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October 10, 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)
Ontario Energy Board (OEB) File No.: EB-2024-0125
2023 Utility Earnings and Disposition of Deferral & Variance Account
Balances - Settlement Proposal and Draft Accounting Order**

In accordance with the OEB's Procedural Order No. 1 dated July 22, 2024, enclosed please find the Settlement Proposal of Enbridge Gas filed in the above noted proceeding.

Also enclosed, Enbridge Gas has filed the 2025 Fugitive Emissions Measurement Plan Pilot Deferral accounting order.

In the event that you have any questions on the above, please do not hesitate to contact me.

Sincerely,

Richard Wathy
Technical Manager, Regulatory Applications

cc.: D. Stevens (Aird & Berlis)
EB-2024-0125 Intervenors

SETTLEMENT PROPOSAL

Enbridge Gas Inc.

2023 Earnings Sharing and Deferral and Variance Account Clearances

October 10, 2024

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PREAMBLE

This Settlement Proposal is filed with the Ontario Energy Board (referred to herein as the OEB) in connection with the application of Enbridge Gas Inc. (referred to herein as Enbridge Gas or the Company) for an Order or Orders approving the clearance or disposition of amounts recorded in certain Deferral or Variance Accounts. For the most part, the Deferral and Variance Accounts relate to 2023, which was the fifth year following the amalgamation of Enbridge Gas Distribution Inc. (EGD) and Union Gas Limited (Union). Most of the accounts continue to relate to the legacy rate zones; therefore, the accounts for each legacy rate zone have been considered and addressed separately in Enbridge Gas's Application and this Settlement Proposal. There are also several accounts that relate to Enbridge Gas (the amalgamated utility).

Enbridge Gas filed its Application and supporting evidence on May 31, 2024. On June 27, 2024, the OEB issued its Notice of Hearing in this proceeding.

In Procedural Order No. 1, dated July 22, 2024, the OEB established the process to address the application, up to and including a Settlement Conference.

A Settlement Conference was held on September 16, 17 and 18, 2024. A settlement in principle was reached at the Settlement Conference and discussions continued after that time for the purposes of recording the settlement in this Settlement Proposal. Michelle Dagnino acted as facilitator for the Settlement Conference. This Settlement Proposal arises from the Settlement Conference.

Enbridge Gas and the following intervenors, as well as Ontario Energy Board technical staff (OEB Staff), participated in the Settlement Conference:

- Canadian Manufacturers & Exporters (CME)
- City of Kitchener (Kitchener)
- Consumers Council of Canada (CCC)
- Energy Probe Research Foundation (EP)
- Environmental Defence (ED)
- Federation of Rental-Housing Providers of Ontario (FRPO)
- Minogi Corp. (Minogi)
- Ontario Greenhouse Vegetable Growers (OGVG)
- Pollution Probe (PP)
- School Energy Coalition (SEC)
- Six Nations Natural Gas Company Limited (SNNG)

All intervenors listed above participated in the Settlement Conference and subsequent discussions. In this Settlement Proposal, the above-listed intervenors and Enbridge Gas are referred to as "the parties".

The following items from Enbridge Gas's Application and prefiled evidence were addressed by the parties during the Settlement Conference and in the discussions following the Settlement Conference:

1. The proposed balances for recovery/refund in the following Deferral and Variance Accounts for Enbridge Gas (amalgamated utility):
 - (a) Earnings Sharing Mechanism Deferral Account (179-382)
 - (b) Accounting Policy Changes Deferral Account (APCDA)
 - (c) Tax Variance Deferral Account (TVDA)
 - (d) Integrated Resource Planning Operating Costs Deferral Account
 - (e) Getting Ontario Connected Act Variance Account (GOCAVA)
2. The proposed balances for recovery/refund in each of the following Deferral and Variance Accounts for the EGD Rate Zone:
 - (a) Storage and Transportation Deferral Account (2023 S&TDA)
 - (b) Transactional Services Deferral Account (2023 TSDA)
 - (c) Unaccounted for Gas Variance Account (2023 UAFVA)
 - (d) Average Use True-Up Variance Account (2023 AUTUVA)
 - (e) Deferred Rebate Account (2023 DRA)
 - (f) OEB Cost Assessment Variance Account (2023 OEBCAVA)
 - (g) Incremental Capital Module Deferral Account - EGD (2020-2023 ICMDA)
 - (h) RNG Injection Service Deferral Account (2022-2023 RNGISVA)
3. The proposed balances for recovery/refund in each of the following Deferral and Variance Accounts for the Union Rate Zones:
 - (a) Upstream Transportation Optimization Account (179-131)
 - (b) Unabsorbed Demand Costs (UDC) Variance Account (179-108)
 - (c) Base Service North T-Service TransCanada Capacity Account (179-153)
 - (d) Short-Term Storage and Other Balancing Services Account (179-70)
 - (e) Normalized Average Consumption Account (179-133)
 - (f) Deferral Clearing Variance Account (179-132)
 - (g) OEB Cost Assessment Variance Account (179-151)
 - (h) Parkway West Project Costs Account (179-136)
 - (i) Brantford-Kirkwall/Parkway D Project Costs Account (179-137)
 - (j) Lobo C Compressor/Hamilton-Milton Pipeline Project Costs Account (179-142)
 - (k) Lobo D/Bright C/Dawn H Compressor Project Costs Account (179-144)
 - (l) Burlington/Oakville Project Costs Account (179-149)
 - (m) Panhandle Reinforcement Project Costs Account (179-156)
 - (n) Unauthorized Overrun Non-Compliance Account (179-143)
 - (o) Incremental Capital Module Deferral Account - Union (2019-2023) (179-159)

- (p) Pension and OPEB Forecast Accrual vs Actual Cash Payment Differential Variance Account (179-157)
 - (q) Unaccounted for Gas (UFG) Volume Variance Account (179-135)
 - (r) Unaccounted for Gas (UFG) Price Variance Account (179-141)
4. The proposed method for allocating and disposing of the proposed balances in the Deferral and Variance Accounts.
 5. The proposal for the Fugitive Emissions Measurement Plan.
 6. The Indigenous Working Group (IWG) proposed 2025 budget for capacity funding.

The parties have reached complete agreement on all these items.

Collectively, the items discussed during the Settlement Conference are referred to as the “Settled Items” in this Settlement Proposal.

All intervenors listed above participated in the Settlement Conference and subsequent discussions. OEB Staff are not a party to the Settlement Proposal. Although not a party to the Settlement Proposal, once the Settlement Proposal is filed, OEB Staff will file a submission commenting on two aspects of the settlement: whether the settlement represents an acceptable outcome from a public interest perspective, and whether the accompanying explanation and rationale is adequate to support the settlement. Also, as noted in the Practice Direction on Settlement Conferences, OEB Staff who participated in the Settlement Conference are bound by the same confidentiality and privilege rules that apply to the parties to the proceeding.

This document is called a “Settlement Proposal” because it is a proposal by the parties to the OEB to settle the issues in this proceeding. It is termed a proposal as between the parties and the OEB. However, as between the parties, and subject only to the OEB’s approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and is binding and enforceable in accordance with its terms.

As set forth below, this Settlement Proposal is subject to a condition subsequent, that if it is not accepted by the OEB in its entirety, then unless amended by the parties it is null and void and of no further effect. In entering into this agreement, the parties understand and agree that, pursuant to the *Ontario Energy Board Act, 1998*, the OEB has exclusive jurisdiction with respect to the interpretation or enforcement of the terms hereof.

Enbridge Gas and all intervenors listed above have agreed to the settlement of the Settled Items as described on the following pages. Any reference to “parties” in this Settlement Proposal is intended to refer to Enbridge Gas and the intervenors listed above. The description of each Settled Item assumes that all parties participated in the negotiation of the item, unless specifically noted otherwise.

Best efforts have been made to identify all of the evidence that relates to each Settled Item. The supporting evidence for each settled issue is identified individually by reference to its exhibit number in an abbreviated format; for example, Exhibit B, Tab 1, Schedule 1 is referred to as B-1-1. The identification and listing of the evidence that relates to each Settled Item is provided to assist the OEB.

The Settlement Proposal describes the agreements reached on the Settled Items. The Settlement Proposal provides a direct link between each Settled Item and the supporting evidence in the record to date and/or the additional evidence attached hereto. In this regard, the parties are of the view that the evidence provided is sufficient to support the Settlement Proposal in relation to the Settled Items and, moreover, that the quality and detail of the supporting evidence, together with the corresponding rationale, will allow the OEB to make findings agreeing with the proposed resolution of the Settled Items.

None of the parties can withdraw from the Settlement Proposal except in accordance with Rule 30 of the *Ontario Energy Board Rules of Practice and Procedure*. Further, unless stated otherwise, a settlement of any particular issue in this proceeding is without prejudice to the positions parties might take with respect to the same issue in future proceedings, whether during the term of Enbridge Gas's current deferred rebasing term, or thereafter.

The parties acknowledge that all data, documents or information provided and any discussions, including negotiations, admissions, concessions, offers and counter-offers occurring during the course of the Settlement Conference (settlement information), including subsequent related discussions, are privileged and confidential and without prejudice in accordance with (and subject to the exceptions set out in) the OEB's *Practice Direction on Settlement Conferences* (see pages 4-5 of the OEB's *Practice Direction on Settlement Conferences*, as revised February 17, 2021).

It is fundamental to the agreement of the parties that none of the provisions of this Settlement Proposal are severable. If the OEB does not accept the provisions of the Settlement Proposal in their entirety, there is no Settlement Proposal (unless the parties agree that any portion of the Settlement Proposal that the OEB does accept may continue as a valid Settlement Proposal).

OVERVIEW

The list of Deferral and Variance Accounts and amounts recorded for disposition for which Enbridge Gas has requested approval is set out in the prefiled evidence at Exhibit C, Tab 1, Schedule 1.

The prefiled evidence (including the interrogatory responses) provides details for each of the Deferral and Variance Account balances that Enbridge Gas seeks to have cleared for the EGD and Union Rate Zones, and for Enbridge Gas (amalgamated utility). Enbridge Gas's prefiled evidence also details its Earnings Sharing Mechanism (ESM) calculations. There is no balance recorded in the Earnings Sharing Mechanism Deferral Account (ESMDA), because Enbridge Gas reported earnings for 2023 that were less than 150 basis points above the OEB-approved ROE.

Through the Settlement Conference process, all parties have agreed that it is appropriate for Enbridge Gas to clear the as-filed balances from the Deferral and Variance Accounts requested for clearance set out in the prefiled evidence, with one change and one qualification.

- Parties have agreed that Enbridge Gas will reduce the balance in the Getting Ontario Connected Act Variance Account from \$31.9 million to \$25 million.
- The clearance of the 2023 EGD and Union rate zone accounts associated with unaccounted-for gas (UFG) is agreed on an interim basis.

Parties have also agreed on the Company's proposal for a 2025 fugitive emissions investigation plan. This agreement includes a number of additional commitments related to reporting, Indigenous stakeholder involvement and potential additional future scope. It also includes agreement to the establishment of a 2025 Fugitive Emissions Measurement Plan Deferral Account.

Finally, parties have agreed on the 2025 budget for the Indigenous Working Group.

Details of the settlement on each of the Settled Issues are set out in the Issues section.

All parties have agreed that it is appropriate that the balances in the relevant accounts addressed in this Settlement Proposal be cleared in conjunction with Enbridge Gas's January 1, 2025 QRAM proceeding.

Appendix A to this Settlement Proposal sets out the list of Deferral and Variance Accounts and amounts recorded for disposition agreed upon in this Settlement Proposal. It is an update of Exhibit C, Tab 1, Schedule 1, to reflect the change to the Getting Ontario Connected Act Variance Account, as well as the updated interest amounts.

Along with this Settlement Proposal, Enbridge Gas is filing a Draft Rate Order for the clearance of the agreed balances in the 2023 Deferral Accounts, with interest, to be effected starting January 1, 2025. Also being filed is a Draft Accounting Order for the agreed 2025 Fugitive Emissions Measurement Plan Pilot Deferral Account.

THE ISSUES

1. Are the proposed balances for recovery / refund recorded in the relevant Deferral and Variance Accounts related to Enbridge Gas Inc. appropriate?

In its prefiled evidence (Exhibit B and Exhibit C, Tab 1, Schedule 1), Enbridge Gas provided information about a number of Deferral and Variance Accounts related to the amalgamated utility – the Earnings Sharing Mechanism Deferral Account (ESMDA); the Accounting Policy Changes Deferral Account (APCDA); the Tax Variance Deferral Account (TVDA); the Integrated Resource Planning Operating Costs Deferral Account; and the Getting Ontario Connected Variance Account (GOCAVA).

There is no balance in the 2023 ESMDA, therefore no clearance is requested.

In the prefiled evidence, the Company requested clearance of the rest of these accounts.

Through the settlement process, the parties have discussed each of the accounts noted above and have agreed with Enbridge Gas's proposals, subject to a reduction in the balance for the GOCAVA, as set out below.

(a) Earnings Sharing Mechanism Deferral Account (179-382)

The Company's pre-filed evidence included the calculation of the 2023 earnings sharing amount for the amalgamated utility, indicating that Enbridge Gas was not in an earnings sharing position for 2023 as its achieved return on equity is below the threshold required for sharing. Therefore, no amount was recorded in the ESMDA.

For the purposes of settlement, the parties accept Enbridge Gas's as-filed 2023 earnings sharing calculation, and the determination that there was no 2023 amount for earnings sharing.

Evidence: The evidence in relation to this issue includes the following:

A-3	Overview and Approvals Requested
B-1	2023 Earnings Sharing Amount and Determination Process
B-1-1	Return on Rate Base & Equity and Earning Sharing Determination
B-1-2	Utility Income
B-1-3	Utility Income Tax
B-1-4	Utility Rate Base and Continuity Schedules
B-1-5	Capital Structure and Cost of Capital
B-1-6	Reconciliation of Audited Income to Corporate
B-2-1	Delivery Revenue by Service Type and Rate Class
B-2-2	Total Customers and Revenue by Service Type and Rate Class

B-2-3	Revenue from Regulated Storage and Transportation of Gas
B-2-4	Other Revenue
B-3-1	Operating and Maintenance Expense
B-3-2	Capital Expenditure
B-3-3	Summary of Capital Cost Allowance
C-1	Enbridge Gas Inc. Deferral and Variance Accounts
C-1-1	Deferral and Variance Actual and Forecast Balances
I.STAFF.1-2	Staff Interrogatories #1-2
I.CCC.1	CCC Interrogatory #1
I.ED.2	ED Interrogatory #2
I.EP.1-6	EP Interrogatories #1-6
I.FRPO.4-10	FRPO Interrogatories #4-10
I.PP.2	PP Interrogatory #2
I.SEC.1	SEC Interrogatory #1

(b) Accounting Policy Changes Deferral Account (APCDA) (179-120)

As explained in prefiled evidence, in the EB-2022-0200 Phase 1 Decision and Order dated December 21, 2023, the OEB approved the clearance of the balance in the APCDA, comprised of actual and forecast amounts. Within this application, Enbridge Gas is seeking final disposition of the remaining balance in the APCDA, reflecting the variance between the forecast balance approved in the EB-2022-0200 Phase 1 Decision and Order, and associated Interim Rate Order dated April 11, 2024, and the final actual balances calculated through December 31, 2023.

All parties agree to the clearance of the principal balance in the APCDA shown in Appendix A, along with applicable interest, to be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1	Enbridge Gas Inc. Deferral and Variance Accounts
C-1-1	Deferral and Variance Actual and Forecast Balances
C-1-2	Summary of Accounting Policy Changes Deferral Account
I.FRPO.11	FRPO Interrogatory #11
I.PP.4-5	PP Interrogatories #4-5
I.SEC.2	SEC Interrogatory #2

(c) Tax Variance Deferral Account (TVDA) (179-383)

As indicated in the prefiled evidence, the purpose of the TVDA is to record 50% of the revenue requirement impact of any tax rate changes, versus the tax rates included in rates that affect Enbridge Gas. In accordance with the OEB's July 25, 2019 letter titled "Accounting Direction Regarding Bill C-97 and Other Changes in Regulatory or Legislated Tax Rules for Capital Cost Allowance", the TVDA also includes 100% of the 2023 revenue requirement impact of changes in Capital Cost Allowance (CCA) that are not reflected in base rates.

All parties agree to the clearance of the principal balance in the TVDA shown in Appendix A, along with applicable interest, to be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1	Enbridge Gas Inc. Deferral and Variance Accounts
C-1-1	Deferral and Variance Actual and Forecast Balances
C-1-3	Calculation of Bill C-97 Accelerated CCA Impact on TVDA
F-1	Allocation and Disposition of 2023 Combined Deferral Account Balances

(d) Integrated Resource Planning (IRP) Operating Costs Deferral Account (179-385)

In prefiled evidence, Enbridge Gas provided details about this new account, which was approved in the EB-2020-0091 IRP Framework proceeding. The account records IRP general administrative costs, as well as incremental operating and maintenance costs and ongoing evaluation costs for approved IRP Plans.

All parties agree to the clearance of the principal balance in the IRP Operating Costs Deferral Account shown in Appendix A, along with applicable interest, to be cleared as set out under Issue 4, below.

As part of the resolution of this issue, the parties agree as follows:

- Enbridge Gas will include in any future IRP Deferral Account clearance requests, details on the outcomes and ratepayer benefits related to each category of costs proposed to be cleared. This will include metrics on the percent of Asset Management Plan (AMP) projects that have been screened for IRP, the percentage of projects that have passed the screen that have been assessed, and the average length of time for Enbridge Gas to screen and assess projects.¹
- Enbridge Gas did not file an IRP application for the East Kingston IRP as the cost was below the \$2 million threshold. While the parties agree to the disposition of amounts in the IRP Operating Costs Deferral Account related to the East Kingston IRP Project, such agreement is without prejudice to any party's position in future applications regarding appropriateness of any IRP projects or its costs.

¹ In the 2024 IRP Deferral Account evidence (to be filed in around June 2025), Enbridge Gas will provide the average time for those projects that have been both screened and assessed between the months of January 1st 2025 – April 30th 2025 (4 month period). Projects that had a screening that started before January 1, 2025 will not be included in the 2024 deferral filed in 2025, as their time to-date has not been tracked. The first full year of tracking will be in the 2025 IRP Deferral Account evidence filed in 2026.

Evidence: The evidence in relation to this issue includes the following:

C-1	Enbridge Gas Inc. Deferral and Variance Accounts
C-1-1	Deferral and Variance Actual and Forecast Balances
F-1	Allocation and Disposition of 2023 Combined Deferral Account Balances
I.STAFF.3	Staff Interrogatory #3
I.CCC.2	CCC Interrogatory #2
I.FRPO.12-13	FRPO Interrogatories #12-13
I.PP-3, 6-10	PP Interrogatories #3 and 6-10

(e) Getting Ontario Connected Act Variance Account (GOCAVA)

In prefiled evidence, Enbridge Gas provided details about this new account, which was approved by the OEB in EB-2023-0143. The purpose of the GOCAVA is to track incremental pipeline locate costs resulting from the enactment of Bill 93 on April 14, 2022. Bill 93 included amendments to the Ontario *Underground Notification System Act, 2012* and the *Building Broadband Faster Act, 2021*. The GOCAVA is intended to continue for each year of the current IR term (2024 to 2028).

Enbridge Gas requested clearance of a principal balance of the 2023 GOCAVA totaling \$31.903 million plus interest.

For the purposes of reaching an overall settlement of clearance of all requested deferral and variance accounts, the parties have agreed that it is appropriate for Enbridge Gas to reduce the principal balance in the 2023 GOCAVA to \$25 million.

All parties agree to the clearance of the principal balance of \$25 million in the 2023 GOCAVA shown in Appendix A, along with applicable interest, to be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1	Enbridge Gas Inc. Deferral and Variance Accounts
C-1-1	Deferral and Variance Actual and Forecast Balances
F-1	Allocation and Disposition of 2023 Combined Deferral Account Balances
I.STAFF.3	Staff Interrogatory #4
I.CCC.3, 5	CCC Interrogatories #3 and 5
I.EP.7-11	EP Interrogatories #7-11
I.FRPO.16	FRPO Interrogatory #16
I.OGVG.2	OGVG Interrogatory #2
I.SEC.3	SEC Interrogatory #3

2. Are the proposed balances for recovery / refund recorded in the following EGD Rate Zone Deferral and Variance Accounts appropriate?

The Deferral and Variance Accounts for the EGD Rate Zone for which Enbridge Gas seeks clearance are set out in Exhibit C, Tab 1, Schedule 1. A copy of that document (with updates to reflect this Settlement Proposal) is attached as Appendix A to this Settlement Proposal.

The parties have agreed to the clearance of the EGD Rate Zone Deferral and Variance Account balances, and interest amounts (which reflect the OEB's latest prescribed interest rates), listed in Columns 1 to 3 of Appendix A. The EGD Rate Zone accounts included in Appendix A are listed below.

- (a) Storage and Transportation Deferral Account (2023 S&TDA)
- (b) Transactional Services Deferral Account (2023 TSDA)
- (c) Unaccounted for Gas Variance Account (2023 UAFVA)
- (d) Average Use True-Up Variance Account (2023 AUTUVA)
- (e) Deferred Rebate Account (2023 DRA)
- (f) OEB Cost Assessment Variance Account (2022 OEBCAVA)
- (g) Incremental Capital Module Deferral Account - EGD (2020-2023 ICM DA)
- (h) RNG Injection Service Deferral Account (2022-2023 RNGISVA)

Details of the agreements in relation to each of the relevant accounts are set out in the following sub-issues.

Evidence: The evidence in relation to this issue includes the following:

A-3	Overview and Approvals Requested
C-1-1	Deferral and Variance Actual and Forecast Balances
D-1	Deferral & Variance Accounts Requested for Clearance – EGD Rate Zone

(a) Storage and Transportation Deferral Account (2023 S&TDA)

All parties agree that the principal balance in the 2023 S&TDA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
D-1	Deferral & Variance Accounts Requested for Clearance – EGD Rate Zone
D-1-1	Breakdown of the Storage and Transportation Deferral Account
D-1-5	Storage RFP Letter
D-1-6	Storage RFP Summary (Redacted)
I.STAFF.5	Staff Interrogatory #5
I.FRPO.1	FRPO Interrogatory #1
I.FRPO.1.1	FRPO Confidential Interrogatory #1.1
(CONFIDENTIAL)	

(b) Transactional Services Deferral Account (2023 TSDA)

All parties agree that the principal balance in the 2023 TSDA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
D-1	Deferral & Variance Accounts Requested for Clearance – EGD Rate Zone
D-1-2	Breakdown of the Transactional Services Revenue by Type of Transaction
I.STAFF.6	Staff Interrogatory #6
I.FRPO.2	FRPO Interrogatory #2

(c) Unaccounted for Gas Variance Account (2023 UAFVA)

All parties agree that the principal balance in the 2023 UAFVA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

All parties agree that the clearance of this account balance is on an interim basis until further evidence describing the Company's investigations related to fugitive emissions is provided in the 2024 Deferral Account Clearance application, as described in more detail at Item 5 below.

All parties confirm that the clearance of the 2021 and 2022 UAFVA accounts, which had been approved as interim clearances, should now be treated as final clearances.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
D-1	Deferral & Variance Accounts Requested for Clearance – EGD Rate Zone
D-1-3	2023 UAFVA
I.STAFF.7	Staff Interrogatory #7
I.CCC.4	CCC Interrogatory #4
I.ED.1, 4-7	ED Interrogatories #1, 4-7
I.FRPO.18-31	FRPO Interrogatories #18-31
I.MINOGI. 2, 4-7, 12	Minogi Interrogatories #2, 4-7, 12

(d) Average Use True-Up Variance Account (2023 AUTUVA)

All parties agree that the principal balance in the 2023 AUTUVA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
D-1	Deferral & Variance Accounts Requested for Clearance – EGD Rate Zone
D-1-4	Breakdown of the Average Use True-Up Variance Account

(e) Deferred Rebate Account (2023 DRA)

All parties agree that the principal balance in the 2023 DRA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
D-1	Deferral & Variance Accounts Requested for Clearance – EGD Rate Zone

(f) OEB Cost Assessment Variance Account (2023 OEBCAVA)

All parties agree that the principal balance in the 2023 OEBCAVA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
D-1	Deferral & Variance Accounts Requested for Clearance – EGD Rate Zone

(g) Incremental Capital Module Deferral Account - EGD (2020-2023 ICMDA)

All parties agree that the principal balance in the 2020-2023 ICMDA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
D-1	Deferral & Variance Accounts Requested for Clearance – EGD Rate Zone
I.STAFF.9	Staff Interrogatory #9

(h) RNG Injection Service Deferral Account (2022-2023 RNGISVA)

All parties agree that the principal balance in the 2022-2023 RNGISVA, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
D-1	Deferral & Variance Accounts Requested for Clearance – EGD Rate Zone
I.STAFF.10	Staff Interrogatory #10

3. Are the proposed balances for recovery / refund recorded in the following Union Rate Zones Deferral and Variance Accounts appropriate?

The Deferral and Variance Accounts for the Union Rate Zones for which Enbridge Gas seeks clearance are set out in Exhibit C, Tab 1, Schedule 1. A copy of that document (with updates to reflect this Settlement Proposal) is attached as Appendix A to this Settlement Proposal.

The parties have agreed to the clearance of the Union Gas Rate Zones Deferral and Variance Account balances, and interest amounts (which reflect the OEB's latest prescribed interest rates), listed in Columns 1 to 3 of Appendix A. The Union Rate Zones accounts included in Appendix A are listed below.

- (a) Upstream Transportation Optimization Account (179-131)
- (b) Unabsorbed Demand Costs (UDC) Variance Account (179-108)
- (c) Base Service North T-Service TransCanada Capacity Account (179-153)
- (d) Short-Term Storage and Other Balancing Services Account (179-70)
- (e) Normalized Average Consumption Account (179-133)
- (f) Deferral Clearing Variance Account (179-132)
- (g) OEB Cost Assessment Variance Account (179-151)
- (h) Parkway West Project Costs Account (179-136)
- (i) Brantford-Kirkwall/Parkway D Project Costs Account (179-137)
- (j) Lobo C Compressor/Hamilton-Milton Pipeline Project Costs Account (179-142)
- (k) Lobo D/Bright C/Dawn H Compressor Project Costs Account (179-144)
- (l) Burlington/Oakville Project Costs Account (179-149)
- (m) Panhandle Reinforcement Project Costs Account (179-156)
- (n) Unauthorized Overrun Non-Compliance Account (179-143)
- (o) Incremental Capital Module Deferral Account - Union (2019-2023) (179-159)
- (p) Pension and OPEB Forecast Accrual vs Actual Cash Payment Differential Variance Account (179-157)
- (q) Unaccounted for Gas (UFG) Volume Variance Account (179-135)
- (r) Unaccounted for Gas (UFG) Price Variance Account (179-141)

Evidence: The evidence in relation to this issue includes the following:

A-3	Overview and Approvals Requested
C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones

(a) Upstream Transportation Optimization Account (179-131)

All parties agree that the principal balance in the Upstream Transportation Optimization Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance – Union Rate Zones
E-1-1	Breakdown of Upstream Transportation Optimization Deferral Account
I.FRPO.3	FRPO Interrogatory #3

(b) Unabsorbed Demand Costs (UDC) Variance Account (179-108)

All parties agree that the principal balance in the UDC Variance Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance – Union Rate Zones
I.STAFF.11	Staff Interrogatory #11

(c) Base Service North T-Service TransCanada Capacity Account (179-153)

All parties agree that the principal balance in the Base Service North T-Service TransCanada Capacity Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance – Union Rate Zones

(d) Short-Term Storage and Other Balancing Services Account (179-70)

All parties agree that the principal balance in the Short-Term Storage and Other Balancing Services Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance – Union Rate Zones
E-1-2	Breakdown of Short-Term Storage Deferral Account
E-1-3	Summary of Non-Utility Storage Balances
E-1-4	Allocation of Short-Term Peak Storage Revenues between Utility/Non-Utility
I.FRPO.35	FRPO Interrogatory #35
I.KITCHENER.1	Kitchener Interrogatory #1

(e) Normalized Average Consumption Account (179-133)

All parties agree that the principal balance in the Normalized Average Consumption Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones
E-1-5	Breakdown of Balances by Rate Class in the NAC Deferral Account
I.FRPO.36	FRPO Interrogatory #36

(f) Deferral Clearing Variance Account (179-132)

All parties agree that the principal balance in the Deferral Clearing Variance Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones

(g) OEB Cost Assessment Variance Account (179-151)

All parties agree that the principal balance in the OEB Cost Assessment Variance Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones

(h) Parkway West Project Costs Deferral Account (179-136)

All parties agree that the principal balance in the Parkway West Project Costs Deferral Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones

(i) Brantford-Kirkwall/Parkway D Project Costs Account (179-137)

All parties agree that the principal balance in the Brantford-Kirkwall/Parkway D Project Costs Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones

(j) Lobo C Compressor/Hamilton-Milton Pipeline Project Costs Account (179-142)

All parties agree that the principal balance in the Lobo C Compressor/Hamilton-Milton Pipeline Project Costs Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones

(k) Lobo D/Bright C/Dawn H Compressor Project Costs Account (179-144)

All parties agree that the principal balance in the Lobo D/Bright C/Dawn H Compressor Project Costs Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones
E-1-6	Calculation of Allocation of Short-Term Transportation Revenues to the Lobo D/Bright C/Dawn H Compressor Project Cost Deferral Account

(l) Burlington/Oakville Project Costs Account (179-149)

All parties agree that the principal balance in the Burlington/Oakville Project Costs Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones

(m) Panhandle Reinforcement Project Costs Account (179-156)

All parties agree that the principal balance in the Panhandle Reinforcement Project Costs Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones

(n) Unauthorized Overrun Non-Compliance Account (179-143)

All parties agree that the principal balance in the Unauthorized Overrun Non-Compliance Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones

(o) Incremental Capital Module Deferral Account – Union Rate Zones (2019-2023) (179-159)

All parties agree that the interest balance in the Incremental Capital Module Deferral Account - Union (2019-2023), which is shown in Appendix A, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones
I.STAFF.14	Staff Interrogatory #14

(p) Pension and OPEB Forecast Accrual vs Actual Cash Payment Differential Variance Account (179-157)

All parties agree that the interest balance in the Pension and OPEB Forecast Accrual vs Actual Cash Payment Differential Variance Account, which is shown in Appendix A, will be cleared as set out under Issue 4, below.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones

(q) Unaccounted for Gas (UFG) Volume Variance Account (179-135)

There is no balance in the 2023 UFG Volume Variance Account, and parties agree that there is no requirement for any clearance of the account.

All parties agree that this treatment is on an interim basis until further evidence describing the Company's investigations related to fugitive emissions is provided in the 2024 Deferral Account Clearance application, as described in more detail at Item 5 below.

All parties confirm that the clearance of the 2021 and 2022 UFG Volume Variance Account accounts, which had been approved as interim clearances, should now be treated as final clearances.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance– Union Rate Zones
I.STAFF.12	Staff Interrogatory #12
I.ED.1, 4-7	ED Interrogatories #1, 4-7
I.FRPO.18-31	FRPO Interrogatories #18-31
I.MINOGI. 2, 4-7, 12	Minogi Interrogatories #2, 4-7, 12

(r) Unaccounted for Gas (UFG) Price Variance Account (179-141)

All parties agree that the principal balance in the 2023 UFG Price Variance Account, which is shown in Appendix A, along with applicable interest, will be cleared as set out under Issue 4, below.

All parties agree that the clearance of this account balance is on an interim basis until further evidence describing the Company's investigations related to fugitive emissions is provided in the 2024 Deferral Account Clearance application, as described in more detail at Item 5 below.

All parties confirm that the clearance of the 2021 and 2022 UFG Price Variance Account accounts, which had been approved as interim clearances, should now be treated as final clearances.

Evidence: The evidence in relation to this issue includes the following:

C-1-1	Deferral and Variance Actual and Forecast Balances
E-1	Deferral & Variance Accounts Requested for Clearance— Union Rate Zones
I.STAFF.13	Staff Interrogatory #13

4. Is the timing and proposed method for allocating and disposing of the Deferral and Variance Accounts appropriate?

All parties agree that the principal balances in Enbridge Gas's Deferral and Variance Accounts for Enbridge Gas and for the EGD Rate Zone and the Union Rate Zones, along with applicable interest, as set out in columns 1 to 3 of Appendix A to this Settlement Proposal, will be recovered or refunded to customers as a one-time billing adjustment in the month of January 2025, in conjunction with Enbridge Gas's January 1, 2025 QRAM Application.

All parties accept the proposed method for allocating and disposing of the account balances, as described in Exhibit F of the prefiled evidence (subject to the updates that will be reflected in the Draft Rate Order to reflect the adjustment to the balance of the 2023 GOCAVA, as described herein).

Evidence: The evidence in relation to this issue includes the following:

A-3	Overview and Approvals Required
C-1-1	Deferral and Variance Actual and Forecast Balances
F-1	Allocation and Disposition of Deferral and Variance Account Balances
F-1-1	Split of EGI Account Balances to Rate Zones
F-2-1	EGD – Unit Rate and Type of Service
F-2-2	EGD – Balances to be Cleared
F-2-3	EGD – Classification and Allocation of Deferral Account Balances
F-2-4	EGD – Allocation by Type of Service
F-2-5	EGD – Unit Rate by Type of Service
F-2-6	EGD – Bill Adjustment for Typical Customers
F-3-1	Union – Unit Rate and Type of Service
F-3-2	Union – Balances to be Cleared
F-3-3	Union – Classification and Allocation of Deferral Variance Account Balances
F-3-4	Union – Unit Rates for Disposition
F-3-5	Union – Bill Adjustment for Typical Customer
I.CCC.5	CCC Interrogatory #5
I.OGVG.1	OGVG Interrogatory #1

5. Is the proposal for the Fugitive Emissions Measurement Plan appropriate?

In the EB-2022-0200 Phase 1 Settlement Agreement, the Company agreed to:

...investigate and determine an appropriate way to accurately measure fugitive emissions, including consideration of top-down measurements (i.e., by aircraft, satellite, and/or towers), with the goals of: (a) confirming the volume of fugitive emissions, (b) determining if recent UFG increases could be due to fugitive emissions, and (c) attempting to locate specific fugitive sources that can be mitigated. This would include all kinds of assets (transmission, rural & urban distribution, and storage). Enbridge Gas will file a robust investigation plan for consideration and determination in the 2023 deferral and variance account proceeding, which filing shall include justification of the planned approach including, without limitation, whether it will include aerial (i.e., top-down) investigation.

In the evidence in this proceeding, Enbridge Gas describes its plans, timing and budget for the Fugitive Emissions Measurement Plan that it has developed with support from its consultant Highwood Emissions Management Inc.

Parties agree with Enbridge Gas's proposal, timing and budget for the Fugitive Emissions Measurement Plan, subject to the following additional items related to fugitive emissions that Enbridge Gas will address.

Enbridge Gas will add the following items to its 2025 Fugitive Emissions Measurement Plan project:

- Enbridge Gas will develop a plan to run a pilot to explore the use of top-down emissions measurements (e.g. from towers, aerial, or satellite data) in one or two Ontario cities to test the accuracy of bottom-up emission estimates, including the disaggregation of methane sources. The plan, including forecast costs and potential benefits and barriers, will be filed in the next proceeding in which Enbridge Gas seeks to clear a UFG account.
- Enbridge Gas shall develop a plan to reduce gas lost to the atmosphere during operational maintenance and capital projects (e.g. with blowdown recovery units) and, to the extent that is reasonably feasible, begin to implement that plan during 2025. Enbridge Gas will file that plan and a report on its efforts in the next proceeding in which Enbridge Gas seeks to clear a UFG account. The plan need not include capital expenditures that cannot be accommodated within Enbridge Gas's capital envelope, and any determination about incremental recovery of future additional capital costs can be made in the proceeding where the plan is filed.

Enbridge Gas will add the following additional reporting items:

- Enbridge Gas will publicly report on an annual basis, either in its Sustainability Report or an equivalent publication, on the cost to ratepayers resulting from fugitive emissions (including but not limited to fugitive emissions relating to blowdowns, flaring and venting).
- Enbridge Gas will publish, on an annual basis as part of its deferral account clearance proceeding, its available data on fugitive emissions in its Ontario network in a form that provides, based in best available data, an accurate account of the volumes of fugitive emissions taking place, as well as fugitive emissions “hot spots” within an approximate 25 km radius based on best available data, and to publish its related mitigation plans (as applicable) to address the point sources that are published.
- In the next proceeding in which Enbridge Gas seeks to clear a UFG account, it shall include reporting on its Fugitive Emissions Measurement Project and its efforts to reduce blowdowns. This reporting shall assess those efforts quantitatively, including costs and benefits of work undertaken, and qualitatively and describe next steps.
- Enbridge Gas shall meet its Leak Operating Standard and ensure that leaks are classified when they are discovered or as soon thereafter as possible. In the next proceeding in which Enbridge Gas seeks to clear a UFG account, Enbridge Gas shall report on the number of leaks that have not been classified, the number of leaks that have not been repaired within the timelines in the Leak Operating Standard, and the estimated volumes of gas lost via each of those types of leaks.

As part of the overall settlement, Enbridge Gas confirms that it is making the following commitments to Indigenous stakeholders related to fugitive emissions:

- Enbridge Gas will provide reasonable notice to relevant First Nation(s) in relation to all fugitive emission monitoring visits and other fugitive emission monitoring activities that take place on First Nation(s) reserves, as well as the opportunity to access the results of the fugitive emission monitoring activities that are available and relate to fugitive emission monitoring on First Nations reserves.
- With respect to fugitive emission monitoring activities on First Nation reserves, Enbridge Gas will work with the Indigenous Working Group (IWG) to discuss reasonable education, capacity funding, training and employment opportunities.
- Enbridge Gas will work with its experts retained to assist with the Fugitive Emissions Measurement Plan project (Highwood Emissions Management and/or Element Resources and/or potentially another similar expert) to have one of the experts provide the as part of its 2025 Deferral Account Clearance application (expected in May 2026), unless Enbridge Gas has already at an earlier date made the following

items publicly available through its broader reporting at the end of the 2025 Fugitive Emissions Measurement Plan project:

- Reporting on what metrics, as a matter of best industry practice, Enbridge Gas should be using to report on fugitive emissions but is not currently.
- A comparison of Enbridge Gas's performance in relation to fugitive emissions as against other relevant utilities in the energy sector in other jurisdictions.

As part of its evidence, Enbridge Gas requested the approval of a new deferral account to record and recover the incremental costs associated with the Fugitive Emissions Measurement Plan pilot project. Parties have agreed with Enbridge Gas's request, with a modification. Parties agree to a time-limited 2025 Fugitive Emissions Measurement Plan Pilot Deferral Account (FEMPPDA) which would be capped at the proposed budget of \$2.6M. Enbridge Gas will be permitted to record and recover incremental costs incurred in 2025 related to the planning and implementation of the pilot program, up to a maximum of \$2.6M between November 1, 2024 and December 31, 2025. Parties agree that the agreement to a time-limited 2025 FEMPPDA is without prejudice to Enbridge Gas's right to request the approval of a similar future account where fugitive emissions work continues that is not funded by rates but that continues in future years.

Evidence: The evidence in relation to this issue includes the following:

A-3	Overview and Approvals Required
D-1	Deferral & Variance Accounts Requested for Clearance – EGD Rate Zone
H-1-2	Indigenous Working Group Report
I.STAFF.8	Staff Interrogatory #8
I.CCC.4	CCC Interrogatory #4
I.ED.8 -21	ED Interrogatories #8 -21
I.EP.12	EP Interrogatory #12
I.FRPO.17, 32-34	FRPO Interrogatories #17, 32-34
I.MINOGI.1, 3, 8-11	Minogi Interrogatories #1, 3, 8-11
I.PP.11-12	PP Interrogatories #11-12
I.SEC.4-6	SEC Interrogatories #4-6

6. Is the proposed 2024 budget for the Indigenous Working Group (IWG) appropriate?

In the EB-2022-0200 Phase 1 Settlement Agreement, parties agreed that capacity funding would be provided for the newly established IWG and that a budget for the following year's capacity funding would be presented in each deferral account proceeding. The parties further agreed that Enbridge Gas could record the capacity funding costs in the IWG Deferral Account for later recovery.

Within the IWG Report for 2024, information was provided about the estimated budget for capacity funding for the IWG for the calendar year 2025 of \$800,000.

For the purposes of an overall settlement, all parties accept this 2025 estimated budget.

Evidence: The evidence in relation to this issue includes the following:

A-3	Overview and Approvals Required
H-1-2	Indigenous Working Group Report
I.STAFF.16	Staff Interrogatory #16
I.CCC.6-7	CCC Interrogatories #6-7

APPENDIX A – UPDATED BALANCES OF DEFERRAL AND VARIANCE ACCOUNTS

ENBRIDGE GAS DEFERRAL & VARIANCE ACCOUNT ACTUAL & FORECAST BALANCES							
			Col. 1	Col. 2	Col. 3	Col.4	
			Forecast for clearance at January 1, 2025				
Line No.	Account Description	Account Acronym	Principal (\$000's)	Interest (\$000's)	Total (\$000's)	Reference to Evidence	
<u>EGD Rate Zone Commodity Related Accounts</u>							
1.	Storage and Transportation D/A	2023 S&TDA	18,705.8	1,508.3	20,214.1	D-1, Page 2	
2.	Transactional Services D/A	2023 TSDA	(41,738.1)	(2,147.4)	(43,885.5)	D-1, Page 4	
3.	Unaccounted for Gas V/A	2023 UAFVA	(6,922.7)	(242.7)	(7,165.4)	D-1, Page 6	
4.	Total Commodity Related Accounts		(29,955.0)	(881.8)	(30,836.8)		
<u>EGD Rate Zone Non Commodity Related Accounts</u>							
5.	Average Use True-Up V/A	2023 AUTUVA	14,307.1	736.1	15,043.2	D-1, Page 10	
6.	Gas Distribution Access Rule Impact D/A	2023 GDARIDA	-	-	-	D-1, Page 23	
7.	Deferred Rebate Account	2023 DRA	2,132.7	179.8	2,312.5	D-1, Page 12	
8.	Transition Impact of Accounting Changes D/A	2023 TIACDA	-	-	-	D-1, Page 1	
9.	Electric Program Earnings Sharing D/A	2023 EPESDA	-	-	-	D-1, Page 23	
10.	Open Bill Revenue V/A	2023 OBRVA	-	-	-	D-1, Page 23	
11.	Ex-Franchise Third Party Billing Services D/A	2023 EXFTPBSDA	-	-	-	D-1, Page 23	
12.	OEB Cost Assessment V/A	2023 OEBCAVA	3,732.8	289.3	4,022.1	D-1, Page 13	
13.	Dawn Access Costs D/A	2023 DACDA	-	-	-	D-1, Page 16	
14.	Incremental Capital Module D/A - EGD	2020-2023 ICMDA	(4,909.0)	(215.4)	(5,124.4)	C-1, Page 1	
15.	RNG Injection Service V/A	2022-2023 RNGISVA	(331.5)	(27.5)	(359.0)	D-1, Page 23	
16.	Pension and OPEB Forecast Accrual vs. Actual Cash Payment Differential V/A 2023 P&OPEBFAVACPDVA		-	-	-	D-1, Page 23	
17.	Total EGD Rate Zone (for clearance)		(15,022.9)	80.3	(14,942.6)		
<u>Union Rate Zones Gas Supply Accounts</u>		<u>OEB Account</u>					
18.	Upstream Transportation Optimization	179-131	2023	8,087.2	416.1	8,503.3	E-1, Page 6
19.	Spot Gas Variance Account	179-107	2023	-	-	-	E-1, Page 58
20.	Unabsorbed Demand Costs Variance Account	179-108	2023	41.5	37.8	79.3	E-1, Page 1
21.	Base Service North T-Service TransCanada Capacity	179-153	2023	79.0	5.3	84.3	E-1, Page 52
22.	Total Gas Supply Accounts			8,207.7	459.1	8,666.8	
<u>Union Rate Zones Storage Accounts</u>							
23.	Short-Term Storage and Other Balancing Services	179-70	2023	1,637.5	84.2	1,721.7	E-1, Page 8
<u>Union Rate Zones Other Accounts</u>							
24.	Normalized Average Consumption	179-133	2023	(3,650.8)	(188.7)	(3,839.5)	E-1, Page 13
25.	Deferral Clearing Variance Account	179-132	2023	3,372.3	202.9	3,575.2	E-1, Page 21
26.	OEB Cost Assessment Variance Account	179-151	2023	1,630.3	125.4	1,755.7	E-1, Page 49
27.	Unbundled Services Unauthorized Storage Overrun	179-103	2023	-	-	-	E-1, Page 58
28.	Gas Distribution Access Rule Costs	179-112	2023	-	-	-	E-1, Page 58
29.	Conservation Demand Management	179-123	2023	-	-	-	E-1, Page 58
30.	Parkway West Project Costs	179-136	2023	(696.4)	(46.4)	(742.8)	E-1, Page 25
31.	Brantford-Kirkwall/Parkway D Project Costs	179-137	2022	(3.1)	(0.3)	(3.4)	E-1, Page 29
32.	Lobo C Compressor/Hamilton-Milton Pipeline Project Costs	179-142	2023	267.8	9.3	277.1	E-1, Page 41
33.	Lobo D/Bright C/Dawn H Compressor Project Costs	179-144	2023	66.0	(39.7)	26.3	E-1, Page 44
34.	Burlington-Oakville Project Costs	179-149	2023	(43.3)	(3.0)	(46.3)	E-1, Page 47
35.	Panhandle Reinforcement Project Costs	179-156	2023	(1,884.1)	(139.3)	(2,023.4)	E-1, Page 53
36.	Sudbury Replacement Project	179-162	2023	-	-	-	E-1, Page 58
37.	Parkway Obligation Rate Variance	179-138	2023	-	-	-	E-1, Page 58
38.	Unauthorized Overrun Non-Compliance Account	179-143	2023	(45.5)	(4.1)	(49.6)	E-1, Page 58
39.	Incremental Capital Module D/A - UGL	179-159	2019-2023	(383.7)	(502.8)	(886.5)	C-1, Page 1
40.	Pension and OPEB Forecast Accrual vs. Actual Cash Payment Differential V/A	179-157	2023	-	(6,207.7)	(6,207.7)	E-1, Page 56
41.	Unaccounted for Gas Volume Variance Account	179-135	2023	-	-	-	E-1, Page 31
42.	Unaccounted for Gas Price Variance Account	179-141	2023	(629.1)	(130.2)	(759.3)	E-1, Page 38
43.	Total Other Accounts			(1,999.6)	(6,924.5)	(8,924.1)	
44.	Total Union Rate Zones (for clearance)			7,845.6	(6,381.2)	1,464.4	
<u>EGI Accounts</u>							
45.	Earnings Sharing D/A	179-382	2023	-	-	-	C-1, Page 1
46.	Tax Variance - Accelerated CCA - EGI	179-383	2023	(28,483.3)	(2,616.7)	(31,100.0)	C-1, Page 12
47.	IRP Operating Costs Deferral Account	179-385	2023	3,081.2	247.9	3,329.1	C-1, Page 15
48.	IRP Capital Costs Deferral Account	179-386	2023	-	-	-	C-1, Page 1
49.	Green Button Initiative D/A	179-387	2023	-	-	-	
50.	Cloud Computing Implementation Costs D/A	179-332	2023	-	-	-	
51.	Getting Ontario Connected V/A	179-324	2023	25,000.0	1,286.3	26,286.3	
52.	Expansion of Natural Gas Distribution Systems V/A	179-380	2023	-	-	-	C-1, Page 1
53.	Accounting Policy Changes D/A - Other - EGI	179-381	2019-2023	5,511.3	35.1	5,546.4	C-1, Page 2
54.	Impacts Arising from the COVID-19 Emergency D/A - EGI	179-384	2020-2021	-	-	-	C-1, Page 1
55.	Total EGI Accounts (for clearance)			5,109.2	(1,047.4)	4,061.8	
56.	Total Deferral and Variance Accounts (for clearance)			(2,068.1)	(7,348.3)	(9,416.4)	

ENBRIDGE GAS INC.

**Accounting Entries for
2025 Fugitive Emissions Measurement Plan Pilot Deferral Account (FEMPPDA)
Account No. 179-342**

The purpose of the account is to record the incremental costs associated with the planning and implementation of the 2025 Fugitive Emissions Investigation Plan pilot up to a maximum of \$2.6 million incurred between November 1, 2024 and December 31, 2025. Incremental costs are related to the implementation of the pilot program, including measurement technologies, configuration of IT systems, incremental staffing, consulting support and other miscellaneous costs, including training, conferences, and memberships associated with methane measurement technologies and methodologies.

Simple interest is to be calculated on the opening monthly balance of this account using the OEB-approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the OEB in a future rate application.

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act, 1998.

Debit - Account No.179-342
 Fugitive Emissions Measurement Plan Pilot Deferral Account

Credit - Account No. 728
 General Expense

To record, as a debit/(credit) in the account, costs related to the technology pilot, configuration of IT systems, incremental staffing, consulting support and other miscellaneous costs, including training, conferences, and memberships associated with methane measurement technologies and methodologies.

Debit - Account No.179-342
 Fugitive Emissions Measurement Plan Pilot Deferral Account

Credit - Account No. 323
 Other Interest Expense

To record, as a debit/(credit) in the account, interest expense on the opening monthly balance.