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September 17, 2025

Ritchie Murray
Acting Registrar
Ontario Energy Board
P.O. Box 2319
26th Floor
2300 Yonge Street
Toronto, ON
M4P 1E4

DELIVERED BY EMAIL

Dear Mr. Ritchie,

RE: EB-2025-0163 Enbridge Gas Inc. Application-2026 Rate Application

Please find enclosed the interrogatories filed on behalf of the Ontario Greenhouse Vegetable Growers in the above noted proceeding.

If any further information is required, please do not hesitate to contact the undersigned.

Yours very truly,



Michael R. Buonaguro
Encl.

Enbridge Gas Inc.

EB-2025-0163 Application-2026 Rate Application

OGVG INTERROGATORIES

September 17, 2025

OGVG-1

REFERENCE: Exhibit B Tab 1 Schedule 1 Page 9 of 16

Enbridge Gas is requesting Z-factor treatment in relation to the impact of removing the embedded credit related to the consumer Federal Carbon Charge (\$184.8 million) from the working cash allowance component of approved rate base. The credit reflected in rate base equates to a \$13.6 million revenue requirement reduction embedded in rates effective as of Jan 1, 2024. In 2026, the actual working cash needs, and resultant rate base of Enbridge Gas are increased as the working cash benefit related to the consumer Federal Carbon charge is no longer being realized as of April 1, 2025. The higher rate base will drive higher financing charges and resultant revenue requirement to be incurred by the Company. Without Z-factor treatment, this would put more pressure on Enbridge Gas to meet its allowed ROE, as a result of a government policy change which was beyond its control.

As such, Enbridge Gas requests that this Z-factor request be approved and effected through a base rate adjustment in 2026, since this is the first full year subsequent to the elimination of the Federal Carbon Charge and the resultant reduction in credit in Enbridge Gas' working capital. The base rate adjustment reflects the 2024 revenue requirement escalated for one full year through 2025. Refer to Exhibit C, Tab 1, Rate Order, Working Papers, Schedule 12 for the calculation of the proportional impact of the Z-factor that will be used to escalate base rates.

- a) please confirm that EGI is not seeking relief related to the elimination of the Federal Carbon Charge for the 2025 rate year. If not confirmed, please explain how the impact of the elimination of the Federal Carbon Charge in 2025 is proposed to be recovered by EGI.
- b) Please confirm that the base rate adjustment for 2026 that EGI is proposing in relation to the elimination of the Federal Carbon Charges is \$14.024M, to be added to the approved 2025 revenue prior to applying IRM adjustments to produce 2026 rates.
- c) Please explain how EGI has managed the elimination of the Federal Carbon Charge in 2025 without a base rate adjustment, including an estimate of the cost of managing the impact on EGI's working capital needs.

OGVG-2

REFERENCE: Exhibit B, Tab 1, Schedule 1, Page 14 of 16

Enbridge Gas is proposing to correct the PREP unit rates for Rate 331, Rate 332, Rate M16, and Rate M17 as part of 2026 Rates. The approved PREP unit rates for these ex-franchise rate classes do not reflect the correct billing units which has resulted in an overstatement of the unit rates. The error impacts five customers that currently take service under these rate classes, and the total impact is projected at less than \$700,000. Any overcollection of PREP amounts would be trued up through the Panhandle Regional Expansion Project Variance Account, but considering the error in the unit rate and that the variance account isn't expected to be brought forward for disposition until 2029 Rebasings, Enbridge Gas is requesting that the corrected PREP unit rates be approved effective January 1, 2025. Enbridge Gas will rebill the impacted customers to refund the overcollection in a more timely manner.

- a) Please detail the nature of the error that was made in the original calculation of the PREP unit rates for Rate 331, Rate 332, Rate M16, and Rate M17. In providing the explanation, please provide excel versions of the proposed new rates as shown in Exhibit C, Tab 1, Rate Order, Working Papers, Schedule 15, Page 2 of 2 in this application and EB-2024-0111, Rate Order, Working Papers, Schedule 13, Page 2 of 2, which appear to be identical to each other except for the Rate 331, Rate 332, Rate M16 and Rate 17 rates in column e).
- b) Does EGI normally reconcile over/under-collection of rider revenue for ICM projects on a rate class by rate class basis? Please explain using an example of a previously approved ICM rider revenue reconciliation, if available.