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Enbridge Gas Inc.
3840 Rhodes Drive
Windsor, ON N9A 6N7
Canada

May 29, 2025

VIA EMAIL and RESS

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, Ontario, M4P 1E4

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. ("Enbridge Gas")
Ontario Energy Board ("OEB") File No.: EB-2022-0156
Selwyn Community Expansion Project ("Project")**

On September 21, 2023, the OEB issued its Decision and Order for the above noted proceeding which included, as Schedule A, several Conditions of Approval.

Per Condition 6 of the Conditions of Approval, Enbridge Gas shall file a Post Construction Financial Report concurrent with the final monitoring report referred to in Condition 7(b). Please find enclosed a copy of the Post Construction Financial Report for the Project. Please also note the final monitoring report for the Project has been filed with the OEB on this date under a separate cover.

Please contact me if you have any questions.

Yours truly,

Evan Tomek

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POST CONSTRUCTION FINANCIAL REPORT

Selwyn Community Expansion

EB-2022-0156

May 29, 2025

In compliance with the Ontario Energy Board (“OEB”) Order EB-2022-0156 and Condition 6, the following is a report on project cost, schedule and scope compared to the estimates filed in the proceeding.

The project actual cost as of April 30, 2025 was \$3,897,424 or 13% lower than estimated. The following explains any significant variances.

Item No.	Description	Project Estimate (\$)	Actual Cost (\$)	Variance (\$)	Variance (%)
1	Material	152,786	188,065	35,279	23%
2	Labour and Construction	3,105,253	2,518,615	(586,638)	-19%
3	Outside Services	560,325	909,178	348,853	62%
4	Land, Permits, Approvals and Consultations	146,913	114,933	(31,980)	-22%
5	Direct Overheads	41,724	122,521	80,797	194%
6	Contingency	383,730	0	(383,730)	-100%
7	Sub-Total	4,390,731	3,853,312	(537,419)	-12%
8	Interest During Construction	111,694	44,112	(67,582)	-61%
9	Total Project Cost	4,502,425	3,897,424	(605,001)	-13%
10	NGEP Funding	(1,674,964)	(1,674,964)		
11	Net Project Cost	2,827,461	2,222,460	(605,001)	-21%

Item No.	Description	Variance Explanation
1	Material	Material costs were higher than estimated due to an increase in the number of couplings installed and increases to the cost per meter of pipe.
2	Labour and Construction Costs	Pipeline labour and construction costs were lower than estimated primarily due to more favourable ground conditions and less rock encountered than anticipated. The use of electrofusion couplings resulted in construction efficiencies and less hours worked by the construction contractor.
3	Outside Services	At the time of the LTC application, vibration monitoring and soil sampling requirements were not yet defined. Additional costs were incurred for vibration monitoring during construction activities, and

		<p>for soil sampling, testing and reporting. Actual cost of vibration monitoring and soil sampling was higher than anticipated by approximately \$50K.</p> <p>Further, at the time of the LTC application, all environmental mitigations had not been defined. Additional costs were incurred for survey and staking services to implement various environmental mitigations including staking out turtle habitat to avoid working in the area during the applicable timing window. Actual cost of staking was higher than anticipated by approximately \$20K.</p> <p>As a result of Enbridge Gas's decision to stop construction in December 2023 due to the OEB's review of Environmental Defence's Amended Notice of Motion (EB-2023-0190), more inspection was required during construction than anticipated to maintain stability of the site during winter months and inspect remaining sediment controls. Additionally, when construction was shut down in December 2023 and as a result customer services could not be installed, Enbridge Gas personnel went to the project area to visit each residence and business to individually explain the circumstances. This significant door-to-door activity was not anticipated when the LTC application was prepared. Actual cost of customer engagement activities was higher than anticipated by approximately \$70K.</p> <p>The 10-year forecast anticipated 15 services in Year 1, where approximately 42 services were actually installed, thereby increasing upfront service costs.</p>
4	Land, Permits, Approvals and Consultations	<p>Permits and approvals were lower than estimated as a result of fewer permits being required, and lower permit fees.</p> <p>Additionally, costs to prepare permit applications, liaise with landowners, execute land agreements and all title searching was included under Direct Overheads.</p>
5	Direct Overheads	<p>Higher costs than estimated for Direct Overheads are attributed to personnel costs to support pre-work activities, the regulatory proceeding, design and documentation. In addition, see the variance explanation for Item No. 4 for actual costs included as Direct Overheads that were estimated under Land, Permits, Approvals and Consultations.</p>
6	Contingency	No contingency for the Project was utilized.

At the time of the LTC application, Enbridge Gas forecasted the attachment of 87 customers from Year 1 to 10 (EB-2022-0156, Exhibit B, Tab 1, Schedule 1, Table 2). At this time, 51 services have been installed

to date, leaving 36 forecasted customers remaining to attach by December 2033. Assuming the full 10-year forecast is realized, the remaining service installations are projected to increase the project variance. Service installations costs vary depending on service length, size, material, and ground conditions, and it is therefore difficult to forecast the variance at this time. The extra length charge collected from customers will offset some costs but as described above, the impact is unknown at this time.