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**Enbridge Gas Inc.**  
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50 Keil Drive North  
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November 21, 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 and IRM – Settlement Presentation**  
**Undertaking Response**

Enbridge Gas presented the Phase 2 Settlement Proposal on November 18, 2024, in accordance with PO. 8. Enclosed please find the undertaking response to Exhibit JS1.1.

Should you have any questions, please let us know.

Sincerely,

*Vanessa Innis*

Vanessa Innis  
Director, Strategic Applications – Rate Rebasing

ENBRIDGE GAS INC.

Answer to Undertaking from  
Commissioner Duff

Undertaking:

Tr: 85

To prepare and file a list of outstanding issues following Phase II for consideration during Phase III.

Response:

Below Enbridge Gas has provided a best-efforts tracking list of all Issues, Directives and Commitments that remain or have been added, for Phase 3 consideration grouped into three categories. The first category is the outstanding issues from Phase 1 Decision on Issues List and PO. 2, dated January 27, 2023; the second category is directives from the Phase 1 Decision dated December 21, 2023, and the Interim Rate Order Decision dated April 11, 2024; and the third category is the commitments Enbridge Gas made in the Phase 2 Settlement Proposal, filed November 4, 2024. Enbridge Gas has shared this list with other Parties for review. Parties generally agree that the list represents items to be considered in Phase 3 but wish to highlight that the list does not represent any actual or final issues list that would apply to Phase 3. Any such issues list would be created as part of the Phase 3 proceeding.

Phase 3 Issues identified January 2023

The following are issues that were included in the Phase 1 Issues List that were deferred to Phase 3 as part of the OEB-approved Settlement Proposal for Phase 1.

A. Operating Expenses (Exhibit 4)

- 1) In relation to the 2024 Test Year gas cost forecast,
  - a) Is the proposal for a common reference price methodology to set gas costs appropriate?

B. Cost Allocation (Exhibit 7)

- 2) Is the 2024 Cost Allocation Study including the methodologies and judgements used and the proposed application of that study to the current and harmonized rate class design, appropriate?

C. Rate Design (Exhibit 8)

- 3) Is the proposed design of harmonized rate classes appropriate, including:
  - a) Rate design for the general service rate classes.
  - b) Rate design for the in-franchise contract rate classes.
  - c) Rate design for the ex-franchise rate classes.
- 4) Are the proposed harmonized rates and related charges, based on the 2024 Test Year Cost Allocation Study, just and reasonable?
- 5) Is the proposed rate design proposal for the gas supply commodity charge and gas supply transportation charges appropriate?
- 6) Is the proposal to harmonize the Parkway Delivery Obligation (PDO) Framework, and the recovery of costs, appropriate?
- 7) Is the proposed implementation and mitigation plan for harmonized rate classes appropriate?
- 8) Are the proposed changes to services and related charges, and the terms and conditions, applicable post 2024 appropriate?

D. Deferral & Variance Accounts (Exhibit 9)

- 9) Is the proposal for harmonization of certain existing deferral and variance accounts appropriate?
- 10) Is the proposal to establish new deferral and variance accounts appropriate?

Phase 3 Directives from Phase 1 Decisions

The following are items that were included within the Phase 1 Decision and Interim Rate Order Decision as items for Enbridge Gas and/or the OEB to address in Phase 3.

- 1) Enbridge Gas is required to provide an update on the AMI pilot project in Phase 3 of this proceeding.

- 2) Enbridge Gas is required to provide a report on the steps that it has taken to achieve the capital reduction set out in the Phase 1 Decision, as part of its evidence filing for Phase 3 of this proceeding.
- 3) It may be appropriate to reassess the need for a Volume Variance Account in Phase 3 of this proceeding.

#### Phase 3 Commitments from Phase 2 Settlement Proposal

The following are items included in the Phase 2 Settlement Proposal as items or commitments to be addressed in Phase 3.

- 1) Enbridge Gas will file a report in Phase 3 setting out its response to and compliance with the OEB's directions related to IRP.
- 2) Enbridge Gas will file updated energy comparison marketing materials in Phase 3 of the 2024 rates proceeding, or in a subsequent proceeding if not complete at that time.
- 3) Updates to gas supply costs in rates will be addressed in Phase 3.