

**REF: Exhibit B, Tab 1, Schedule 5 and
EB-2024-0111 Exhibit N, Tab 1, Schedule 1, Pages 25-26 Item 12**

Preamble: We would like to understand better the implementation of the referenced settlement agreement pertaining to storage.

- 1) Please provide the capital continuity reporting related to storage for the utility and non-utility starting with 2023 and including 2024 and 2025.
 - a) Please show the specific application of approved allocation methodology and the resulting impacts in these reports including 2025 additions.

REF: Exhibit B, Tab 2, Schedule 1, Pages 2-3

Preamble: We would like to better understand the derivation of the normalized amounts by rate class presented in the above reference.

- 2) Please provide the Tables in the referenced pages in Excel format
 - a) Please describe and show the derivation of the normalized amounts in a working Excel spreadsheet for the General Service rates classes.
 - i) Please ensure the derivation includes with determination base normalized amounts used for ratemaking
 - ii) the normal and actual HDD's used
 - iii) the steps to providing the normalized throughputs shown on page 3 and
 - iv) the determination of the revenue adjustments resulting from the normalization process

REF: Exhibit B, Tab 2, Schedules 2-3

Preamble: We would like to understand better the changes in revenue from 2024 to 2025 associated with certain revenue categories.

- 3) Please explain the drivers of the revenue increase for rate 332.
- 4) Please provide an explanation of all categories included in line 8 Other Operating Revenue.
 - a) Using those categories, please explain the reduction in revenue for this line item.
- 5) Please provide specifics on adjustment in line 13 and the specific drivers for the \$8.8M and its variance from 2024.

REF: Exhibit B, Tab 3, Schedule 1

Preamble: Table 1, Line 4 shows an increase of \$17M in Professional and Regulatory Services. We would like to understand this increase better.

- 6) For each of the outside organizations who provided these services, please provide:
- a) The scope of work
 - b) The RFP used to engage these services
 - c) The initial agreement for the work to be undertaken including the pricing
 - d) The change orders approved to any scope changes
 - e) The invoicing by the provider

REF: Exhibit B, Tab 3, Schedule 2

Preamble: We would like to understand better the major drivers of the variances provided in Table 2

Preamble: EGI evidence states: *Distribution Stations capital increased by \$32.7 million in 2025 compared to 2024, primarily reflecting the inclusion of projects that had been deferred due to the 2024 Rebasing Phase 1 capital reduction. The variance is primarily attributable to increased investment in the Stations with Auxiliary Equipment Replacement Program \$18.1 million and the Distribution System Station Replacement Program \$7.1 million. These increases reflect actions taken to address station security, resilience and operability risks, including the installation of auto-transfer generators at high-importance stations following a weather event.*

- 7) Please provide more detail on the drivers, actions and expected benefits of station investments referred to in this evidence.

Preamble: EGI evidence states: *TIS capital increased by \$34.3 million in 2025 compared to 2024, primarily reflecting the execution of asset class strategies focused on addressing technology obsolescence, maintaining cyber security, and sustaining supported platforms. The largest contributor to the increase is continued investment in the Application Technology Obsolescence Program \$25.3 million, including the ongoing Contract Market Modernization \$21.1million. Additional increases reflect the Core Infrastructure and Security Renewal Program \$4.4 million, Field Device Renewal Program \$3.1 million.*

- 8) For each of the three large drivers identified in the above preamble, please describe the project and why the increased expenditures were increased in 2025.

Preamble: EGI evidence states: *This decrease was offset by increased spending in Class Location Program \$8.5 million which was previously deferred, \$4.7 million for land required for noise mitigation and to support safe operations, and Integrity \$6.0 million to execute planned condition and risk-based activities.*

- 9) For each program identified in the Preamble, please describe the program, the reason for increasing the amount in 2025.
- a) Specifically for the Integrity expenditure, please describe fully how it is differentiated from DIMP and EDIMP while providing reasoning for the increase expenditure in 2025.

Preamble: EGI evidence states: *The reduction is largely attributable to lower Meter Purchases (\$12.5 million) resulting from fewer new customer additions and reduced spending in the Meter Exchange Government Inspection (MXGI) Program (\$12.6 million). These reductions reflect volume-driven demand effects and planned inventory management, rather than changes in Utilization strategy or service standards.*

- 10) Please describe and provide numerical values for quantities or unit cost reductions for both programs.
- a) Please describe any changes to Measurement Canada's criteria for meter testing and replacement or other reasons for the change driving the reduction.

Preamble: EGI evidence states: *The decrease in this asset class in 2025 is primarily due to directly attributing costs to associated projects, partially offset by cost increases as part of the Lakeside renegotiated contract.*

- 11) Please quantify the increases as part of the Lakeside renegotiation contract.
- a) Please confirm that they are a wholly owned company of Enbridge
- b) Please describe the metrics Enbridge used to determine the appropriateness of agreeing to the increase.

Preamble: EGI evidence states: *Other spend decreased by (\$15.7 million) in 2025 compared to 2024. This is primarily driven by Watford (Twin Creeks) RNG pipeline project substantial completion in 2024 and reduced capital requirements in 2025 resulting in a (\$16.1 million) decrease.*

- 12) For the Watford (Twin Creeks) RNG pipeline project, who paid for the project and, how any aid-to-construction has been included in this evidence?

**REF: Exhibit C, Tab 2, Schedule 3, Page 2, Table 1 and
EB-2024-0125 Exhibit D, Tab 1**

Preamble: In the second reference, EGI provided steps taken that lead to a significant reduction in UFG for 2023. With the recent two years escalation in UFG, we would like to understand better how those initiatives outlined in that Deferral Disposition proceeding evidence are continuing and reducing UFG.

- 13) For each initiative cited in the 2023 Deferral Disposition evidence:
 - a) Which initiatives have been continued
 - b) What results has EGI seen
 - c) What enhancements have been developed in those initiatives
- 14) Please provide a description of any additional UFG mitigating initiatives that EGI has undertaken in the last couple years and quantify the estimated impact on the volumes allocated to UFG.

REF: Exhibit C, Tab 2, Schedule 6, Page 2

Preamble: We would like to understand more about the operational notice issued in 2025 regarding a pressure restriction on the NPS 26 Trafalgar pipeline.

- 15) Please file the Operational Notice issued in 2025.
 - a) Please describe the underlying reasons for the pressure restriction.
 - b) Please identify and describe the mitigating and/or rehabilitation steps EGI has undertaken to restore the previous pressure capability.
 - i) If none have been taken, please explain why.

REF: Exhibit C, Tab 2, Schedule 18

Preamble: We would like to understand better the determination of Average Use

- 16) Please provide a description and Excel spreadsheet(s) showing the determination of the 2025 Forecasted Average Use and the 2025 Actual Average Use.
 - a) Does EGI perform any audits or tests to determine if its customer numbers are correct and the determinations are rigorous.

REF: Exhibit C, Tab 2, Schedule 14, Page 10

Preamble: EGI evidence states: *The Corrosion Survey work category included above-ground surveys such as Cathodic Protection (CP) system surveys and non-intrusive pipeline assessments (NIPA).*

- 17) What elements of the components of this work would qualify the work as EDIMP versus traditional Operational and Maintenance due diligence of a natural gas utility?
- a) Please define these components and their output that distinguishes them as EDIMP qualified.

REF: Exhibit D, Tab 1, Schedule 1, Page 4 including Table 2

Preamble: The above referenced table presents a comparison of MBS and Alternatives. We would like to understand how these numbers were derived.

- 18) For each of the line items in the table, please provide:
- a) A description of the determination process including all assumptions and reference to input parameters that are drawn from the market, if any.
- b) A working Excel spreadsheet that provides the determination of the resulting annualized cost.

Preamble: EGI evidence states: *The forecast storage requirement for the 2025/26 gas year using the aggregate excess methodology was 3 PJ lower than the storage requirement that informed the Company's 2024 Rebasing forecast (215 PJ vs. 218 PJ, respectively). The storage requirement was forecast to increase by 3 PJ for the 2027/28 gas year (to 218 PJ again).*

- 19) For each of the two load balancing needs identified, please provide:
- a) a description of the determination methodology including all assumptions
- b) a working Excel spreadsheet that shows the determination

REF: Exhibit E, Tab 1, Schedule 1, Pages 3-4 including Table 1

Preamble: We would like to understand better the forecasting, allocating for rate setting and the subsequent actual paths that were not used for supply and the contribution to allocations.

- 20) For each of the respective Union Rate zones in Table 1, please provide:
- a) The paths that were forecasted to be used for UDC
- b) The rates used for incorporation in rates
- c) The monthly periods forecasted to be unutilized for supply.
- 21) For each of the respective Union Rate zones in Table 1, please provide:
- a) The actual paths that were not used for a period during 2025
- b) The month(s) or shorter periods if applicable during which the path was not used for gas supply.
- c) The actual rate associated with that path when unutilized for gas supply

- d) The reconciliation methodology and specific determination of the UDC allocated to each respective rate zone. Please provide the determination in an Excel spreadsheet.

REF: Exhibit E, Tab 1, Schedule 2, Page 3 including Table 1

Preamble: With the evolution of utility storage upon integration, we would like to understand better the services provided by the utility vs. non-utility.

- 22) For each line item in Table 1, please provide:
 - a) the Actual revenue from 2020 to 2025.
 - b) a description of the feasibility of the services provided by the utility storage
 - c) how market-based requests for services are handled between the utility and the non-utility storage resources
- 23) For each of the costs identified in lines 7-10, please provide:
 - a) the amount of compensation provided by the non-utility storage
 - b) How each of those costs are determined

REF: Exhibit G, Tab 4, Schedule 1

Preamble: We would like to understand better the EDIMP program and the associated ratepayer benefits.

- 24) Please provide the working definition used by EGI to differentiate DIMP-related work and EDIMP-related work.
 - a) In addition, please clarify how DIMP-related work is differentiated from historic Operating and Maintenance practices of the legacy utilities.
- 25) For the pipelines named in Table 2, for each project, please provide each of the updates for those projects since 2021 from each updated version of AMP reports.
- 26) For each project listed on page 14 that underwent consultant desktop study, please provide the resulting consultant report including data, findings and recommendations.
 - a) Please provide the cost of consulting services associated with this work and confirm that the costs are in the EDIMP account.
- 27) For each of the five pipelines within the EDIMP portfolio, please provide:
 - a) the determination of the NPV's for the respective alternatives including all assumptions (e.g., how long will the pipe be maintained/extended) associated with the Asset Life Extension.
 - b) the respective QRA reports

- c) what EGI has learned about the opportunities for further Asset Life Extension for pipes that would be in the same class (condition, age, soil, etc.).

Preamble: For the Wilson Ave. pipeline, page 16 of the evidence refers to the incremental O&M being recorded in the Asset Life Extension (ALE) deferral account for later recovery.

- 28) Please provide the criteria to be used for that account that would define appropriate allocations to it.
a) Please provide the accounting order for ALE deferral account.

REF: Exhibit G, Tab 5, Schedule 1, Page 6

Preamble: EGI evidence states: *Peaking services often have low fixed demand costs, however, they can be extremely expensive in the event supply is called upon since their commodity costs are often tied to the price at market locations that trade at a significant premium to Dawn. Enbridge Gas prefers to limit peaking services to a maximum limit of 2% of design day demand for each delivery area.*

We would like to understand better the cost and utilization of peaking services.

- 29) For each of the last 5 years, for each of the Enbridge CDA, Enbridge EDA and Union EDA, please provide:
- a) The amount of daily demand contracted for through peaking services
 - i) How many days of call contracted for each winter
 - ii) The demand charge for each winter contracted
 - b) For each winter, please provide the days that EGI actually called for the supply
 - i) The commodity price that was paid for those days
 - c) For those specific days that EGI called on the peaking service, please provide:
 - i) A list of exchange or optimizations provided to third parties for deliveries to the specific delivery areas
 - ii) The revenue generated by each of those transactions

REF: Exhibit G, Tab 5, Schedule 1, Page 6

Preamble: EGI evidence states: *On an actual basis, load balancing requirements may be higher/lower than planned due to customer demand being above/below normal. Enbridge Gas manages unplanned load balancing requirements for all bundled in-franchise customers in the EGD rate zone. 13.*

As provided in Table 1, 2025 planned Dawn supply purchases for the EGD rate zone were 38.9 PJ,13 whereas actual Dawn supply purchases were 61.4 PJ.14

- 30) In an Excel spreadsheet, for each of the EGD CDA and EDA, please provide:
- a) the forecasted monthly Heat Degree Days (HDD)
 - b) the forecasted monthly consumption for each of system gas and Direct purchase
 - c) the forecasted monthly Dawn price
 - d) the actual monthly heating degree days
 - e) the actual monthly consumption for each of system gas and Direct purchase
 - f) the actual monthly Dawn price
- 31) For purchases made during the winter months of December to February, please provide a table showing the prices that would have been available if EGI had contracted for deliveries of gas for each of these months at Dawn 3, 6, 9, and 12 months prior to November 1st (i.e., For 2025 months of January and February, the price of gas available at Dawn for those months as of Nov. 1/23, Feb. 1/24, May 1/24 and Aug. 1/24).

REF: Exhibit G, Tab 5, Schedule 1, Page 7

Preamble: EGI evidence states: *The total cost associated with the Dawn supply purchases of 61.4 PJ was \$310.2 million.*

- 32) Please clarify how the “total cost” in the above preamble was determined.
- a) To the extent that it is different, please provide the unit cost of gas at:
 - i) WACOG
 - ii) Dawn reference price from QRAM.

REF: Exhibit G, Tab 5, Schedule 1, Page 8

Preamble: EGI evidence states: *Enbridge Gas did not make a base rate adjustment for the 2024 gas supply plan and any variances in gas costs have been recovered in gas supply deferral and variance accounts.*

- 33) For each month of 2025, in a table, please describe and quantify the variances that have been recovered while referencing the specific evidence in QRAM or other evidence.

REF: Exhibit G, Tab 5, Schedule 1, Pages 9-15**EB-2025-0155 Exhibit I.FRPO-22 and
EB-2017-0086, Exhibit G2, Tab 6, Sch. 2, p.1 and Exhibit G2, Tab 1, Sch. 1**

Preamble: In the first reference, EGI evidence states: *Forecast commodity purchase costs updated with the QRAM are used to derive gas supply charges each quarter based on the approved forecast volumes underpinning 2025 rates. Forecast commodity purchase costs include Dawn supply volumes of 2,649,848 10³m³ (102.1 PJ) and peaking supply volumes of 6,902 10³m³ (0.3 PJ) based on the gas supply plan in base rates.*¹⁹

For 2025, forecast Dawn supply purchase costs were classified between system commodity costs, transportation, and load balancing costs (split between peaking and seasonal).

In the second reference, EGI's reply to our questions in this area stated: *Under the current approved cost allocation study underpinning rates for the EGD rate zone, any price premium for gas supply purchased at other supply hubs over the Empress reference price is classified as transportation (i.e. deemed transportation costs) and, in the case of delivered supplies, also to load balancing as peaking and seasonal. In this classification, 71% is attributed as seasonal load balancing and 9% peak load balancing. The remaining 20% is deemed transportation.*

*The relevant cost model schedules (the classification of gas costs to commodity, annual transportation and load balancing charges) and the related written evidence can be found in the 2018 rates application.*⁴

⁴ EB-2017-0086, Exhibit G2, Tab 6, Sch. 2, p.1 and Exhibit G2, Tab 1, Sch. 1

In spite of these footnoted general references from the 2018 EGD rate setting, we are still trying to understand better, the allocation principles and their appropriateness to enhanced use of landed gas at Dawn as a substitute for storage.

34) From the first reference, please confirm that the classification between system commodity costs, transportation and load balancing is allocated using the same methodology as 2024.

- a) If not, please explain any variances in methodology.
 - i) If so, please provide an explanatory description of the footnoted references that clearly describes the methodology with reference to the original adoption of the approach (prior to the QRAM Generic Proceeding) that was approved by the Board including appropriate evidence that the Board relied upon.
- b) Does the price premium over the Empress price apply to delivered supplies?
 - i) If so, does the further 20% deemed transportation also apply?
 - ii) If not, why not?

- c) Please explain the source reference and the appropriateness of each of the classification figures of 71%, 9% and 20%.
 - d) For each month, in an Excel table, please provide the actual deliveries that applied the price premium and, assuming that they are distinct, all deliveries that applied the 20% to transportation.
 - i) Please layout the table showing the volumes, the price applied, the transportation allocation and the unit transportation cost applied for each month for each type of delivery.
- 35) In the first reference, EGI provides that forecast commodity purchases use forecast volumes underpinning 2025 rates.
- a) Please provide these monthly volumes and sourced reference for those volumes including the appropriate QRAM proceeding number.
 - b) Why are these volumes not shown in the derivation of Load Balancing Costs Variance in Appendix 3.
 - c) In Appendix 3, why are the prices used the monthly forecast price as opposed to the QRAM price for that month as was done in Table 2 in the primary evidentiary reference. Please explain fully.
- 36) Table 2 shows simple high-level determination of load balancing costs and we believe Appendix 3 shows the determination of load balancing variances that we trust support the deferral disposition proposal.
- a) Using the figures in Table 2 as a starting point, please show in an Excel table and describe the determination of the quarterly load balancing costs while including all dispositions that flowed through the PGVA account during the respective proceedings that impact the 2025 annual dispositions.
 - i) Please ensure all sources of data displayed is referenced to the evidentiary source.
- 37) In paragraph 25, EGI evidence states: *Commodity variance costs are allocated to sales service customers only per the approved QRAM methodology.*
- a) Using the PGVA dispositions during 2025 cited in Table 2, please describe and show how commodity price differences in actual Empress pricing (varying from forecast) are captured in the load balancing accounts and allocated to direct purchase customers.
 - i) If not allocated to direct purchase customers, please quantify the commodity price related variances for each month and describe where these costs are allocated.