

**REF: Exhibit E, Tab 1, Schedule 2, pg. 5 and
EB-2021-0281 Exhibit E, Tab 1, Schedule 2, pg. 5 and
EB-2022-0072 pg. 14**

Preamble: EGI Annual Gas Supply Update evidence provides:

As an example, in January 2022 the weather forecast became increasingly colder than normal throughout the month, finishing at 15% colder than normal. EGI entered the month with executed supply deliveries at Dawn for the EGD rate zone of 566 TJ/d of Dawn supply, however as cold weather materialized EGI continued to layer in supply purchases with varying delivery terms to reach a peak of over 1 PJ/d of Dawn supply to the EGD rate zone for some days in January as shown in Figure 5.

Further we have integrated the forecasted energy and purchase costs for the Union South Rate Zone from this application in the first reference with that of the previous application with the same reference:

		EB-2022-0089			EB-2021-0281		
	Purchase Cost	Energy (GJ)	Weighted Avg. / GJ		Purchase Cost	Energy (GJ)	Weighted Avg. / GJ
January	\$ 67,739	12,502,055	\$ 5.42		\$ 86,604	12,539,268	\$ 6.91
February	\$ 91,092	11,325,790	\$ 8.04		\$ 77,751	11,325,790	\$ 6.86
March	\$ 76,227	12,539,268	\$ 6.08		\$ 78,510	12,539,268	\$ 6.26

We understand that the numbers are forecasted but we note a considerable change in the forecast cost of winter purchases in this application from the previous. We would like to understand these cost changes and their effect on the rates and balances in this application.

- 1) Please confirm that the above table is correct and, if not, please provide a corrected table.
 - a) Please provide the amount of energy and purchase cost for incremental purchases made by EGI for the Union South rate zone by month (up to time of application).
 - b) Please describe how load balancing costs were removed for the Union South rate zone.
 - i) Please show the numeric calculations for the removal of load balancing costs by month for the winter period.
 - ii) To what account were the incremental load balancing costs transferred?
 - (1) When would EGI be seeking recovery of these costs?

- c) Please describe how load balancing costs are removed by EGI for the EGD rate zone.
 - i) Please show the numeric calculations for the removal of load balancing costs by month for the winter period.
 - ii) To what account were the incremental load balancing costs transferred?
 - (1) When would EGI be seeking recovery of these costs?
- d) Please highlight the differences between the two approaches?
 - i) Please provide a determination of the impact the impact on the PGVA balance for Union South if the EGD Rate Zone approach was implemented.

REF: SEE ATTACHMENT #1 EGI COMMUNICATION TO DP CUSTOMERS

Preamble: We would like to understand the impact that EGI's billing challenges had on incremental purchases.

- 2) Please describe how uncertainty in customer Direct Purchase Banked Gas Accounts balances were handled in regard to the need for incremental gas purchases to meet end of February targets.
 - a) Did EGI make additional incremental purchases to manage this uncertainty?
 - i) Please explain why or why not.
 - ii) If incremental purchases were made, where was the incremental cost allocated?
 - b) Did EGI choose to rely on the 6PJ of Union south system integrity storage space?
 - i) Please explain why or why not.

REF: Exhibit A, Tab 2, Schedule 2, Page 5

Preamble: EGI evidence provides: *The volatility in natural gas markets creates uncertainty in the timeframe for recovery of the remaining \$330 million of PGVA credits that would be necessary if Enbridge Gas continued with the mitigation approach from previous GRAM applications. In order to mitigate bill impacts and provide more certainty regarding the recovery timeline of PGVA credits, the Company proposes a mitigation plan that includes a 24-month disposition period for commodity balances within each rate zone's respective PGVA account balance.*

We would like to understand better EGI's approach in moving to a 24-month recovery.

- 3) Please describe the main drivers behind EGI's decision to propose to recover the PGVA over 24-months in this application versus the thinking underpinning a 12-month recovery in the previous application.

ATTACHMENT #1

From: [ONT UGL Authorizations](#)
Subject: Communication to Direct Purchase Market in the Union Gas Rate Zones Re: Billing Consumption Impact
Date: Friday, January 21, 2022 5:27:50 PM

We are reaching out to provide an update on billing issues you may have experienced since Enbridge Gas Inc.'s (EGI) integration of our customer account system for general service customers in July 2021. This may have impacted the direct purchase accounts you have or manage.

The following issues have been experienced for some customers which may have impacted the Banked Gas Account:

- Estimated meter reads spanning several months that may be higher than usual.
- End use accounts may not be receiving regular monthly bills resulting in unreported consumption for the same period

EGI's billing operations team have identified the root causes of the issue and have been working to address impacted accounts. The issue was due to data migration between the customer account systems resulting in delays in billing to a subset of customers. Each impacted account requires a detailed manual review to analyse and resolve, resulting in significant time required to address all impacted bills. Over the last several months, EGI has treated this issue with high priority and has dedicated additional resources to address it. It is our current expectation that the resolution of all known impacted accounts will be completed by the end of Q1, 2022.

We appreciate your patience as we complete this detailed review, and recognize it has taken longer than we initially expected. As a result, Enbridge will take this issue into consideration when evaluating requests for North and South balancing requirements directly impacted by this issue. Please let your Direct Purchase Customer Service Representative know if you are experiencing any issues and provide a list of your impacted accounts/contracts. The CSRs will assess each request to determine where additional flexibility can be accommodated.

If you have any questions about this communication, please contact authorizations@enbridge.com

Thank you.

Direct Purchase Contracting and Compliance