base level of firm service
	Union South	Broader application of seasonal option

Notes:

¹

Requires minimum contract demand of 1,800 m³/day.

Direct purchase services: Bundled



- Current bundled direct purchase service:
 - Customer obligated to deliver 1/365th of planned annual consumption every day (aka Daily Contract Quantity or DCQ)
- Proposed service changes:
 - Consistent setting of DCQ
 - Rationalization of receipt points
 - Balancing obligations: adoption of modified Union South Rate Zone balancing
 - Common set of balancing transactions: adoption of Union South Rate Zone transactions/availability
 - Optional pool consolidation
 - Elimination of utility DCQ purchases during an interruption of distribution service in the EGD Rate Zone
 - Seasonal DCQ available for seasonal distribution service

Direct purchase services: Semi-unbundled



- An intermediate service between bundled and unbundled service
 - Customer obligated to deliver 1/365th of planned annual consumption every day (aka DCQ)
 - Customer contracts for storage space and injection/withdrawal rights to balance supply and consumption
 - Used by all Rate T1 and T3 customers and the majority of Rate T2 customers in the Union South Rate Zone
- Proposed service changes
 - Expand service availability beyond Union South Rate Zone
 - Cap storage withdrawal rights at 5% of storage space

Direct purchase services: Unbundled



- Current services
 - Union North Rate Zone: T-service customers under Rates 10, 20, 25 and 100
 - EGD Rate Zone: Unbundled customers under Rates 125 and 300
 - Union South Rate Zone: Distribution under Rate T2 with non-obligated deliveries at Dawn
- Proposed service changes
 - Expand service availability in the Union South Rate Zone
 - Replacement of system sales for balancing in the Union North Rate Zones
 - Harmonize the setting and operation of balancing accounts
 - Harmonize the setting and availability of storage

Ex-franchise services: Transportation services



- Harmonizes and simplifies rates and services to provide a consistent and improved customer experience.
- Enbridge Gas proposes to combine the transportation services currently offered into one transportation service under Rate E70.
- Rate design and cost allocation changes proposed for Dawn Parkway transportation services to recover Dawn, Kirkwall and Parkway station demand costs based on their respective utilization by service option.

Harmonized service	EGD rate zone	Union rate zones
Transportation services (Rate E70)	Tecumseh transportation service (Rate 331)	Dawn Parkway transportation service (Rate M12)
	Parkway to Albion King's North transportation service (Rate 332)	Cross-Franchise transportation service (Rate C1)
		Dawn Parkway transportation component of the Wholesale Transportation service (Rate M17)

Ex-franchise services: Producer services



- Enbridge Gas proposes to combine the transportation services currently offered into one producer service under Rate E80.
- Enbridge Gas will also offer a limited producer service under Rate E82 for producers currently taking service under Rate 401, given their site-specific service charges and long-term nature of the contracts.
- Enbridge Gas will address additional items as per the Phase 1 Settlement Agreement.
 - A more in-depth assessment of station costs for producers
 - Enbridge Gas' views on avoided costs as it relates to rate design

Harmonized service	EGD rate zone	Union rate zones
Producer services (Rate E80)	Producer service (Rate 401: customers taking service after harmonization)	Producer service (Rate M13) and gas purchase agreements (GPA)
Producer services (Rate E82)	Producer service (Rate 401: customers taking service prior to harmonization)	

Ex-franchise services: Other transportation services



- Enbridge Gas is proposing to offer wholesale transportation service (previously Rate M17) under Rate E60.
 - Enbridge Gas is proposing that the Dawn-Parkway component of the rate be offered under Rate E70.
- Enbridge Gas is also proposing to offer storage pool transportation services (previously Rate M16) under Rate E72.

Harmonized service	EGD rate zone	Union rate zones
Wholesale transportation service (Rate E60)		Wholesale transportation service (Rate M17)
Storage pool transportation Service (Rate E72)		Storage pool transportation service (Rate M16)

Gas cost recovery harmonization



- Proposal for a common reference price methodology—weighted average reference price
 - Used to calculate components of the revenue requirement including gas in storage, UFG, company use, and compressor fuel as per Phase 1 Settlement Agreement
 - Used to derive the gas supply commodity charge for sales service customers under one rate zone proposal
 - Should an alternate rate zone approach with more than one rate zone be approved, a separate gas supply commodity charge will be derived for each rate zone

Deferral and variance accounts

- Enbridge Gas proposes to establish:
 - New Rate Harmonization Variance Account (RHVA) to record material differences to forecast revenues associated with customers switching rate classes as a result of the implementation of the rate harmonization plan
 - Harmonized gas cost deferral accounts consistent with the rate harmonization plan
- Should an alternate rate zone approach with more than one rate zone be approved, a separate variance account will be required for each rate zone for the PGVA and the Third-Party Transportation Variance Account.

Account name	Account No.	Description
Purchase Gas Variance Account (PGVA)	179-101	Consolidates existing PGVA accounts for different rate zones
Third-Party Transportation Variance	179-102	Consolidates existing third-party transportation and fuel variance accounts
Load Balancing Variance Account	179-103	Consolidates existing peaking, load balancing, and spot gas accounts
Inventory Revaluation Variance Account	179-104	Consolidates existing inventory revaluation variance accounts
Market-Based Storage Variance Account	179-204	Replaces existing EGD rate zone account with an Enbridge Gas account

Bill impacts

- 2024 bill impacts are a function of:
 - Update of the gas supply plan included in rates (update from 2018 gas supply plans for the EGD and Union rate zones to a combined 2024 gas supply plan)
 - Cost allocation:
 - > Harmonization of cost allocation studies
 - > Length of time since last cost of service proceeding from EGD and Union
 - Rate design:
 - > Different impacts provided for each rate zone approach
 - > Changes to rate design and rate classes
- Summary of bill impacts provided are based on average rate zone impacts and do not reflect specific rate class or customer impacts

Summary total in-franchise bill impacts

Rate zone alternative ¹	EGD Rate Zone		Union North Rate Zone		Union South Rate Zone
	East	Central	West	East	South
Current rate zones	↓	↓	↑	↓	↑
One rate zone: proposed	↑	↓	↓	↓	↑
One rate zone: alternative	↑	↓	↓	↓	↑
Two rate zones ²	↑	↓	↑	↓	↑
Two rate zones (one rate zone distribution)	↑	↓	↑	↓	↑
Four rate zones (one rate zone distribution) ²	↑	↓	↓	↓	↑

Note:

¹ Average bill impacts for the rate zone of greater than 10% are noted with yellow arrow.

² Union North East total bill impacts greater than 10% vary depending on current delivery area.

Rate mitigation plan

- Bill impacts vary by rate class and rate zone alternative.
- Certain rate classes have total bill increases of greater than 10% using the current rate zones and/or the rate zone alternatives.
- Enbridge Gas is reviewing alternatives to smooth bill impacts for customers by phasing in the impacts after implementation.
- One mechanism is to provide customers in impacted rate classes a credit that decreases over a set period of time.

Rate and service harmonization implementation



- Enbridge Gas proposes to implement the rate and service harmonization proposals in 2027.
 - Changes to general service and contract rate classes will occur at different times throughout the year.
 - The implementation plan depends on the Phase 3 Rebasing proceeding outcomes.
 - Enbridge Gas requires approximately 18 months after the decision to make the necessary system changes.
- Additional details on the rates and services implementation plan, including an update on the customer communication plan, will be provided as part of the 2027 Rates proceeding.

Next steps

- Phase 3 target filing in Q1 2025
- Implementation—proposed harmonization of general service rate classes and contract rate classes in 2027
- Submit questions/feedback by Nov. 1:
 - Email: EGDRegulatoryProceedings@enbridge.com
 - Subject line: Phase 3 presentation feedback



Q&A
