



**Vanessa Innis**  
Director  
Strategic Regulatory Applications –  
Rebasing  
Regulatory Affairs

tel 416-495-5499  
EGIRegulatoryProceedings@enbridge.com

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

November 18, 2024

**VIA RESS AND EMAIL**

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

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. (Enbridge Gas, or the Company)**  
**EB-2024-0111 – 2024 Rebasing & IRM**  
**Response to OEB Staff Comments on Draft Rate Order**

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Enbridge Gas filed Phase 2 of its 2024 Rates Application on April 26, 2024. In this Application, Enbridge Gas requested approval of an incentive rate-setting mechanism (IRM) for the years from 2025 to 2028 and updated 2024 rates effective January 1, 2024. On June 12, 2024, Enbridge Gas filed further evidence regarding Enbridge Sustain.

On November 4, 2024, Enbridge Gas filed a (Partial) Settlement Proposal and Draft Rate Order on Phase 2 of the 2024 Rates Application, including a proposed Rate Handbook, reflecting the Settlement Proposal. Enbridge Gas received comments from OEB staff on November 14, 2024. Procedural Order No. 8 directed Enbridge Gas to file any reply by November 18, 2024.

**Response to Comments on Draft Rate Order**

On November 14, 2024, OEB staff filed comments on the Draft Rate Order. The comments did not raise fundamental concerns but included a discussion on the number of decimal places for the inflation rates. OEB staff states that only one decimal place should be used for years after 2025 (OEB staff does not object to using two decimal places for 2025, since the Draft Rate Order is already submitted for 2025).

No other party provided any comments.

This letter provides Enbridge Gas's response to OEB staff's comments.

Enbridge Gas confirms that the inflation factor of 3.61% was used to derive 2025 rates and agrees with OEB staff to continue to use this number for 2025. However, Enbridge Gas believes that two decimal places should be used throughout the IRM to align the rounding of the inflation factor with the stretch factor (0.28%) which is shown to 2 decimal points. Parties agreed to the stretch factor of (0.28%) as part of the Phase 2

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Settlement Proposal. Consistency would see an inflation factor using 2 decimal places applied when the X-factor is determined (that is, both the "I" and the "X" should use two decimal places).

Should you have any questions, please let us know.

Sincerely,

Vanessa Innis  
Director, Strategic Regulatory Applications – Rebasing