Ontario

Ontario Energy Board
Commission de l'énergie de l'Ontario

DECISION AND RATE ORDER

EB-2016-0215

ENBRIDGE GAS DISTRIBUTION INC.

Application for natural gas distribution, transmission and storage rates commencing January 1, 2017

BEFORE: Peter C.P. Thompson, QC
Presiding Member

Allison Duff
Member

December 08, 2016

1 INTRODUCTION AND PROCESS

The OEB delivered an oral decision on November 30, 2016 to establish 2017 rates for Enbridge Gas Distribution Inc. (Enbridge). This is a written decision to document the OEB's oral decision and issue the associated Rate Orders.

Enbridge is a natural gas distribution company, serving about 2.1 million residential, commercial and industrial customers in the Greater Toronto Area, the Niagara region, and the eastern Ontario region including Ottawa.

Enbridge filed an application on August 31, 2016 (updated October 4, 2016) with the Ontario Energy Board (OEB) pursuant to section 36 of the *Ontario Energy Board Act, 1998*, for an order or orders approving rates for 2017.

Enbridge's 2017 rate application was made under the terms of Enbridge's 2014 to 2018 Custom Incentive Regulation ratemaking framework (Custom IR) approved by the OEB. In the Custom IR proceeding, the OEB approved nine elements to be updated annually from 2015 to 2018. The list of the annual update elements is included in the evidence and each element is addressed in the application. The Custom IR framework also permitted a suite of deferral and variance accounts to be effective during the Custom IR.

In Procedural Order No. 1 dated October 25, 2016, the OEB accepted requests from parties for intervenor status and, where applicable, cost eligibility. The order established a process for filing and responding to interrogatories, and set dates for a Settlement Conference and an Oral Hearing. The order required parties to advise the OEB prior to the hearing date whether any matters remained in dispute.

Enbridge filed a Settlement Proposal on November 28, 2016, supported by many of the intervenors, that reflects a complete settlement on many, but not all, of the matters in the proceeding. The Settlement Proposal is attached as Schedule 1.

The OEB held an Oral Hearing on November 30, 2016. At the Oral Hearing, Enbridge presented the Settlement Proposal and responded to questions from the OEB hearing panel. The Industrial Gas Users Association (IGUA) and OEB staff attended the oral hearing. IGUA advised the OEB of its support for the Settlement Proposal. OEB staff reiterated its written submissions supporting the Settlement Proposal and supported Enbridge's evidence on the issues that were not addressed in the Settlement Proposal.

2 ORAL DECISION

The OEB delivered an oral decision at the conclusion of the hearing approving the Settlement Proposal and the five specific commitments made by Enbridge therein. The OEB found that the Settlement Proposal produces outcomes that are in the public interest. The Settlement Proposal is consistent with Enbridge's approved Custom IR Framework and results in modest rate impacts. The commitments made by Enbridge as part of the Settlement Proposal should facilitate further enhancements in the delivery services provided by the utility on a go-forward basis. The OEB noted that OEB staff and a broad array of intervenors represented by those experienced in ratemaking supported the Settlement Proposal.[1]

The OEB approved Enbridge's application proposals that are not addressed in the Settlement Proposal. The OEB noted that these proposals were supported by OEB staff. No one opposed the relief requested. The OEB found these proposals to be appropriate and reasonable.[2]

The OEB directed Enbridge to comply with the five specific commitments contained in the Settlement Proposal.[3]

The OEB approved Enbridge's application as adjusted by the provisions of the Settlement Proposal.[4]

The annual impact resulting from the OEB's approval of Enbridge's application for a typical residential customer is about $7.[5]

[1] EB-2016-0215, Oral Hearing Transcripts, Volume 1 at p. 32.
[2] Ibid at p. 33.
[3] Ibid.
[4] Ibid.
[5] EB-2016-0215, Draft Rate Order / Appendix C / Supporting Documentation at p. 3.

3 RATE ORDER

Enbridge filed a Draft Rate Order on November 28, 2016. Enbridge noted that none of the settled items result in any changes to the 2017 revenue requirement .

The Draft Rate Order reflects the OEB's updated Return on Equity (ROE) for 2017 established by the OEB in the Cost of Capital Parameter Updates for 2017 applications (dated October 27, 2016).

OEB staff verified that the Draft Rate Order and its attached schedules are compliant with the OEB approvals granted in this proceeding.

Findings

The OEB approves the Draft Rate Order as filed and finds that it accurately reflects the OEB's decision. The approved rate schedules are attached as Schedule 3 to this Decision and Rate Order.

4 ACCOUNTING ORDER

Enbridge filed a Draft Accounting Order on November 28, 2016 that reflects the deferral and variance account relief requested in its application after eliminating the two deferral accounts described in the Settlement Proposal that are no longer required and the agreement that Enbridge may record costs related to the implementation of a new heat value in the Dawn Access Costs Deferral Account.

OEB staff verified that the Draft Accounting Order is compliant with the relief requested in the application and the Settlement Proposal.

Findings

The OEB approves the Draft Accounting Order and finds that it accurately reflects the OEB's decision. The approved deferral and variance accounts are attached as Schedule 5 to this Decision and Rate Order.

5 IMPLEMENTATION

The rates resulting from the OEB's decision are to be implemented on January 1, 2017 along with the other rate changes resulting from the interim order, dated November 24, 2016, in Enbridge's Cap-and-Trade Compliance Plan proceeding (EB-2016-0300) and the rate changes expected as a result of Enbridge's soon to be filed January 2017 Quarterly Rate Adjustment Mechanism (QRAM) application.

The OEB expects Enbridge to liaise with OEB staff to prepare appropriate customer notices with its January 1, 2017 QRAM application pertaining to the three rate changes that will be effective January 1, 2017.

6 COST AWARDS

The OEB may grant cost awards to eligible parties pursuant to its power under section 30 of the *Ontario Energy Board Act, 1998*. When determining the amount of the cost awards, the OEB will consider the provisions of the Notice of Application in this proceeding and apply the principles set out in section 5 of the OEB's *Practice Direction on Cost Awards*. The filings related to cost awards shall be made in accordance with the following schedule.

7 ORDER

THE BOARD ORDERS THAT:

1. The Settlement Proposal attached as Schedule 1 is approved.

2. The OEB directs Enbridge to comply with each of the 5 commitments contained in the Settlement Proposal.

3. The rate changes set out in Schedule 2 and the rate schedules set out in Schedule 3 are approved and shall be effective January 1, 2017. Enbridge shall implement these rates in the first billing cycle on or after January 1, 2017. The rate schedules are supported by the financial schedules set out in Schedule 4.

4. The accounting treatment for Enbridge's 2017 deferral and variance accounts, including the applicable interest rate, shall be in accordance with the descriptions contained in the attached Schedule 5.

5. Intervenors shall file with the OEB, and forward to Enbridge, their respective cost claims by **December 22, 2016**.

6. Enbridge shall file with the OEB, and forward to intervenors, any objections to the clamed costs by **January 12, 2016**.

7. Intervenors shall file with the OEB, and forward to Enbridge, any responses to any objections for cost claims by **January 19, 2016**.

8. Enbridge shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

All filings to the OEB must quote file number **EB-2016-0215**, be made electronically through the OEB's web portal at www.pes.ontarioenergyboard.ca/eservice in searchable / unrestricted PDF format. Two paper copies must also be filed at the OEB's address provided below. Filings must clearly state the sender's name, postal address, telephone number, fax number and e-mail address.

All filings shall use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca/OEB/Industry. If the web portal is not available, parties may email their documents to the address below.

For all electronic correspondence and materials related to this proceeding, parties must include in their distribution lists the Case Manager, Lawrie Gluck at Lawrie.Gluck@ontarioenergyboard.ca, and OEB Counsel, Michael Millar at Michael.Millar@ontarioenergyboard.ca.

All communications should be directed to the attention of the Board Secretary and be received no later than 4:45 p.m. on the required date.

ADDRESS

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Attention: Board Secretary

E-mail: boardsec@ontarioenergyboard.ca
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

DATED at Toronto December 08, 2016

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

SCHEDULE 1

DECISION AND RATE ORDER

ENBRIDGE GAS DISTRIBUTION INC.

EB-2016-0215

DECEMBER 08, 2016

SETTLEMENT PROPOSAL

SETTLEMENT PROPOSAL

Enbridge Gas Distribution Inc.
2017 Rate Adjustment

November 28, 2016

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SETTLEMENT PROPOSAL CONTEXT

This Settlement Proposal is filed with the Ontario Energy Board (the “Board", or the “OEB”) in connection with the application by Enbridge Gas Distribution Inc. (“Enbridge”, or the “Company”), for an order or orders approving or fixing just and reasonable rates for the sale, transmission, distribution and storage of natural gas commencing January 1, 2017.

The Board issued its Notice of Hearing in this proceeding on October 17, 2016. In Procedural Order No. 1 issued on October 26, 2016, the Board provided for a series of procedural steps, up to and including a Settlement Conference.

The Settlement Conference was held on November 17 and 18, 2016. Chris Haussmann acted as facilitator for the Settlement Conference. This Settlement Proposal arises from the Settlement Conference and subsequent discussions.

Enbridge and the following intervenors, as well as Ontario Energy Board technical staff (“OEB Staff”), participated in the Settlement Conference:

Building Owners and Managers Association – Greater Toronto (BOMA)
Consumers Council of Canada (CCC)
Canadian Manufacturers & Exporters (CME)
Energy Probe Research Foundation (Energy Probe)
Federation of Rental-Housing Providers of Ontario (FRPO)
Industrial Gas Users Association (IGUA)
Ontario Association of Physical Plant Administrators (OAPPA)
School Energy Coalition (SEC)
TransCanada PipeLines Ltd. (TC)
Vulnerable Energy Consumers Coalition (VECC)

The following proposals by Enbridge were addressed by the parties during the Settlement Conference: i) Rate 332, Dawn Transportation Service, the Customer Care Services Procurement Deferral Account, and the following items from the OEB-approved list of custom IR adjustments applicable to 2017 – volumes, revenues (being the revenues, and resulting deficiency, resulting from applying the as filed and agreed to test year forecast volumes to the currently approved rates), gas supply plan, income taxes and cost of debt. The parties have reached complete agreement on all these items (the “Settled Items”). No other issues or proposals were addressed by the parties during the Settlement Conference or are addressed in this Settlement Proposal.

All intervenors listed above participated in the Settlement Conference and subsequent discussions.

OEB Staff also participated in the Settlement Conference. OEB Staff is not a party to the Settlement Proposal. Although it is not a party to the Settlement Proposal, OEB Staff will file a submission commenting on two aspects of the settlement: whether the settlement represents an acceptable outcome from a public interest perspective, and whether the accompanying explanation and rationale is adequate to support the settlement. Also, as noted in the *Practice Direction on Settlement Conferences*, OEB Staff who did participate in the Settlement Conference are bound by the same confidentiality and privilege rules that apply to the parties to the proceeding.

This document is called a “Settlement Proposal” because it is a proposal by the parties to the Board to settle issues in this proceeding. It is termed a proposal as between the parties and the Board. However, as between the parties, and subject only to the Board’s approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and binding and enforceable in accordance with its terms. As set forth later in this Context section, this Settlement Proposal is subject to a condition subsequent, that if it is not accepted by the Board in its entirety, then unless amended by the parties it is null and void and of no further effect. In entering into this agreement, the parties understand and agree that, pursuant to the *Ontario Energy Board Act*, the Board has exclusive jurisdiction with respect to the interpretation or enforcement of the terms hereof.

Enbridge and all intervenors listed above have agreed to the settlement of the Settled Items as described on the following pages. Any reference to “parties” in this Settlement Proposal is intended to refer to Enbridge and the intervenors listed above. The description of each issue assumes that all parties participated in the negotiation of the issue, unless specifically noted otherwise.

None of the parties can withdraw from the Settlement Proposal except in accordance with Rule 30 of the Ontario Energy Board *Rules of Practice and Procedure*. Further, unless stated otherwise, a settlement of any particular issue in this proceeding is without prejudice to the positions parties might take with respect to the same issue in future proceedings, whether during the term of Enbridge’s 2014 to 2018 Custom Incentive Regulation (“Custom IR”) plan, or thereafter.

The parties acknowledge that all data, documents or information provided and any discussions, including negotiations, admissions, concessions, offers and counter-offers occurring during the course of the Settlement Conference (settlement information), including subsequent related discussions, are privileged and confidential and without prejudice in accordance with (and subject to the exceptions set out in) the Board’s *Practice Direction on Settlement Conferences* (see pages 5-6 of the OEB’s *Practice Direction on Settlement Conferences*, as Revised October 28, 2016).

It is fundamental to the agreement of the parties that none of the provisions of this Settlement Proposal are severable. If the Board does not accept the provisions of the

Settlement Proposal in their entirety prior to the commencement of the hearing of the application, there is no Settlement Proposal (unless the parties agree that any portion of the Settlement Proposal that the Board does accept may continue as a valid Settlement Proposal).

The table at Appendix A identifies the evidence that supports each aspect of Enbridge's 2017 rate adjustment application (whether such aspect was considered by the parties in the Settlement Conference or not). None of the Settled Items results in any adjustments to the table at Appendix A to this Settlement Proposal, however, there is no agreement on the entirety of the contents of the table.

In relation to the Settled Items for which adjustment from Enbridge's pre-filed evidence has been agreed-upon, the specific supporting evidence is identified following discussion below of the particular Settled Item by reference to its exhibit number in an abbreviated format; for example, Exhibit B, Tab 3, Schedule 1 is referred to as B-3-1. The identification and listing of the evidence that relates to each adjustment is provided to assist the Board. Accordingly, this Settlement Proposal provides a direct link between each adjustment to the requested approvals arising from the Settled Items and the evidence in support of that adjustment. The parties are of the view that the evidence supports the agreement embodied in this Settlement Proposal and, moreover, that the quality and detail of the supporting evidence, together with the corresponding rationale, will allow the Board to make findings leading to the acceptance by the Board of the Settlement Proposal.

SETTLEMENT PROPOSAL OVERVIEW

As set out below, the parties have reached agreement on the Settled Items. Primarily, this relates to certain of the required 2017 rate adjustments to be undertaken in accordance with Enbridge's OEB-approved Custom IR plan[1].

(a) Settlement of Requested Custom IR Approvals

The parties have accepted and agreed upon the following items from the OEB-approved list of custom IR adjustments applicable to 2017 – volumes, revenues (being the revenues, and resulting deficiency, resulting from applying the as filed and agreed to test year forecast volumes to the currently approved rates), gas supply plan, income taxes and cost of debt. In relation to each of these issues, the parties have accepted and endorsed Enbridge's pre-filed evidence, subject to several future commitments from Enbridge (none of which impact 2017 Allowed Revenue or rates).

The commitments made by Enbridge, and agreed to by all parties are as follows:

Commitment 1 – Filing of ICF Study on Enbridge storage requirements

> Enbridge will file the final version of the study currently being prepared by ICF International concerning Enbridge's future storage requirements. The parties acknowledge and agree that in order to give context to the ICF Report, it will be open to Enbridge to file evidence or information about its plans and/or recommendations for its future storage requirements.

[1] The Custom IR Plan was approved in EB-2012-0459 Decision with Reasons, July 17, 2014. The rate adjustment process is described in pre-filed evidence in this proceeding at Exhibit A1, Tab 3, Schedule 1.

<u>Commitment 2</u> – Review of firm transportation requirements to underpin deliveries

> In consideration of the continuing shift in gas supply to Dawn, Enbridge will examine whether it is appropriate to amend the current requirements to demonstrate firm transportation to underpin Direct Purchase and system gas deliveries, in order to provide equal treatment of Direct Purchase and system gas customers and balance transportation commitment requirements with security of supply objectives. Enbridge will report on this review in its 2018 Gas Supply Plan and/or 2018 Rate Adjustment Proceeding.

<u>Commitment 3</u> - Update to Heat Value

> For many years, Enbridge has used the same heat value for gas for the purpose of gas supply planning and calculating delivery obligations for Direct Purchase customers. In recent years, the heat value of gas received by Enbridge has been increasing. Starting in July 2017 (subject to conditions precedent in terms of timing), Enbridge will update the heat value to be used for Direct Purchase delivery obligations. Starting in its 2018 gas supply plan, Enbridge will use an updated heat value for gas supply planning. The updated heat value used will be the average heat value for the previous twelve months ending March 31st, updated effective July 1st every year.

<u>Commitment 4</u> – Consultation to consider moving to an Ontario Landed Reference Price

> Enbridge agrees to make reasonable efforts to convene and complete a stakeholder consultation process before the 2018 Rate Adjustment Application to consider whether and/or how to move to an Ontario Landed Reference Price for the setting of gas supply charges. Enbridge agrees to report on its position and any proposal as part of the 2018 Rate Adjustment Application.

<u>Commitment 5</u> – Review of Cap and Trade impacts on volumes forecast

> As part of its 2018 Rate Adjustment Application, Enbridge will present evidence addressing the impact on its gas volume forecasting methodology and (as applicable) its 2018 volumes forecast (including the Average Use True Up Variance Account (AUTUVA)), of the Ontario Government's climate change policies and associated Cap and Trade framework.

The particulars of the agreements reached on each of these items are described below, under the heading *Details of Settlement*.

(b) Settlement of Other Items

The parties have also reached agreement on the Settled Items that do not relate to Enbridge's 2017 Custom IR adjustments.

Specifically, the parties accept and endorse Enbridge's proposals set out in the pre-filed evidence to implement Rate 332 and the Dawn Transportation Service and to establish the 2017 Customer Care Services Procurement Deferral Account (CCSPDA).

The only departure from Enbridge's pre-filed evidence on any of these items is the agreement of all parties that Enbridge will not require or request the 2017 Rate 332 Deferral Account, or the 2017 Greater Toronto Area Incremental Transmission Capital Revenue Requirement Deferral Account. The parties agree that these accounts are no longer needed for 2017, as Rate 332 has now been placed into service (as of November 2016).

(c) Impacts of Settlement Proposal

If accepted, this Settlement Proposal will not result in any changes to Enbridge's 2017 Allowed Revenue (and associated revenue deficiency) from what is set out in the pre-filed evidence and summarized in the table that is found at Appendix A.

DETAILS OF SETTLEMENT

Set out below are details of each of the Settled Items.

(a) Custom IR Adjustments for 2017

The parties have accepted and agreed upon the following items, as set out in the pre-filed evidence, from the OEB-approved list of custom IR adjustments applicable to 2017 – volumes, revenues (being the revenues, and resulting deficiency, resulting from applying the as filed and agreed to test year forecast volumes to the currently approved rates), gas supply plan, income taxes and cost of debt. TC takes no position on the Custom IR Adjustments for 2017 addressed below.

Revenues, Income Taxes and Cost of Debt

In relation to revenues ((being the revenues, and resulting deficiency, resulting from applying the as filed and agreed to test year forecast volumes to the currently approved rates), income taxes and cost of debt, the parties accept and endorse Enbridge's evidence as filed.

Volumes

In relation to volumes, the parties accept and endorse Enbridge's evidence as filed for 2017.

As set out as Commitment 5 above, Enbridge has agreed that as part of its 2018 Rate Adjustment Application, it will present evidence addressing the impact on its gas volume forecasting methodology and (as applicable) its 2018 volumes forecast (including the Average Use True Up Variance Account (AUTUVA)), of the Ontario Government's climate change policies and associated Cap and Trade framework.

Evidence: The evidence in relation to this item includes the following:

I.C1.EGDI.STAFF.6	Board Staff Interrogatory #6
I.C1.EGDI.EP.4	Energy Probe Interrogatory #4
I.C2.EGDI.VECC.3	VECC Interrogatory #3

Gas Supply Plan

In relation to the gas supply plan, the parties accept and endorse Enbridge's evidence as filed for 2017. In addition, the parties agree that it is appropriate for Enbridge to address four items in the upcoming year, and Enbridge has committed to address each such item.

<u>Commitment 1</u> – Filing of ICF Study on Enbridge storage requirements

Enbridge will file, upon completion, the final version of the study currently being prepared by ICF International concerning Enbridge's future storage requirements. The parties acknowledge and agree that in order to give context to the ICF Report, it will be open to Enbridge to file evidence or information about its plans and/or recommendations for its future storage requirements.

Evidence: The evidence in relation to this item includes the following:

D1-2-2	Gas Supply Memorandum
I.D1.EGDI.FRPO.5	FRPO Interrogatory #5

<u>Commitment 2</u> – Review of firm transportation requirements to underpin deliveries

In consideration of the continuing shift in gas supply to Dawn, Enbridge will examine whether it is appropriate to amend the current requirements for firm transportation to underpin Direct Purchase and system gas deliveries, in order to provide equal treatment of Direct Purchase and system gas customers and balance transportation commitment requirements with security of supply objectives. Enbridge will report on this review and any proposed or planned changes in its 2018 Gas Supply Plan.

Evidence: The evidence in relation to this item includes the following:

I.D1.EGDI.FRPO.12	FRPO Interrogatory #12

Commitment 3 - Update to Heat Value

For the purposes of preparing its Gas Supply Plan and for calculating the daily delivery obligations of its Direct Purchase customers, Enbridge has used a standard conversion factor of 37.69 MJ/m³ for a number of years. While this standard conversion factor has been generally satisfactory over the period of its use, the heat value has begun to rise recently bringing into question whether or not there should be a change in use of an estimated heat value.

Parties are concerned given the recent increases in heat value about potential cost impacts with respect to gas supply planning should a methodology not be put in place to make a change in heat value going forward not only for gas supply planning purposes but also for the establishment of daily deliveries for Direct Purchase customers. If no change is made, and actual heat value continues to be higher than assumed, then Enbridge's gas supply plan will under-forecast demand, requiring additional purchases to meet actual demand during the year and associated cost recorded in the PGVA. Additionally, Direct Purchase customers will under-deliver gas (relative to actual demand) and the cost of the shortfall will be recorded in the PGVA and thus recovered primarily from system supply customers. Illustrative impacts of this issue are set out in the Tables attached to the response to FRPO Interrogatory #16.

Taking all of this into account, parties agree that it is appropriate to change the heat value going forward, and agree with the planned approach described below.

First, Enbridge has agreed that it will implement a new heat value for calculating required deliveries from Direct Purchase customers. Assuming that the required EnTrac system changes will be completed by May 15, 2017, then effective July 1, 2017 as Direct Purchase agreements renew, individual "pool deliveries" subsequently established will be based upon the average heat value from the prior year (calculated as the average heat value updated each July 1st based on the twelve months ending the immediately previous March 31st). This new approach will be communicated to customers in a timely manner, and the updated heat value will be communicated and posted in advance. In the event that the required EnTrac system changes are delayed, then Enbridge will implement this change at the start of the second calendar month after the date when the system changes are completed.

Second, for purposes of the development of its gas supply plan, the Company intends to use an updated heat value (calculated as the average heat value for the twelve months ending March 31st) in the derivation of its volume forecast effective with the 2018 forecast year. When the budget is to be prepared (i.e. summer of 2017), the Company will calculate the average of the previous 12 months actual heat values (calculated as the average heat value from the twelve months ending the immediately previous March 31st) and use that as the conversion factor (currently 37.69 MJ/m³).

The same process would apply with respect to the 2019 forecast year – a new heat value will be determined in the summer of 2018 (calculated as the average heat value for the twelve months ending March 31st, 2018 to be used in gas supply planning and Direct Purchase contracting effective July 1, 2018.

There will also be a change with respect to Banked Gas Account (BGA) reporting. Currently, monthly Direct Purchase deliveries are converted from GJs to m³ using the standard conversion factor of 37.69 MJ/m³. Effective July 1, 2017 (assuming that the required EnTrac changes are completed by May 15, 2017), monthly Direct Purchase deliveries will be converted from GJs to m³ based upon the actual average heat value for the month which will be a better representation of the actual consumption of the customers in that particular “pool”. Direct Purchase delivery obligations established, and any BGA calculations made, prior to updating of the conversion factor as outlined above will continue to be based on the specified heat value applied at the time of such establishment/calculation.

Based on a high level system review, Enbridge expects that the heat value conversion changes can be incorporated with the Dawn Access EnTrac system enhancement. Parties agree that the reasonable additional costs associated with the heat value conversion changes, currently estimated to be less than $500,000, will be included with the incremental Dawn Access Enhancement project costs and will brought forward for future recovery, with details supporting these additional costs.

Evidence: The evidence in relation to this item includes the following:

D1-2-11	Gas Supply Future Considerations
I.D1.EGDI.FRPO.16-19	FRPO Interrogatories #16-19

<u>Commitment 4</u> – Consultation to consider moving to an Ontario Landed Reference Price

Enbridge agrees to make reasonable efforts to convene and complete a stakeholder consultation process before the 2018 Rate Adjustment Application to consider whether and/or how to move to an Ontario Landed Reference Price, instead of an Empress Reference Price, for the setting of gas supply charges. Enbridge agrees to report on its position and any proposal as part of the 2018 Rate Adjustment Application.

Evidence: The evidence in relation to this item includes the following:

I.G2.EGDI.FRPO.20	FRPO Interrogatory #20

(b) Rate 332

The parties accept and endorse Enbridge's proposal set out in the pre-filed evidence to implement Rate 332.

The only departure from Enbridge' pre-filed evidence is the agreement of all parties that Enbridge will not require or request the 2017 Rate 332 Deferral Account, or the 2017 Greater Toronto Area Incremental Transmission Capital Revenue Requirement Deferral Account. The parties agree that these accounts are no longer needed, as Rate 332 has now been placed into service (as of November 16th, 2016).

Evidence: The evidence in relation to this item includes the following:

G1-1-1	2017 Cost Allocation Methodology
D2-1-1	Deferral and Variance Accounts
I.A1.EGDI.STAFF.1, 2 and 14	Board Staff Interrogatories #1, 2 and 14
I.G1.EGDI.EP.14	Energy Probe Interrogatory #14

(c) Dawn Transportation Service

The parties accept and endorse Enbridge's proposal set out in the pre-filed evidence to implement the Dawn Transportation Service. TC takes no position on this issue.

(d) Customer Care Services Procurement Deferral Account

The parties accept and endorse Enbridge's proposal set out in the pre-filed evidence to establish the 2017 CCSPDA. TC takes no position on this issue.

APPENDIX A: AS-FILED 2017 TEST YEAR ALLOWED REVENUE AND SUFFICIENCY/DEFICIENCY

ALLOWED REVENUE AND SUFFICIENCY/(DEFICIENCY)
2017 TEST YEAR

Line No.		Col. 1 EB-2012-0459 Total 2017 Allowed Revenue Placeholder ($Millions)	Col. 2 2017 Required Updates ($Millions)	Col. 3 Total Final 2017 Test Year Allowed Revenue ($Millions)	Col. 4 Explanation See Page 2	Col. 5 Evidence Exhibit Reference
	Cost of capital					
1.	Rate base	5,948.6	75.5	6,024.1	a)	B Series of Exhibits
2.	Required rate of return	7.04	(0.83)	6.21	b)	E Series of Exhibits
3.		418.7	(44.7)	374.0		
	Cost of service					
4.	Gas costs	1,632.5	(29.4)	1,603.1	c)	D1-1-1 and D1-2-1 to D1-2-8
5.	Operation and maintenance	436.9	23.0	459.9	d)	D1-1-1 and D1-3-1 to D1-5-1
6.	Depreciation and amortization	297.7	-	297.7		
7.	Fixed financing costs	1.9	-	1.9		
8.	Municipal and other taxes	47.9	-	47.9		
9.		2,416.9	(6.4)	2,410.5		
	Misc. operating and non-operating revenue					
10.	Other operating revenue	(42.7)	-	(42.7)		
11.	Interest and property rental	-	-	-		
12.	Other income	(0.1)	-	(0.1)		
13.		(42.8)	-	(42.8)		
	Income taxes on earnings					
14.	Excluding tax shield	54.8	(0.1)	54.7	e)	D1-1-1 and D1-6-1 to D1-6-2
15.	Tax shield provided by interest expense	(52.0)	3.9	(48.1)	e)	D1-1-1 and D1-6-1 to D1-6-2
16.		2.8	3.8	6.6		
	Taxes on sufficiency / (deficiency)					
17.	Gross sufficiency / (deficiency)	(117.9)	88.5	(29.4)		
18.	Net sufficiency / (deficiency)	(86.7)	65.1	(21.6)		
19.		31.3	(23.5)	7.8	e)	D1-1-1 and D1-6-1 to D1-6-2
20.	**Sub-total revenue requirement**	2,826.9	(70.8)	2,756.1		
21.	Customer Care Rate Smoothing V/A Adjustment	2.9	(0.1)	2.8		
22.	**Allowed revenue**	2,829.8	(70.9)	2,758.9		
	Revenue at existing Rates					
23.	Gas sales	2,480.3	(43.4)	2,436.9	f)	C Series of Exhibits
24.	Transportation service	211.1	70.6	281.7	f)	C Series of Exhibits
25.	Transmission, compression and storage	1.8	4.9	6.7		
26.	Rounding adjustment	0.3	(0.3)	-		
27.	Revenue at existing rates	2,693.5	31.8	2,725.3		
28.	**Gross revenue sufficiency / (deficiency)**	(136.3)	102.7	(33.6)		F Series of Exhibits

App.B Pg.1 Ref.	Required adjustments to 2017 Placeholder Allowed Revenue per Appendix E of the EB-2012-0459 Final Rate Order, and other subsequent proceedings
a)	Adjustment to rate base arising from the gas cost and O&M updates and the related impact on gas in storage and working cash. The adjustment also reflects an allocation of base pressure gas to Unregulated Storage operations, as per the Board approved EB-2015-0114 Settlement Proposal.
b)	Adjustment to forecast cost of capital rates, based upon the updated forecast ROE and updated forecast cost of debt.
c)	Adjustment to forecast gas cost based upon the updated gas cost forecast and the 2017 gas volume forecast. The adjustment also reflects an allocation of Lost and Unaccounted For (LUF) gas to Unregulated Storage operations, as per the Board approved EB-2015-0114 Settlement Proposal.
d)	Adjustment to O&M in relation to updated forecasts of DSM, Pension/OPEB, and CIS/Customer Care costs.
e)	Adjustment to income taxes in relation to all other Board required / permitted adjustments to achieve final 2017 Allowed Revenue.
f)	Adjustment to revenue forecasts resulting from updating the 2017 volume forecast and use of July 1, 2016 Board Approved rates.

SCHEDULE 2

DECISION AND RATE ORDER

ENBRIDGE GAS DISTRIBUTION INC.

EB-2016-0215

DECEMBER 08, 2016

SUMMARY OF RATE CHANGES BY RATE CLASS

SUMMARY OF PROPOSED RATE CHANGE BY RATE CLASS

Item No.	Rate No.	Col. 1	Col. 2 Rate Block m³	Col. 3 EB-2016-0184 cents *	Col. 4 Rate Change cents *	Col. 5 EB-2016-0215 cents *
	RATE 1					
1.01		Customer Charge		$20.00	$0.00	$20.00
1.02		Delivery Charge	first 30	8.1558	0.3489	8.5047
1.03			next 55	7.6304	0.3264	7.9568
1.04			next 85	7.2189	0.3088	7.5277
1.05			over 170	6.9122	0.2957	7.2079
1.06		Gas Supply Load Balancing		1.6556	0.0059	1.6615
1.07		Gas Supply Transportation		5.6312	(0.0126)	5.6186
1.08		Gas Supply Transportation Dawn		0.0000	1.1335	1.1335
1.09		Gas Supply Commodity - System		9.6276	(0.0437)	9.5839
1.10		Gas Supply Commodity - Buy/Sell		9.6065	(0.0423)	9.5642
	RATE 6					
2.01		Customer Charge		$70.00	$0.00	$70.00
2.02		Delivery Charge	First 500	7.9864	0.2277	8.2142
2.03			Next 1050	6.1054	0.1741	6.2795
2.04			Next 4500	4.7882	0.1365	4.9247
2.05			Next 7000	3.9418	0.1124	4.0542
2.06			Next 15250	3.5658	0.1017	3.6675
2.07			Over 28300	3.4714	0.0990	3.5703
2.08		Gas Supply Load Balancing		1.5434	(0.0132)	1.5302
2.09		Gas Supply Transportation		5.6312	(0.0126)	5.6186
2.10		Gas Supply Transportation Dawn		0.0000	1.1335	1.1335
2.11		Gas Supply Commodity - System		9.6530	(0.0470)	9.6060
2.12		Gas Supply Commodity - Buy/Sell		9.6319	(0.0456)	9.5863
	RATE 9					
3.01		Customer Charge		$235.95	$0.00	$235.95
3.02		Delivery Charge	first 20000	10.6480	0.2771	10.9251
3.03			over 20000	9.9668	0.2593	10.2261
3.04		Gas Supply Load Balancing		0.0185	0.0010	0.0195
3.05		Gas Supply Transportation		5.6312	(0.0126)	5.6186
3.06		Gas Supply Transportation Dawn		0.0000	1.1335	1.1335
3.07		Gas Supply Commodity - System		9.5858	(0.0359)	9.5499
3.08		Gas Supply Commodity - Buy/Sell		9.5647	(0.0345)	9.5302
	RATE 100					
4.01		Customer Charge		$122.01	$0.00	$122.01
4.02		Demand Charge (Cents/Month/m³)		36.0000	0.0000	36.0000
4.03		Delivery Charge	first 14,000	0.1402	0.0201	0.1603
4.04			next 28,000	0.1402	0.0201	0.1603
4.05			over 42,000	0.1402	0.0201	0.1603
4.06		Gas Supply Load Balancing		1.5434	(0.0132)	1.5302
4.07		Gas Supply Transportation		5.6312	(0.0126)	5.6186
4.08		Gas Supply Transportation Dawn		0.0000	1.1335	1.1335
4.09		Gas Supply Commodity - System		9.6530	(0.0470)	9.6060
4.10		Gas Supply Commodity - Buy/Sell		9.6319	(0.0456)	9.5863
	RATE 110					
5.01		Customer Charge		$587.37	$0.00	$587.37
5.02		Demand Charge (Cents/Month/m³)		22.9100	0.0000	22.9100
5.03		Delivery Charge	first 1,000,000	0.7090	0.0371	0.7460
5.04			over 1,000,000	0.5590	0.0371	0.5960
5.05		Gas Supply Load Balancing		0.3036	0.0197	0.3233
5.06		Gas Supply Transportation		5.6312	(0.0126)	5.6186
5.07		Gas Supply Transportation Dawn		0.0000	1.1335	1.1335
5.08		Gas Supply Commodity - System		9.5858	(0.0359)	9.5499
5.09		Gas Supply Commodity - Buy/Sell		9.5647	(0.0345)	9.5302

NOTE : * Cents unless otherwise noted.

SUMMARY OF PROPOSED RATE CHANGE BY RATE CLASS (con't)

		Col.1	Col. 2	Col. 3	Col. 4	Col. 5
Item No.	Rate No.		Rate Block m³	EB-2016-0184 cents *	Rate Change cents *	EB-2016-0215 cents *
	RATE 115					
1.01		Customer Charge		$622.62	$0.00	$622.62
1.02		Demand Charge (Cents/Month/m³)		24.3600	0.0000	24.3600
1.03		Delivery Charge	first 1,000,000	0.3515	0.0266	0.3781
1.04			over 1,000,000	0.2515	0.0266	0.2781
1.05		Gas Supply Load Balancing		0.1092	0.0072	0.1164
1.06		Gas Supply Transportation		5.6312	(0.0126)	5.6186
1.07		Gas Supply Transportation Dawn		0.0000	1.1335	1.1335
1.08		Gas Supply Commodity - System		9.5858	(0.0359)	9.5499
1.09		Gas Supply Commodity - Buy/Sell		9.5647	(0.0345)	9.5302
	RATE 125					
2.01		Customer Charge		500.00	$ -	$ 500.00
2.02		Delivery Charge (Cents/Month/m³ of Contract Dmnd)		9.0962	0.6621	9.7583
	RATE 135	DEC - MAR				
3.00		Customer Charge		$115.08	$0.00	$115.08
3.01		Delivery Charge	first 14,000	7.0797	0.0225	7.1021
3.02			next 28,000	5.8797	0.0225	5.9021
3.03			over 42,000	5.4797	0.0225	5.5021
3.04		Gas Supply Load Balancing		0.0000	0.0000	0.0000
3.05		Gas Supply Transportation		5.6312	(0.0126)	5.6186
3.06		Gas Supply Transportation Dawn		0.0000	1.1335	1.1335
3.07		Gas Supply Commodity - System		9.5964	(0.0203)	9.5761
3.08		Gas Supply Commodity - Buy/Sell		9.5754	(0.0190)	9.5564
	RATE 135	APR - NOV				
3.09		Customer Charge		$115.08	$0.00	$115.08
3.10		Delivery Charge	first 14,000	2.3797	0.0225	2.4021
3.11			next 28,000	1.6797	0.0225	1.7021
3.12			over 42,000	1.4797	0.0225	1.5021
3.13		Gas Supply Load Balancing		0.0000	0.0000	0.0000
3.14		Gas Supply Transportation		5.6312	(0.0126)	5.6186
3.15		Gas Supply Transportation Dawn		0.0000	1.1335	1.1335
3.16		Gas Supply Commodity - System		9.5964	(0.0203)	9.5761
3.17		Gas Supply Commodity - Buy/Sell		9.5754	(0.0190)	9.5564
	RATE 145					
4.00		Customer Charge		$123.34	$0.00	$123.34
4.01		Demand Charge (Cents/Month/m³)		8.2300	0.0000	8.2300
4.02		Delivery Charge	first 14,000	2.9167	0.0445	2.9612
4.03			next 28,000	1.5577	0.0445	1.6022
4.04			over 42,000	0.9987	0.0445	1.0432
4.05		Gas Supply Load Balancing		0.6606	0.0190	0.6796
4.06		Gas Supply Transportation		5.6312	(0.0126)	5.6186
4.07		Gas Supply Transportation Dawn		0.0000	1.1335	1.1335
4.08		Gas Supply Commodity - System		9.5893	(0.0356)	9.5537
4.09		Gas Supply Commodity - Buy/Sell		9.5683	(0.0343)	9.5340
	RATE 170					
5.00		Customer Charge		$279.31	$0.00	$279.31
5.01		Demand Charge (Cents/Month/m³)		4.0900	0.0000	4.0900
5.02		Delivery Charge	first 1,000,000	0.4909	0.0238	0.5147
5.03			over 1,000,000	0.2909	0.0238	0.3147
5.04		Gas Supply Load Balancing		0.3153	(0.0008)	0.3145
5.05		Gas Supply Transportation		5.6312	(0.0126)	5.6186
5.06		Gas Supply Transportation Dawn		0.0000	1.1335	1.1335
5.07		Gas Supply Commodity - System		9.5858	(0.0359)	9.5499
5.08		Gas Supply Commodity - Buy/Sell		9.5647	(0.0345)	9.5302

NOTE : * Cents unless otherwise noted.

SUMMARY OF PROPOSED RATE CHANGE BY RATE CLASS (con't)

Rate No.	Col.1	Col. 2 Rate Block m³	Col. 3 EB-2016-0184 cents *	Col. 4 Rate Change cents *	Col. 5 EB-2016-0215 cents *
RATE 200					
	Customer Charge		$0.00	$0.00	$0.00
	Demand Charge (Cents/Month/m³)		14.7000	0.0000	14.7000
	Delivery Charge		1.0805	0.0581	1.1386
	Gas Supply Load Balancing		1.3334	0.0307	1.3641
	Gas Supply Transportation		5.6312	(0.0126)	5.6186
	Gas Supply Transportation Dawn		0.0000	0.0000	0.0000
	Gas Supply Commodity - System		9.5858	(0.0359)	9.5499
	Gas Supply Commodity - Buy/Sell		9.5647	(0.0345)	9.5302
RATE 300	FIRM SERVICE				
	Monthly Customer Charge		$500.00	$0.00	$500.00
	Demand Charge (Cents/Month/m³)		25.6543	0.7696	26.4239
	INTERRUPTIBLE SERVICE				
	Minimum Delivery Charge (Cents/Month/m³)		0.3343	0.0507	0.3850
	Maximum Delivery Charge (Cents/Month/m³)		1.0121	0.0304	1.0425
RATE 315					
	Monthly Customer Charge		$150.00	$0.00	$150.00
	Space Demand Chg (Cents/Month/m³)		0.0479	0.0025	0.0504
	Deliverability/Injection Demand Chg (Cents/Month/m³)		20.9601	2.9751	23.9352
	Injection & Withdrawal Chg (Cents/Month/m³)		0.3075	0.0191	0.3266
RATE 316					
	Monthly Customer Charge		$150.00	$0.00	$150.00
	Space Demand Chg (Cents/Month/m³)		0.0479	0.0026	0.0504
	Deliverability/Injection Demand Chg (Cents/Month/m³)		5.0657	0.1874	5.2531
	Injection & Withdrawal Chg (Cents/Month/m³)		0.0790	0.0225	0.1015
RATE 320					
	Backstop	All Gas Sold	15.8231	(0.0254)	15.7977

* Cents unless otherwise noted.

SUMMARY OF PROPOSED RATE CHANGE BY RATE CLASS (con't)

		Col.1	Col. 2	Col. 3	Col. 4	Col. 5
Item No.	Rate No.		Rate Block m^3	EB-2016-0184 cents *	Change cents *	EB-2016-0215 cents *
	RATE 325					
		Transmission & Compression				
1.00		Demand Charge - ATV ($/Month/$10^3$ m^3)		0.2022	(0.0020)	0.2002
1.01		Demand Charge - Daily Wdrl. ($/Month/$10^3$ m^3)		22.2507	(0.2291)	22.0216
1.02		Commodity Charge		0.8680	(0.0176)	0.8504
		Storage				
1.03		Demand Charge - ATV ($/Month/10*3 m^3)		0.1905	(0.0032)	0.1873
1.04		Demand Charge - Daily Wdrl. ($/Month/$10^3$ m^3)		21.1873	(0.3681)	20.8192
1.05		Commodity Charge		0.1190	0.0227	0.1417
		(2) Note: These are UNBUNDLED Rates				
	RATE 330	Storage Service - Firm				
		Demand Charge ($/Month/$10^3$ m^3 of ATV)				
2.00		Minimum		0.3927	(0.0052)	0.3875
2.01		Maximum		1.9636	(0.0261)	1.9375
		Demand Charge ($/Month/$10^3$ m^3 of Daily Withdrawal)				
2.02		Minimum		43.4380	(0.5972)	42.8408
2.03		Maximum		217.1898	(2.9858)	214.2040
		Commodity Charge				
2.04		Minimum		0.9870	0.0051	0.9921
2.05		Maximum		4.9350	0.0255	4.9605
		Storage Service - Interruptible				
		Demand Charge ($/Month/$10^3$ m^3 of ATV)				
2.06		Minimum		0.3927	(0.0052)	0.3875
2.07		Maximum		1.9635	(0.0260)	1.9375
		Demand Charge ($/Month/$10^3$ m^3 of Daily Withdrawal)				
2.08		Minimum		34.7505	(0.4778)	34.2726
2.09		Maximum		173.7519	(2.3887)	171.3632
		Commodity Charge				
2.10		Minimum		0.9870	0.0051	0.9921
2.11		Maximum		4.9350	0.0255	4.9605
		Storage Service - Off Peak				
		Commodity Charge				
2.12		Minimum		0.3683	0.0227	0.3936
2.13		Maximum		40.5712	(0.4605)	40.1107
	RATE 331	Tecumseh Transmission Service				
		Firm				
		Demand Charge ($/Month/$10^3$ m^3 of				
3.00		Maximum Contracted Daily Delivery)		5.6430	0.0000	5.6430
		Interruptible				
3.01		Commodity Charge ($/$10^3 m^3$ of gas delivered)		0.2230	0.0000	0.2230

NOTE : * Cents unless otherwise noted.

SCHEDULE 3

DECISION AND RATE ORDER

ENBRIDGE GAS DISTRIBUTION INC.

EB-2016-0215

DECEMBER 08, 2016

RATE SCHEDULES

RATE HANDBOOK

ENBRIDGE GAS DISTRIBUTION

HANDBOOK OF RATES AND DISTRIBUTION SERVICES

INDEX

Part I

GLOSSARY OF TERMS

In this Handbook of Rates and Distribution Services, each term set out below shall have the meaning set out opposite it:

Annual Turnover Volume ("ATV"): The sum of the contracted volumes injected into and withdrawn from storage by an applicant within a contract year.

Annual Volume Deficiency: The difference between the Minimum Annual Volume and the volume actually taken in a contract year, if such volume is less than the Minimum Annual Volume.

Applicant: The party who makes application to the Company for one or more of the services of the Company and such term includes any party receiving one or more of the services of the Company.

Authorized Volume: In regards to Sales Service Agreements, the Contract Demand.

In regards to Bundled Transportation Service arrangements, the Contract Demand (CD) less the amount by which the Applicant's Mean Daily Volume (MDV) exceeds the Daily Delivered Volume (Delivery) and less the volume by which the Applicant has been ordered to curtail or discontinue the use of gas (Curtailment Volume) or otherwise represented as:

CD – (MDV – Delivery) – Curtailment Volume

Back-stopping: A service whereby alternative supplies of gas may be available in the event that an Applicant's supply of gas is not available for delivery to the Company.

Banked Gas Account: A record of the amount of gas delivered by the Applicant to the Company in respect of a Terminal Location (credits) and of volume of gas taken by the Applicant at the Terminal Location (debits)

Billing Contract Demand: Applicable only to new customers who take Dedicated Service under Rate 125. The Company and the Applicant shall determine a Billing Contract Demand which would result in annual revenues over the term of the contract that would enable the Company to recover the invested capital, return on capital, and O&M costs of the Dedicated Service in accordance with its system expansion policies.

Billing Month: A period of approximately thirty (30) days following which the Company renders a bill to an applicant. The billing month is determined by the Company's monthly Reading and Billing Schedule. With respect to rate 135 LVDC's, there are eight summer months and four winter months.

Board: Ontario Energy Board. (OEB)

Bundled Service: A service in which the demand for natural gas at a Terminal Location is met by the Company utilizing Load balancing resources.

Buy/Sell Arrangement: An arrangement, the terms of which are provided for in one or more agreements to which one or more of an end user of gas (being a party that buys from the Company gas delivered to a Terminal Location), an affiliate of an end user and a marketer, broker or agent of an end user is a party and the Company is a party, and pursuant to which the Company agrees to buy from the end user or its affiliate a supply of gas and to sell to the end user gas delivered to a Terminal Location served from the gas distribution network. The Company will not enter into any new buy/sell agreement after April 1, 1999.

Buy/Sell Price: The Price per cubic meter which the Company would pay for gas purchased pursuant to a Buy/Sell Arrangement in which the purchase takes place in Ontario.

Commodity Charge: A charge per unit volume of gas actually taken by the Applicant, as distinguished from a demand charge which is based on the maximum daily volume an Applicant has the right to take.

Company: Enbridge Gas Distribution Inc.

Contract Demand: A contractually specified volume of gas applicable to service under a particular Rate Schedule for each Terminal Location which is the maximum volume of gas the Company is required to deliver on a daily basis under a Large Volume Distribution Contract.

Cubic Metre ("m^3"): That volume of gas which at a temperature of 15 degrees Celsius and at an absolute pressure of 101.325 kilopascals ("kPa") occupies one cubic metre. "10^3m^3" means 1,000 cubic metres.

Curtailment: An interruption in an Applicant's gas supply at a Terminal Location resulting from compliance with a request or an order by the Company to discontinue or curtail the use of gas.

Curtailment Credit: A credit available to interruptible customers to recognize the benefits they provide to the system during the winter months.

Curtailment Delivered Supply (CDS): An additional volume of gas, in excess of the Applicant's Mean Daily Volume and determined by mutual agreement between the Applicant and the Company, which is Nominated and delivered by or on behalf of the Applicant to a point of interconnection with the Company's distribution system on a day of Curtailment.

Customer Charge: A monthly fixed charge that reflects being connected to the gas distribution system.

Daily Consumption VS Gas Quantity: The volume of natural gas taken on a day at a Terminal Location as measured by daily metering equipment or, where the Company does not own and maintain daily metering equipment at a Terminal Location, the volume of gas taken within a billing period divided by the number of days in the billing period.

Daily Delivered Volume: The volume of gas accepted by the Company as having been delivered by an Applicant to the Company on a day.

Dedicated Service: An Unbundled Service provided through a gas distribution pipeline that is initially constructed to serve a single customer, and for which the volume of gas is measured through a billing meter that is directly connected to a third party transporter or other third party facility, when service commences.

Delivery Charge: A component of the Rate Schedule through which the Company recovers its operating costs.

Demand Charge: A fixed monthly charge which is applied to the Contract Demand specified in a Service Contract.

Demand Overrun: The amount of gas taken at a Terminal Location exceeding the Contract Demand.

Direct Purchase: Natural gas supply purchase arrangements transacted directly between the Applicant and one or more parties, including the Company.

Disconnect and Reconnect Charges: The charges levied by the Company for disconnecting or reconnecting an Applicant from or to the Company's distribution system.

Diversion: Delivery of gas on a day to a delivery point different from the normal delivery point specified in a Service Contract.

Firm Service: A service for a continuous delivery of gas without curtailment, except under extraordinary circumstances.

Firm Transportation ("FT"): Firm Transportation service offered by upstream pipelines to move gas from a receipt point to a delivery point, as defined by the pipeline.

Force Majeure: Any cause not reasonably within the control of the Company and which the Company cannot prevent or overcome with reasonable due diligence, including:

(a) physical events such as an act of God, landslide, earthquake, storm or storm warning such as a hurricane which results in evacuation of an affected area, flood, washout, explosion, breakage or accident to machinery or equipment or lines of pipe used to transport gas, the necessity for making repairs to or alterations of such machinery or equipment or lines of pipe or inability to obtain materials, supplies (including a supply of services) or permits required by the Company to provide service;

(b) interruption and/or curtailment of firm transportation by a gas transporter for the Company;

(c) acts of others such as strike, lockout or other industrial disturbance, civil disturbance, blockade, act of a public enemy, terrorism, riot, sabotage, insurrections or war, as well as physical damage resulting from the negligence of others;

(d) in relation to Load Balancing, failure or malfunction of any storage equipment or facilities of the Company; and

(e) governmental actions, such as necessity for compliance with any applicable laws.

Gas: Natural Gas.

Gas Delivery Agreement: A written agreement pursuant to which the Company agrees to transport gas on the Applicant's behalf to a specified Terminal Location.

Gas Distribution Network: The physical facilities owned by the Company and utilized to contain, move and measure natural gas.

Gas Sale Contract: A written agreement pursuant to which the Company agrees to supply and deliver gas to a specified Terminal Location.

Gas Supply Charge: A charge for the gas commodity purchased by the applicant.

Gas Supply Load Balancing Charge: A charge in the Rate Schedules where the Company recovers the cost of ensuring gas supply matches consumption on a daily basis.

General Service Rates: The Rate Schedules applicable to those Bundled Services for which a specific contract between the Company and the Applicant is not generally required. The General Service Rates include Rates 1, 6, and 9 of the Company.

Gigajoule ("GJ"): See Joule.

Hourly Demand: A contractually specified volume of gas applicable to service under a particular Rate Schedule which is the maximum volume of gas the Company is required to deliver to an Applicant on a hourly basis under a Service Contract.

Imperial Conversion Factors:

Volume:

1,000 cubic feet (cf)	=	1 Mcf
	=	28.32784 cubic metres (m^3)
1 billion cubic feet (cf)	=	28.32784 $10^6 m^3$

Pressure:

1 pound force per square inch (p.s.i.)	=	6.894757 kilopascals (kPa)
1 inch Water Column (in W.C.) (60°F)	=	0.249 kPa (15.5°C)
1 standard atmosphere	=	101.325 kPa

Energy:

1 million British thermal units	=	1 MMBtu
	=	1.055056 gigajoules (GJ)
948,213.3 Btu	=	1 GJ

Monetary Value:

$1 per Mcf	=	$0.03530096 per m^3
$1 per MMBtu	=	$0.9482133 per GJ

Interruptible Service: Gas service which is subject to curtailment for either capacity and/or supply reasons, at the option of the Company.

Intra-Alberta Service: Firm transportation service on the Nova pipeline system under which volumes are delivered to an Intra-Alberta point of acceptance.

Joule ("J"): The amount of work done when the point of application of a force of one newton is displaced a distance of one metre in the direction of the force. One megajoule ("MJ") means 1,000,000 joules; one gigajoule ("GJ") means 1,000,000,000 joules.

Large Volume Distribution Contract: (**LVDC):** A written agreement pursuant to which the Company agrees to supply and deliver gas to a specified Terminal Location.

Large Volume Distribution Contract Rates: The Rate Schedules applicable for annual consumption exceeding 340,000 cubic metres of gas per year and for which a specific contract between the Company and the Applicant is required.

Load-Balancing: The balancing of the gas supply to meet demand. Storage and other peak supply sources, curtailment of interruptible services, and diversions from one delivery point to another may be used by the Company.

Make-up Volume: A volume of gas nominated and delivered, pursuant to mutually agreed arrangements, by an Applicant to the Company for the purpose of reducing or eliminating a net debit balance in the Applicant's Banked Gas Account.

Mean Daily Volume (MDV): The volume of gas which an Applicant who delivers gas to the Company, under a T-Service arrangement, agrees to deliver to the Company each day in the term of the arrangement.

Metric Conversion Factors:

Volume:

1 cubic metre (m^3)	=	35.30096 cubic feet (cf)
1,000 cubic metres	=	10^3m^3
	=	35,300.96 cf
	=	35.30096 Mcf
28.32784 m^3	=	1 Mcf

Pressure:

1 kilopascal (kPa)	=	1,000 pascals
	=	0.145 pounds per square inch (p.s.i.)
101.325 kPa	=	one standard atmosphere

Energy:

1 megajoule (MJ)	=	1,000,000 joules
	=	948.2133 British thermal units (Btu)
1 gigajoule (GJ)	=	948,213.3 Btu
1.055056 GJ	=	1 MMBtu

Monetary Value:

$1 per 10^3m^3	=	$0.02832784 per Mcf
$1 per gigajoule	=	$1.055056 per MMBtu

Minimum Annual Volume: The minimum annual volume as stated in the customer's contract, also Section E.

Natural Gas: Natural and/or residue gas comprised primarily of methane.

Nominated Volume: The volume of gas which an Applicant has
advised the Company it will deliver to the Company in a day.

Nominate, Nomination: The procedure of advising the Company of the volume which the Applicant expects to deliver to the Company in a day.

Ontario Energy Board: An agency of the Ontario Government which, amongst other things, approves the Company's Rate Schedules (Part V of this HANDBOOK) and the matters described in Parts III and IV of this HANDBOOK.

Point of Acceptance: The point at which the Company accepts delivery of a supply of natural gas for transportation to, or purchase from, the Applicant.

Rate Schedule: A numbered rate of the Company as fixed or approved by the OEB. that specifies rates, applicability, character of service, terms and conditions of service and the effective date.

Seasonal Credit: A credit applicable to Rate 135 customers to recognize the benefits they provide to the storage operations during the winter period.

Service Contract: An agreement between the Company and the Applicant which describes the responsibilities of each party in respect to the arrangements for the Company to provide Sales Service or Transportation Service to one or more Terminal Locations.

System Sales Service: A service of the Company in which the Company acquires and sells to the Applicant the Applicant's natural gas requirements.

T-Service: Transportation Service.

Terminal Location: The building or other facility of the Applicant at or in which natural gas will be used by the Applicant.

Transportation Service: A service in which the Company agrees to transport gas on the Applicant's behalf to a specified Terminal Location.

Unbundled Service: A service in which the demand for natural gas at a Terminal Location is met by the Applicant contracting for separate services (upstream transportation, load balancing/storage, transportation on the Company's distribution system) of which only Transportation Service is mandatory with the Company.

Western Canada Buy Price: The price per cubic metre which the Company would pay for gas pursuant to a Buy/Sell Agreement in which the purchase takes place in Western Canada.

PART II

RATES AND SERVICES AVAILABLE

The provisions of this PART II are intended to provide a general description of services offered by the Company and certain matters relating thereto. Such provisions are not definitive or comprehensive as to their subject matter and may be changed by the Company at any time without notice.

SECTION A - INTRODUCTION

1. **In Franchise Services**

Enbridge Gas Distribution provides in franchise services for the transportation of natural gas from the point of its delivery to Enbridge Gas Distribution to the Terminal Location at which the gas will be used. The natural gas to be transported may be owned by the Applicant for service or by the Company. In the latter case, it will be sold to the customer at the outlet of the meter located at the Terminal Location.

Applicants may elect to have the Company provide all-inclusively the services which are mutually agreed to be required or they may select (from the 300 series of rates, and Rate 125) only the amounts of those services which they consider they need.

The all-inclusive services are provided pursuant to Rates 1, 6 and 9, ("the General Service Rates") and Rates 100, 110, 115, 135, 145, and 170 ("the Large Volume Service Rates"). Individual services are available under Rates 125, 300, 315, and 316 ("the Unbundled Service Rates").

Service to residential locations is provided pursuant to Rate 1.

Service which may be interrupted at the option of the Company is available, at rates lower than would apply for equivalent service under a firm rate schedule, pursuant to Rates 145, 170. Under all other rate schedules, service is provided upon demand by the Applicant, i.e., on a firm service basis.

2. Ex-Franchise Services

Enbridge Gas Distribution provides ex-franchise services for the transportation of natural gas through its distribution system to a point of interconnection with the distribution system of other distributors of natural gas. Such service is provided pursuant to Rate 200 and provides for the bundled transportation of gas owned by the Company, owned by customers of that distributor, or owned by that distributor.

For the purposes of interpreting the terms and conditions contained in this Handbook of Rates and Distribution Services the ex -franchise distributor shall be considered to be the applicant for the transportation of its customer owned gas and shall assume all the obligations of transportation as if it owned the gas.

Nominations for transportation service must specify whether the volume to be transported is to displace firm or interruptible demand or general service.

In addition, the Company provides Compression, Storage, and Transmission services on its Tecumseh system under Rates 325, 330 and 331.

SECTION B - DIRECT PURCHASE ARRANGEMENTS

Applicants who purchase their natural gas requirements directly from someone other than the Company or who are brokers or agents for an end user, may arrange to transport gas on the Company's distribution network ***using one of the following options: a)*** in conjunction with a Western Buy/Sell Arrangement, ***b)*** Ontario Delivery Transportation Service Arrangement, whether Bundled or Unbundled, ***c)*** Western Bundled Transportation Service Arrangement ***or d) Dawn Bundled Transportation Service.***

A. Western Canada

Buy/Sell in a Western Canada Buy/Sell Arrangement the Applicant delivers gas to a point in Western Canada which connects with the transmission pipeline of TransCanada PipeLines Limited. At that point, the Company purchases the gas from the Applicant at a price specified in Rider 'B' of the rate schedules less the costs for transmission of the gas from the point of purchase to a point in Ontario at which the Company's gas distribution network connects with a transmission pipeline system. The Company will not be entering into any new Western Canada buy/sell arrangements after April 1, 1999.

B. Ontario Delivery T-Service Arrangement

In an Ontario Delivery T-Service Arrangement the Applicant delivers gas, to a contractually agreed-upon point of acceptance in Ontario.

Delivery from the point of direct interconnection with the Company's gas distribution network to a Terminal Location served from the Company's gas distribution network may be obtained by the Applicant either under the Bundled Service Rate Schedules or under the Unbundled Service Rate Schedules.

(i) Bundled T-Service

Bundled T-Service is so called because all of the services required by the Applicant (delivery and load balancing) are provided for the prices specified in the applicable Rate Schedule. In a Bundled T-Service arrangement the Applicant contracts to deliver each day to the Company a Mean Daily Volume of gas. Fluctuations in the demand for gas at the Terminal Location are balanced by the Company.

(ii) Unbundled T-Service

The Unbundled Service Rates allow an Applicant to contract for only such kinds of service as the Applicant chooses. The potential advantage to an Applicant is that the chosen amounts of service may be less than the amounts required by an average customer represented in the applicable Rate Schedule, in which case the Applicant may be able to reduce the costs otherwise payable under Bundled T-Service.

C. Western Delivery T-Service Arrangement

In a Western Delivery T-Service Arrangement the Applicant contracts to deliver each day to a point on the TransCanada PipeLines Ltd. transmission system in Western Canada a Mean Daily Volume of gas plus fuel gas. Delivery from that point to the Terminal Location is carried out by the Company using its contracted capacity on the TransCanada PipeLines Limited. system and its gas distribution network. Unbundled T-Service in Ontario is not available with the Western Delivery Option.

An Applicant desiring to receive Transportation Service or to establish a Buy/Sell Agreement must first enter into the applicable written agreements with the Company.

D. Dawn Delivery T-Service Arrangement

In a Dawn Delivery T-Service Arrangement the Applicant contracts to deliver each day to the Dawn natural gas hub as point of acceptance the Mean Daily Volume of gas. Delivery from that point to the Terminal Location is carried out by the Company using capacity of facilities upstream of the distribution system and its gas distribution network.

PART III

TERMS AND CONDITIONS APPLICABLE TO ALL SERVICES

The provisions of this PART III are applicable to, and only to, Sales Service and Transportation Service.

SECTION A - AVAILABILITY

Unless otherwise stated in a Rate Schedule, the Company's rates and services are available throughout the entire franchised area serviced by the Company. Transportation service and/or sales service will be provided subject to the Company having the capacity in its gas distribution network to provide the service requested. When the Company is requested to supply the natural gas to be delivered, service shall be available subject to the Company having available to it a supply of gas adequate to meet the requirement without jeopardizing the supply to its existing customers.

Service shall be made available after acceptance by the Company of an application for service to a Terminal Location at which the natural gas will be used.

SECTION B - ENERGY CONTENT

The price of natural gas sold at a Terminal Location is based on the assumption that each cubic metre of such natural gas contains a certain number of megajoules of energy which number is specified in the Rate Schedules. Variations in cost resulting from the energy content of the gas actually delivered to the Company by its supplier(s) differing from the assumed energy content will be recorded and used to adjust future bills. Such adjustments shall be made in accordance with practices approved from time to time by the Ontario Energy Board.

SECTION C - SUBSTITUTION PROVISION

The Company may deliver gas from any standby equipment provided that the gas so delivered shall be reasonably equivalent to the natural gas normally delivered.

SECTION D - BILLS

Bills will be mailed or delivered monthly or at such other time period as set out in the Service Contract. Gas consumption to which the Company's rates apply will be determined by the Company either by meter reading or by the Company's estimate of consumption where meter reading has not occurred. The rates and charges applicable to a billing month shall be those applicable to the calendar month which includes the last day of the billing month.

SECTION E - MINIMUM BILLS

The minimum bill per month applicable to service under any particular Rate Schedule shall be the Customer Charge plus any applicable Contract Demand Charges for Delivery, Gas Supply Load Balancing, and Gas Supply and any applicable Direct Purchase Administration Charge, all as provided for in the applicable Rate Schedule.

In addition, for service under each of the Large Volume Distribution Contact Rates, if in a contract year a volume of gas equal to or greater than the product of the Contract Demand multiplied by a contractually specified multiple of the Contract Demand ("Minimum Annual Volume") is not taken at the Terminal Location the Applicant shall pay, in addition to the minimum monthly bills, the amount obtained when the difference between the Minimum Annual Volume and the volume taken in the contract year (such difference being the Annual Volume Deficiency) is multiplied by the applicable Minimum Bill Charge(s) as provided for in the applicable Rate Schedule. Notwithstanding the foregoing, the Minimum Annual Volume shall be the greater of the Minimum Annual Volume as determined above and 340,000 m^3.

If gas deliveries to the Terminal Location have been ordered to be curtailed or discontinued in a contract year at the request of the Company and have been curtailed or discontinued as ordered, the Minimum Annual Volume shall be reduced for each day of curtailment or discontinuance by the excess of the Contract Demand over the volume delivered to the Terminal Location on such day.

SECTION F - PAYMENT CONDITIONS

Enbridge Gas Distribution charges are due when the bill is received, which is considered to be three days after the date the bill is rendered, or within such other time period as set out in the Service Contract. A late payment charge of 1.5% per month (19.56% effectively per annum) of all of the unpaid Enbridge Gas Distribution charges, including all applicable federal and provincial taxes, is applied to the account on the seventeenth (17^{th}) day following the date the bill is due.

SECTION G - TERM OF ARRANGEMENT

When gas service is provided and there is no written agreement in effect relating to the provision of such service, the term for which such service is to continue shall be one year. The term shall automatically be extended for a further year immediately following the expiry of any initial one year term or one year extension unless reasonable notice to terminate service is given to the Company, in a manner acceptable to the Company, prior to the expiry of the term. An Applicant receiving such service who temporarily discontinues service in the initial one year term or any one year extension and does not pay all the minimum bills for the period of such temporary discontinuance of service shall, upon the continuance of service, be liable to pay an amount equal to the unpaid minimum bills for such period. When a written agreement is in effect relating to the provision of gas service, the term for which such service is to continue shall be as provided for in the agreement.

SECTION H - RESALE PROHIBITION

Gas taken at a Terminal Location shall not be resold other than in accordance with all applicable laws and regulations and orders of any governmental authority or OEB having jurisdiction.

SECTION I - MEASUREMENT

The Company will install, operate and maintain at a Terminal Location such measurement equipment of suitable capacity and design as is required to measure the volume of gas delivered. Any special conditions for measurement are contained in the General Terms and Conditions which form part of each Large Volume Distribution Contract.

SECTION J - RATES IN CONTRACTS

Notwithstanding any rates for service specified in any Service Contract, the rates and charges provided for in an applicable Rate Schedule shall apply for service rendered on and after the effective date stated in such Rate Schedule until such Rate Schedule ceases to be applicable.

SECTION K - ADVICE RE: CURTAILMENT

The Company, if requested, will advise Applicants taking interruptible service of its estimate of service curtailment for the forthcoming winter. Such estimate will be provided as guidance to the Applicant in arranging for alternate fuel supply requirements. Abnormal weather and/or other unforeseen events may cause greater or lesser curtailment of service than expected.

SECTION L - DAILY DELIVERED VOLUMES

For purposes including that of calculating daily overrun gas volumes, the Company will recognize as having been delivered to it on a given day the sum of:

a) the volume of gas delivered under Intra-Alberta transportation arrangements, if any, plus;

b) the volume of gas delivered under FT transportation arrangements, if any, plus;

SECTION M - AUTHORIZED OVERRUN GAS

If an Applicant requests permission to exceed the Authorized Volume for a day, and such authorization is granted, such gas shall constitute Authorized Overrun Gas. Such gas shall either be sold by the Company to the Applicant pursuant to the provisions of Rate 320 applicable on such day, or, at the Company's sole discretion, under the Rate Schedule the customer is purchasing prior to such request. If the Applicant is supplying their own gas requirements and if the Applicant request and at the Company's sole discretion, such Overrun Gas will be debited to the Applicant's Banked gas Account.

SECTION N - UNAUTHORIZED SUPPLY OVERRUN GAS

If an Applicant for Transportation Service pursuant to the General Service Rates on any day delivers to the Company a Daily Delivered Volume which is less than the Mean Daily Volume, the volume of gas by which the Mean Daily Volume applicable to such day exceeds the Daily Delivered Volume delivered by the Applicant to the Company on such day shall constitute Unauthorized Supply Overrun Gas and shall be deemed to have been taken and purchased on such day. The rate applicable to such volume shall be 150% of the highest price on each day on which an overrun occurred for the calendar month as published in the Gas Daily for the Niagara and Iroquois export points for the CDA and the EDA delivery areas respectively.

Unauthorized Supply Overrun Gas for a day applicable to a Service Contract with an Applicant for service under the Large Volume Distribution Contract Rates is:

(a) the volume of gas by which the Daily Gas Quantity under the Service Contract on such day exceeds the Authorized Volume for such day, if any

plus

(b) if the day is in the months of December to March inclusive for an Applicant taking service on Rate 135 under Option a) or if the day is in the month of December under Option b), or if the day is a day on or in respect of which the Applicant has been requested in accordance with the Service Contract to curtail or discontinue the use of gas and the Service Contract is in whole or in part for interruptible Transportation Service, the volume of gas, if any, by which

(i) the Mean Daily Volume set out in the Service Contract and is applicable to such day exceeds

(ii) the Daily Delivered Volume delivered by the Applicant to the Company on such day, which excess volume of gas shall be deemed to have been taken and purchased by the Applicant on such day.

The Applicant shall pay the Company for Unauthorized Supply Overrun Gas at the rate applicable to Unauthorized Supply Overrun Gas as provided for in the Rate Schedule(s) applicable to the Service Contract.

An Applicant taking service pursuant to a Gas Delivery Agreement and a Large Volume Distribution Contract Rate must provide two business days notice to the Company of the Applicant's intention to deliver a Daily Delivered Volume which is less than the Mean Daily Volume for a specified time period. Failure to provide proper notice will result in Unauthorized Supply Overrun Gas calculated as the difference between Daily Delivered Volume and the Mean Daily Volume.

Unauthorized Supply Overrun Gas for a day applicable to a Service Contract with an Applicant for service under Rate 125 or Rate 300 shall be determined from the provisions of the applicable Rate Schedule. The Applicant shall pay the Company for Unauthorized Supply Overrun Gas at the rate applicable to Unauthorized Supply Overrun Gas as provided for in the Rate Schedule(s) applicable to the Service Contract.

SECTION O – COMPANY RESPONSIBILTY AND LIABILITY

This Section O applies only to gas distribution service under Rates 1, 6 and 9, and does not replace or supercede the terms in any applicable Service Contract.
The Company shall make reasonable efforts to maintain, but does not guarantee, continuity of gas service to its customers. The Company may, in its sole discretion, terminate or interrupt gas service to customers;

to maintain safety and reliability on, or to facilitate construction, installation, maintenance, repair, replacement or inspection of the Company's facilities; or

for any reason related to dangerous or hazardous circumstances, emergencies or Force Majeure.

The Company shall not be liable for any loss, injury, damage, expense, charge, cost or liability of any kind, whether direct, indirect, special or consequential in nature, (excepting only direct physical loss, injury or damage to a customer or a customer's property, resulting from the negligent acts or omissions of the Company, its employees or agents) arising from or connected with any failure, defect, fluctuation or interruption in the provision of gas service by the Company to its customers.

SECTION P – OBLIGATION FOR LARGE CUSTOMERS TO PROVIDE CONSUMPTION AND EMERGENCY CONTACT INFORMATION

All customers whose annual consumption exceeds 1,000,000 m3 are obligated to provide their expected annual consumption, peak demand, and emergency contact information to the Company annually.

PART IV

TERMS AND CONDITIONS – DIRECT PURCHASE ARRANGEMENTS

Any Applicant, at the time of applying for service, may elect, in and for the term of any Service Contract, to deliver its own natural gas requirements to the Company and the Company shall deliver gas to
a Terminal Location as required by the Applicant, subject to the terms and conditions contained in the applicable Rate Schedule and in the Service Contract. For Buy/Sell Arrangements and Bundled T-Service the deliveries by the Applicant to the Company shall be at the Applicant's estimated mean daily rate of consumption.

Backstopping of an Applicant's natural gas supply for Transportation Service arrangements will be available pursuant to Rate 320 subject to the Company's ability to do so using reasonable commercial efforts. Gas Purchase Agreements in respect to Buy/Sell Arrangements shall specify terms and conditions available to the Company to alleviate certain consequences of the Applicant's failure to deliver the required volume of gas.

The following Terms and Conditions shall apply to, and only to, Transportation Service and/or Gas Purchase Agreements.

SECTION A - NOMINATIONS

An Applicant delivering gas to the Company pursuant to a contract is responsible for advising the Company, by means of a contractually specified Nomination procedure, of the daily volume of gas to be delivered to the Company by or on behalf of the Applicant.

An initial daily volume must be Nominated by a contractually specified time before the first day on which gas is to be delivered to the Company. Any Nomination, once accepted by the Company, shall be considered as a standing nomination applicable to each subsequent day in a contract term unless specifically varied by written notice to the Company.

A contract may specify certain contractual provisions that are applicable in the event that an Applicant either fails to advise of a revised daily nomination or fails to deliver the daily volume so nominated.

A Nominated Volume in excess of the Applicant's Maximum Daily Volume as specified in the Service Contract will not be accepted except as specifically provided for in any contract.

SECTION B - OBLIGATION TO DELIVER

During any period of curtailment or discontinuance of Bundled interruptible Transportation Service as ordered by the Company, any Applicant supplying its own gas requirements must, on such day, deliver to the Company the Mean Daily Volume of gas specified in any Service Contract.

Each Applicant taking service pursuant to a Gas Delivery Agreement and a Large Volume Distribution Contract Rate is obligated to deliver the Mean Daily Volume of gas as specified in any Service Contract, unless the Applicant provides two business days notice to the Company of the Applicant's intention to deliver a Daily Delivered Volume which is less than the Mean daily Volume for a specified time period.

An Applicant taking service on Rate 135 under Option a) must deliver to the Company the Mean Daily Volume of gas specified in the Service Contract in the months of December to March, inclusive.

An Applicant taking service on Rate 135 under Option b) must deliver to the Company the Modified Mean Daily Volume of gas specified in the Service Contract in the month of December.

Applicants taking service on General Service rates pursuant to a Direct Purchase Agreement must, on each day in the term of such agreement, deliver to the Company the Mean Daily Volume of gas specified in such agreement.

SECTION C - DIVERSION RIGHTS

Subject to compliance with the Terms and Conditions of all Required Orders, an Applicant who has entered into a Transportation Service Agreement or Agreements which provide(s) for deliveries to the Company for more than one Terminal Location shall have the right, on such terms and only on such terms as are specified in the applicable Transportation Service Agreement, to divert deliveries from one or more contractually specified Terminal Locations to other contractually specified Terminal Locations.

SECTION D - BANKED GAS ACCOUNT (BGA)

For T-Service Applicants, the Company shall keep a record ("Banked Gas Account") of the volume of gas delivered by the Applicant to the Company in respect of a Terminal Location (credits) and of the volume of gas taken by the Applicant at the Terminal Location (debits). (Any volume of gas sold by the Company to the Applicant in respect to the Terminal Location shall not be debited to the Banked Gas Account). The Company shall periodically report to the Applicant the net balance in the Applicant's Banked Gas Account.

SECTION E - DISPOSITION OF BANKED GAS ACCOUNT (BGA) BALANCES

A. The following Terms and Conditions shall apply to Bundled T-Service:

(a) At the end of each contract year, disposition of any net debit balance in the Banked Gas Account (BGA) shall be made as follows:

The Applicant, by written notice to the Company within thirty (30) days of the end of the contract year, may elect to return to the Company, in kind, during the one hundred and eighty (180) days following the end of the contract year, that portion of any debit balance in the Banked Gas Account as at the end of the contract year not exceeding a volume of twenty times the Applicant's Mean Daily Volume by the Applicant delivering to the Company on days agreed upon by the Company and the Applicant a volume of gas greater than the Mean Daily Volume, if any, applicable to such day under a Service Contract. Any volume of gas returned to the Company as aforesaid shall not be credited to the Banked Gas Account in the subsequent contract year. Any debit balance in the Banked Gas Account as at the end of the contract year which is not both elected to be returned, and actually returned, to the Company as aforesaid shall be deemed to have been sold to the Applicant and the Applicant shall pay for such gas within ten (10) days of the rendering of a bill therefor. The rate applicable to such gas shall be:

(1) For Bundled Western T-Service, 120% of the average price over the contracted year, based on the published index price for the Monthly AECO/NIT supply adjusted for Nova's AECO to Empress transportation tolls and compressor fuel costs.

(2) ***For Bundled Dawn T-Service, 120% of the average price over the contracted year, based on the published index price for the Monthly AECO/NIT supply adjusted for Nova's AECO to Empress transportation tolls including compressor fuel costs, plus the Company's average transportation cost to its franchise area over the contract year and less the Company's average Dawn T-Service transportation cost to the franchise area over the contract year.***

(3) For Bundled Ontario T-Service, 120% of the average price over the contracted year, based on the published index price for the Monthly AECO/NIT supply adjusted for Nova's AECO to Empress transportation tolls and compressor fuel costs, plus the Company's average transportation cost to its franchise area over the contract year.

(b) A credit balance in the Banked Gas Account as at the end of the contract year must be eliminated in one or more of the following manners, namely:

(i) Subject to clause (ii), if the Applicant continues to take service from the Company under a contract pursuant to which the Applicant delivers gas to the Company and the Applicant so elects (by written notice to the Company within thirty (30) days of the end of the contract year), that portion of such balance which the Applicant stipulates in such written notice and which does not exceed twenty times the Applicant's Mean Daily Volume may be carried forward as a credit to the Banked Gas Account for the next succeeding contract year. Any volume duly elected to be carried forward under this clause shall, and may only, be reduced within the period of one hundred and eighty (180) days ("Adjustment Period") immediately following the contract year, by the Applicant delivering to the Company, on days in the Adjustment Period agreed upon by the Company and the Applicant ("Adjustment Days"), a volume of gas less than the Mean Daily Volume applicable to such day under a Service Contract. Subject to the foregoing, the credit balance in the Banked Gas Account shall be deemed to be reduced on each Adjustment Day by the volume ("Daily Reduction Volume") by which the Mean Daily Volume applicable to such day exceeds the greater of the volume of gas delivered by the Applicant on such day and the Nominated Volume for such day which was accepted by the Company.

(ii) Any portion of a credit balance in the Banked Gas Account which is not eligible to be eliminated in accordance with clause (i), or which the Applicant elects (by written notice to the Company within thirty (30) days of the end of the contract year) to sell under this clause, shall be deemed to have been tendered for sale to the Company and the Company shall purchase such portion at:

(1) For Bundled Western T-Service, a price per cubic metre of eighty percent (80%) of the average price over the contract year, based on the published index price for the Monthly AECO/NIT supply adjusted for Nova's AECO to Empress transportation tolls and compressor fuel costs, less the Company's average transportation cost to its franchise area over the contract year.

(2) For Bundled Dawn T-Service, a price per cubic metre of eighty percent (80%) of the average price over the contract year, based on the published index price for the Monthly AECO/NIT supply adjusted for Nova's AECO to Empress transportation tolls including compressor fuel costs, less the Company's average Dawn T-Service transportation cost to the franchise area over the contract year.

(3) For *Bundled Ontario T-Service*, a price per cubic metre of eighty percent (80%) of the average price over the contract year, based on the published index price for the Monthly AECO/NIT supply adjusted for Nova's AECO to Empress transportation tolls and compressor fuel costs.

Any volume of gas deemed to have been so tendered for sale shall be deemed to have been eliminated from the credit balance of the Banked Gas Account.

During the Adjustment Period the Company shall use reasonable efforts to accept the Applicant's reduced gas deliveries. Any credit balance in the Banked Gas Account not eliminated as aforesaid in the Adjustment Period shall be forfeited to, and be the property of, the Company, and such volume of gas shall be debited to the Banked Gas Account as at the end of the Adjustment Period.

Subject to its ability to do so, the Company will attempt to accommodate arrangements which would permit adjustments to Banked Gas Account balances at times and in a manner which are mutually agreed upon by the Applicant and the Company.

B. The following Terms and Conditions shall apply to Unbundled Service:

The Terms and Conditions for disposition of Cumulative Imbalance Account balances shall be as specified in the applicable Service Contracts.

APPLICABILITY:

To any Applicant needing to use the Company's natural gas distribution network to have transported a supply of natural gas to a residential building served through one meter and containing no more than six dwelling units ("Terminal Location").

RATE:

Rates per cubic metre assume an energy content of 37.69 MJ/m³.

	Billing Month January to December
Monthly Customer Charge	**$20.00**
Delivery Charge per cubic metre	
For the first 30 m³ per month	**10.1662 ¢/m³**
For the next 55 m³ per month	**9.6183 ¢/m³**
For the next 85 m³ per month	**9.1892 ¢/m³**
For all over 170 m³ per month	**8.8694 ¢/m³**
Transportation Charge per cubic metre (If applicable)	**5.6186 ¢/m³**
Transportation Dawn Charge per cubic metre (If applicable)	**1.1335 ¢/m³**
System Sales Gas Supply Charge per cubic metre (If applicable)	**9.5839 ¢/m³**

The rates quoted above shall be subject to the Gas Cost Adjustment contained in Rider “C” and the Revenue Adjustment Rider contained in Rider "E". Also, meter readings will be adjusted by the Atmospheric Pressure Factor relevant to the customer’s location as shown in Rider “F”.
The Gas Supply Charge is applicable if the Applicant is not providing its own supply of natural gas for transportation.

DIRECT PURCHASE ARRANGEMENTS:

Rider "A" or Rider "B" shall be applicable to Applicants who enter into Direct Purchase Arrangements under this Rate Schedule.

TERMS AND CONDITIONS OF SERVICE:

The provisions of PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** apply, as contemplated therein, to service under this Rate Schedule.

EFFECTIVE DATE:

To apply to bills rendered for gas consumed by customers on and after January 1, 2017 under Sales Service and Transportation Service. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184, effective July 1, 2016.

APPLICABILITY:

To any Applicant needing to use the Company's natural gas distribution network to have transported a supply of natural gas to a single terminal location ("Terminal Location") for non-residential purposes.

RATE:

Rates per cubic metre assume an energy content of 37.69 MJ/m³.

		Billing Month January to December
Monthly Customer Charge		**$70.00**
Delivery Charge per cubic metre		
For the first 500 m³ per month		**9.7444 ¢/m³**
For the next 1050 m³ per month		**7.8097 ¢/m³**
For the next 4500 m³ per month		**6.4549 ¢/m³**
For the next 7000 m³ per month		**5.5844 ¢/m³**
For the next 15250 m³ per month		**5.1977 ¢/m³**
For all over 28300 m³ per month		**5.1005 ¢/m³**
Transportation Charge per cubic metre	(If applicable)	**5.6186 ¢/m³**
Transportation Dawn Charge per cubic metre	(If applicable)	**1.1335 ¢/m³**
System Sales Gas Supply Charge per cubic metre	(If applicable)	**9.6060 ¢/m³**

The rates quoted above shall be subject to the Gas Cost Adjustment contained in Rider “C” and the Revenue Adjustment Rider contained in Rider "E". Also, meter readings will be adjusted by the Atmospheric Pressure Factor relevant to the customer’s location as shown in Rider “F”.
The Gas Supply Charge is applicable if the Applicant is not providing its own supply of natural gas for transportation.

DIRECT PURCHASE ARRANGEMENTS:

Rider "A" or Rider "B" shall be applicable to Applicants who enter into Direct Purchase Arrangements under this Rate Schedule.

TERMS AND CONDITIONS OF SERVICE:

The provisions of PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** apply, as contemplated therein, to service under this Rate Schedule.

EFFECTIVE DATE:

To apply to bills rendered for gas consumed by customers on and after January 1, 2017 under Sales Service and Transportation Service. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184, effective July 1, 2016.

RATE NUMBER: 9	CONTAINER SERVICE

APPLICABILITY:

To any Applicant needing to use the Company's natural gas distribution network to have transported a supply of natural gas to a single terminal location ("Terminal Location") at which, such gas is authorized by the Company to be resold by filling pressurized containers.

RATE:

Rates per cubic metre assume an energy content of 37.69 MJ/m³.

		Billing Month January to December
Monthly Customer Charge		**$235.95**
Delivery Charge per cubic metre		
For the first 20,000 m³ per month		**10.9446 ¢/m³**
For all over 20,000 m³ per month		**10.2456 ¢/m³**
Transportation Charge per cubic metre	(If applicable)	**5.6186 ¢/m³**
Transportation Dawn Charge per cubic metre	(If applicable)	**1.1335 ¢/m³**
System Sales Gas Supply Charge per cubic metre	(If applicable)	**9.5499 ¢/m³**

The rates quoted above shall be subject to the Gas Cost Adjustment contained in Rider “C” and the Revenue Adjustment Rider contained in Rider "E". In addition, meter readings will be adjusted by the Atmospheric Pressure Factor relevant to the customer’s location as shown in Rider "F". The Gas Supply Charge is applicable if the Applicant is not providing its own supply of natural gas for transportation.

DIRECT PURCHASE ARRANGEMENTS:

Rider "A" or Rider "B" shall be applicable to Applicants who enter into Direct Purchase Arrangements under this Rate Schedule.

TERMS AND CONDITIONS OF SERVICE:

The provisions of PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** apply, as contemplated therein, to service under this Rate Schedule.

EFFECTIVE DATE:

To apply to bills rendered for gas consumed by customers on and after January 1, 2017 under Sales Service and Transportation Service. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184, effective July 1, 2016.

APPLICABILITY:

To any Applicant who enters into a Service Contract with the Company to use the Company's natural gas distribution network for the transportation, to a single terminal location ("Terminal Location"), to be delivered at a specified maximum daily volume of not less than 10,000 cubic metres and not more than 150,000 cubic metres.

CHARACTER OF SERVICE:

Service shall be continuous (firm) except for events as specified in the Service Contract including force majeure.

RATE:

Rates per cubic metre assume an energy content of 37.69 MJ/m³.

	Billing Month January to December
Monthly Customer Charge	**$122.01**
Delivery Charge	
Per cubic metre of Contract Demand	**36.0000 ¢/m³**
Per cubic metre of gas delivered	**0.1603 ¢/m³**
Gas Supply Load Balancing Charge	**1.5302 ¢/m³**
Transportation Charge per cubic metre (If applicable)	**5.6186 ¢/m³**
Transportation Dawn Charge per cubic metre (If applicable)	**1.1335 ¢/m³**
System Sales Gas Supply Charge per cubic metre (If applicable)	**9.6060 ¢/m³**

Monthly Minimum Bill: The Monthly Customer Charge plus the Monthly Contract Demand Charge.

The rates quoted above shall be subject to the Gas Cost Adjustment contained in Rider “C” and the Revenue Adjustment Rider contained in Rider "E". In addition, meter readings will be adjusted by the Atmospheric Pressure Factor relevant to the customer’s location as shown in Rider "F". The Gas Supply Charge is applicable if the Applicant is not providing its own supply of natural gas for transportation.

DIRECT PURCHASE ARRANGEMENTS:

Rider "A" or Rider "B" shall be applicable to Applicants who enter into Direct Purchase Arrangements under this Rate Schedule.

UNAUTHORIZED OVERRUN GAS RATE:

When the Applicant takes Unauthorized Supply Overrun Gas, the Applicant shall purchase such gas at a rate of 150% of the highest price on each day on which an overrun occurred for the calendar month as published in the Gas Daily for the Niagara and Iroquois export points for the CDA and EDA respectively.

On the second and subsequent occasion in a contract year when the Applicant takes Unauthorized Demand Overrun Gas, a new Contract Demand will be established and shall be charged equal to 120% of the applicable monthly charge for twelve months of the current contract term, including retroactively based on the terms of the Service Contract.

TERMS AND CONDITIONS OF SERVICE:

The provisions of PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** apply, as contemplated therein, to service under this Rate Schedule.

EFFECTIVE DATE:

To apply to bills rendered for gas consumed by customers on and after January 1, 2017 under Sales Service and Transportation Service. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184, effective July 1, 2016.

APPLICABILITY:

To any Applicant who enters into a Service Contract with the Company to use the Company's natural gas distribution network for the transportation, to a single terminal location ("Terminal Location"), of an annual supply of natural gas of not less than 146 times a specified maximum daily volume of not less than 1,865 cubic metres.

CHARACTER OF SERVICE:

Service shall be continuous (firm) except for events as specified in the Service Contract including force majeure.

RATE:

Rates per cubic metre assume an energy content of 37.69 MJ/m³.

	Billing Month January to December
Monthly Customer Charge	**$587.37**
Delivery Charge	
Per cubic metre of Contract Demand	**22.9100 ¢/m³**
Per cubic metre of gas delivered	
For the first 1,000,000 m³ per month	**0.7460 ¢/m³**
For all over 1,000,000 m³ per month	**0.5960 ¢/m³**
Gas Supply Load Balancing Charge	**0.3233 ¢/m³**
Transportation Charge per cubic metre (If applicable)	**5.6186 ¢/m³**
Transportation Dawn Charge per cubic metre (If applicable)	**1.1335 ¢/m³**
System Sales Gas Supply Charge per cubic metre (If applicable)	**9.5499 ¢/m³**

The rates quoted above shall be subject to the Gas Cost Adjustment contained in Rider “C” and the Revenue Adjustment Rider contained in Rider "E". In addition, meter readings will be adjusted by the Atmospheric Pressure Factor relevant to the customer’s location as shown in Rider "F". The Gas Supply Charge is applicable if the Applicant is not providing its own supply of natural gas for transportation.

DIRECT PURCHASE ARRANGEMENTS:

Rider "A" or Rider "B" shall be applicable to Applicants who enter into Direct Purchase Arrangements under this Rate Schedule.

UNAUTHORIZED OVERRUN GAS RATE:

When the Applicant takes Unauthorized Supply Overrun Gas, the Applicant shall purchase such gas at a rate of 150% of the highest price on each day on which an overrun occurred for the calendar month as published in the Gas Daily for the Niagara and Iroquois export points for the CDA and EDA respectively.

On the second and subsequent occasion in a contract year when the Applicant takes Unauthorized Demand Overrun Gas, a new Contract Demand will be established and shall be charged equal to 120% of the applicable monthly charge for twelve months of the current contract term, including retroactively based on the terms of the Service Contract.

MINIMUM BILL:

Per cubic metre of Annual Volume Deficiency
(See Terms and Conditions of Service):

6.6590 ¢/m³

In determining the Annual Volume Deficiency, the minimum bill multiplier shall not be less than 146.

TERMS AND CONDITIONS OF SERVICE:

The provisions of PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** apply, as contemplated therein, to service under this Rate Schedule.

EFFECTIVE DATE:

To apply to bills rendered for gas consumed by customers on and after January 1, 2017 under Sales Service and Transportation Service. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184, effective July 1, 2016.

LARGE VOLUME LOAD FACTOR SERVICE

APPLICABILITY:

To any Applicant who enters into a Service Contract with the Company to use the Company's natural gas distribution network for the transportation, to a single terminal location ("Terminal Location"), of an annual supply of natural gas of not less than 292 times a specified maximum daily volume of not less than 1,165 cubic metres.

CHARACTER OF SERVICE:

Service shall be continuous (firm) except for events as specified in the Service Contract including force majeure.

RATE:

Rates per cubic metre assume an energy content of 37.69 MJ/m³.

	Billing Month January to December
Monthly Customer Charge	**$622.62**
Delivery Charge	
Per cubic metre of Contract Demand	**24.3600 ¢/m³**
Per cubic metre of gas delivered	
For the first 1,000,000 m³ per month	**0.3781 ¢/m³**
For all over 1,000,000 m³ per month	**0.2781 ¢/m³**
Gas Supply Load Balancing Charge	**0.1164 ¢/m³**
Transportation Charge per cubic metre (If applicable)	**5.6186 ¢/m³**
Transportation Dawn Charge per cubic metre (If applicable)	**1.1335 ¢/m³**
System Sales Gas Supply Charge per cubic metre (If applicable)	**9.5499 ¢/m³**

The rates quoted above shall be subject to the Gas Cost Adjustment contained in Rider “C” and the Revenue Adjustment Rider contained in Rider "E". In addition, meter readings will be adjusted by the Atmospheric Pressure Factor relevant to the customer’s location as shown in Rider "F". The Gas Supply Charge is applicable if the Applicant is not providing its own supply of natural gas for transportation.

DIRECT PURCHASE ARRANGEMENTS:

Rider "A" or Rider "B" shall be applicable to Applicants who enter into Direct Purchase Arrangements under this Rate Schedule.

UNAUTHORIZED OVERRUN GAS RATE:

When the Applicant takes Unauthorized Supply Overrun Gas, the Applicant shall purchase such gas at a rate of 150% of the highest price on each day on which an overrun occurred for the calendar month as published in the Gas Daily for the Niagara and Iroquois export points for the CDA and EDA respectively.

On the second and subsequent occasion in a contract year when the Applicant takes Unauthorized Demand Overrun Gas, a new Contract Demand will be established and shall be charged equal to 120% of the applicable monthly charge for twelve months of the current contract term, including retroactively based on the terms of the Service Contract.

MINIMUM BILL:

Per cubic metre of Annual Volume Deficiency
(See Terms and Conditions of Service):

6.0842 ¢/m³

In determining the Annual Volume Deficiency the minimum bill multiplier shall not be less than 292.

TERMS AND CONDITIONS OF SERVICE:

The provisions of PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** apply, as contemplated therein, to service under this Rate Schedule.

EFFECTIVE DATE:

To apply to bills rendered for gas consumed by customers on and after January 1, 2017 under Sales Service and Transportation Service. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184, effective July 1, 2016.

APPLICABILITY:

To any Applicant who enters into a Service Contract with the Company to use the Company's natural gas distribution network for the transportation, to a single terminal location ("Terminal Location"), of a specified maximum daily volume of natural gas. The maximum daily volume for billing purposes, Contract Demand or Billing Contract Demand, as applicable, shall not be less than 600,000 cubic metres. The Service under this rate requires Automatic Meter Reading (AMR) capability.

CHARACTER OF SERVICE:

Service shall be firm except for events specified in the Service Contract including force majeure.

For Non-Dedicated Service the monthly demand charges payable shall be based on the Contract Demand which shall be 24 times the Hourly Demand and the Applicant shall not exceed the Hourly Demand.

For Dedicated Service the monthly demand charges payable shall be based on the Billing Contract Demand or the Contract Demand specified in the Service Contract. The Applicant shall not exceed an hourly flow calculated as 1/24th of the Contract Demand specified in the Service Contract.

DISTRIBUTION RATES:

The following rates and charges, as applicable, shall apply for deliveries to the Terminal Location.

Monthly Customer Charge	**$500.00**
Demand Charge	
Per cubic metre of the Contract Demand or the Billing Contract Demand, as applicable, per month	**9.7583 ¢/m³**
Direct Purchase Administration Charge	**$75.00**
Forecast Unaccounted For Gas Percentage	**0.7%**

Monthly Minimum Bill: The Monthly Customer Charge plus the Monthly Demand Charge.

TERMS AND CONDITIONS OF SERVICE:

1. To the extent that this Rate Schedule does not specifically address matters set out in PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** then the provisions in those Parts shall apply, as contemplated therein, to service under this Rate Schedule.

2. **Unaccounted for Gas (UFG) Adjustment Factor**:

   The Applicant is required to deliver to the Company on a daily basis the sum of: (a) the volume of gas to be delivered to the Applicant's Terminal Location; and (b) a volume of gas equal to the forecast unaccounted for gas percentage as stated above multiplied by (a). In the case of a Dedicated Service, the Unaccounted for Gas volume requirement is not applicable.

3. **Nominations**:

   Customer shall nominate gas delivery daily based on the gross commodity delivery required to serve the customer’s daily load plus the UFG. Customers may change daily nominations based on the nomination windows within a day as defined by the customer contract with TransCanada PipeLines (TCPL) or Union Gas Limited.

   Schedule of nominations under Rate 125 has to match upstream nominations. This rate does not allow for any more flexibility than exists upstream of the EGD gas distribution system. Where the customer’s nomination does not match the confirmed upstream nomination, the nomination will be confirmed at the upstream value.

   Customer may nominate gas to a contractually specified Primary Delivery Area that may be EGD’s Central Delivery Area (CDA) or EGD’s Eastern Delivery Area (EDA) or other Delivery Area as specified in the applicable Service Contract. The Company may accept deliveries at a Secondary Delivery Area such as Dawn, at its sole discretion. Quantities of gas nominated to the system cannot exceed the Contract Demand, unless Make-up Gas or Authorized Overrun is permitted.

Customers with multiple Rate 125 contracts within a Primary Delivery Area may combine nominations subject to system operating requirements and subject to the Contract Demand for each Terminal Location. For combined nominations the customer shall specify the quantity of gas to each Terminal Location and the order in which gas is to be delivered to each Terminal Location. The specified order of deliveries shall be used to administer Load Balancing Provisions to each Terminal Location. When system conditions require delivery to a single Terminal Location only, nominations with different Terminal Locations may not be combined.

The Company permits pooling of Rate 125 contracts for legally related customers who meet the Business Corporations Act (Ontario) ("OBCA") definition of "affiliates" to allow for the management of those contracts by a single manager. The single manager is jointly liable with the individual customers for all of their obligations under the contracts, while the individual customers are severally liable for all of their obligations under their own contracts.

4. **Authorized Demand Overrun:**

The Company may, at its sole discretion, authorize consumption of gas in excess of the Contract Demand for limited periods within a month, provided local distribution facilities have sufficient capacity to accommodate higher demand. In such circumstances, customer shall nominate gas delivery based on the gross commodity delivery (the sum of the customer’s Contract Demand and the authorized overrun amount) required to serve the customer’s daily load, plus the UFG. In the event that gas usage exceeds the gas delivery on a day where demand overrun is authorized, the excess gas consumption shall be deemed Supply Overrun Gas.
Such service shall not exceed 5 days in any contract year. Based on the terms of the Service Contract, requests beyond 5 days will constitute a request for a new Contract Demand level with retroactive charges. The new Contract Demand level may be restricted by the capability of the local distribution facilities to accommodate higher demand.

Automatic authorization of transportation overrun over the Billing Contract Demand will be given in the case of Dedicated Service to the Terminal Location provided that pipeline capacity is available and subject to the Contract Demand as specified in the Service Contract.

Authorized Demand Overrun Rate	**0.32 ¢/m³**

The Authorized Demand Overrun Rate may be applied to commissioning volumes at the Company's sole discretion, for a contractual period of not more than one year, as specified in the Service Contract.

5. **Unauthorized Demand Overrun:**

Any gas consumed in excess of the Contract Demand and/or maximum hourly flow requirements, if not authorized, will be deemed to be Unauthorized Demand Overrun gas. Unauthorized Demand Overrun gas may establish a new Contract Demand effective immediately and shall be subject to a charge equal to 120 % of the applicable monthly charge for twelve months of the current contract term, including retroactively based on terms of Service Contract. Based on capability of the local distribution facilities to accommodate higher demand, different conditions may apply as specified in the applicable Service Contract. Unauthorized Demand Overrun gas shall also be subject to Unauthorized Supply Overrun provisions.

6. **Unauthorized Supply Overrun:**

Any volume of gas taken by the Applicant on a day at the Terminal Location which exceeds the sum of:

i. any applicable provisions of Rate 315 and any applicable Load Balancing Provision pursuant to Rate 125, plus

ii. the volume of gas delivered by the Applicant on that day shall constitute Unauthorized Supply Overrun Gas.

The Company may also deem volumes of gas to be Unauthorized Supply Overrun gas in other circumstances, as set out in the Load Balancing Provisions of Rate 125.

Any gas deemed to be Unauthorized Overrun gas shall be purchased by the customer at a price (Pe), which is equal to 150% of the highest price in effect for that day as defined below***.**

7. **Unauthorized Supply Underrun:**

Any volume of gas delivered by the Applicant on any day in excess of the sum of:

i. any applicable provisions of Rate 315 and any applicable Load Balancing Provision pursuant to Rate 125, plus

ii. the volume of gas taken by the Applicant at the Terminal Location on that day shall be classified as Supply Underrun Gas.

The Company may also deem volumes of gas to be Unauthorized Supply Underrun gas in other circumstances, as set out in the Load Balancing Provisions of Rate 125.

Any gas deemed to be Unauthorized Supply Underrun Gas shall be purchased by the Company at a price (P_u) which is equal to fifty percent (50%) of the lowest price in effect for that day as defined below**.

* where the price P_e expressed in cents / cubic metre is defined as follows:
$P_e = (P_m * E_r * 100 * 0.03769 / 1.055056) * 1.5$

P_m = highest daily price in U.S. $/mmBtu published in the Gas Daily, a Platts Publication, for that day under the column "Absolute", for the Niagara export point if the terminal location is in the CDA delivery area, and the Iroquois export point if the terminal location is in the EDA delivery area.

E_r = Noon day spot exchange rate expressed in Canadian dollars per U.S. dollar for such day quoted by the Bank of Canada in the following day's Globe & Mail Publication.

1.055056 = Conversion factor from mmBtu to GJ.

0.03769 = Conversion factor from GJ to cubic metres.

** where the price P_u expressed in cents / cubic metre is defined as follows:
$P_u = (P_l * E_r * 100 * 0.03769 / 1.055056) * 0.5$

P_l = lowest daily price in U.S. $/mmBtu published in the Gas Daily, a Platts Publication, for that day under the column "Absolute", for the Niagara export point if the terminal location is in the CDA delivery area, and the Iroquois export point if the terminal location is in the EDA delivery area.

Term of Contract:

A minimum of one year. A longer-term contract may be required if incremental contracts/assets/facilities have been procured/built for the customer. Migration from an unbundled rate to bundled rate may be restricted subject to availability of adequate transportation and storage assets.

Right to Terminate Service:

The Company reserves the right to terminate service to customers served hereunder where the customer's failure to comply with the parameters of this rate schedule, including the load balancing provisions, jeopardizes either the safety or reliability of the gas system. The Company shall provide notice to the customer of such termination; however, no notice is required to alleviate emergency conditions.

LOAD BALANCING PROVISIONS:

Load Balancing Provisions shall apply at the customer's Terminal Location or at the location of the meter installation for a customer served from a dedicated facility. In the event of an imbalance any excess delivery above the customer's actual consumption or delivery less than the actual consumption shall be subject to the Load Balancing Provisions.

Definitions:

Aggregate Delivery:

The Aggregate Delivery for a customer's account shall equal the sum of the confirmed nominations of the customer for delivery of gas to the applicable delivery area from all pipeline sources including where applicable, the confirmed nominations of the customer for Storage Service under Rate 316 or Rate 315 and any available No-Notice Storage Service under Rate 315 for delivery of gas to the Applicable Delivery Area.

Applicable Delivery Area:

The Applicable Delivery Area for each customer shall be specified by contract as a Primary Delivery Area. Where system-operating conditions permit, the Company, in its sole discretion, may accept a Secondary Delivery Area as the Applicable Delivery Area by confirming the customer's nomination of such area. Confirmation of a Secondary Delivery Area for a period of a gas day shall cause such area to become the Applicable Delivery Area for such day. Where delivery occurs at both a Terminal Location and a Secondary Delivery Area on a given day, the sum of the confirmed deliveries may not exceed the Contract Demand, unless Demand Overrun and/or Make-up Gas is authorized.

Primary Delivery Area:

The Primary Delivery Area shall be delivery area such as EGD's Central Delivery Area (CDA) or EGD's Eastern Delivery Area (EDA), or other Delivery Area as specified in the applicable Service Contract.

Secondary Delivery Area:

A Secondary Delivery Area may be a delivery area such as Dawn where the Company, at its sole discretion, determines that operating conditions permit gas deliveries for a customer.

Actual Consumption:

The Actual Consumption of the customer shall be the metered quantity of gas consumed at the customer's Terminal Location or in the event of combined nominations at the Terminal Locations specified.

Net Available Delivery:

The Net Available Delivery shall equal the Aggregate Delivery times one minus the annually determined percentage of Unaccounted for Gas (UFG) as reported by the Company.

Daily Imbalance:

The Daily Imbalance shall be the absolute value of the difference between Actual Consumption and Net Available Delivery.

Cumulative Imbalance:

The Cumulative Imbalance shall be the sum of the difference between Actual Consumption and Net Available Delivery since the date the customer last balanced or was deemed to have balanced its Cumulative Imbalance account.

Maximum Contractual Imbalance:

The Maximum Contractual Imbalance shall be equal to 60% of the customer's Contract Demand for non dedicated service and 60% of the Billing Contract Demand for dedicated service.

Winter and Summer Seasons:

The winter season shall commence on the date that the Company provides notice of the start of the winter period and conclude on the date that the Company provides notice of the end of the winter period. The summer season shall constitute all other days. The Company shall provide advance notice to the customer of the start and end of the winter season as soon as reasonably possible, but in no event not less than 2 days prior to the start or end.

Operational Flow Order:

An Operational Flow Order (OFO) shall constitute an issuance of instructions to protect the operational capacity and integrity of the Company's system, including distribution and/or storage assets, and/or connected transmission pipelines.

Enbridge Gas Distribution, acting reasonably, may call for an OFO in the following circumstances:

- Capacity constraint on the system, or portions of the system, or upstream systems, that are fully utilized;
- Conditions where the potential exists that forecasted system demand plus reserves for short notice services provided by the Company and allowances for power generation customers' balancing requirements would exceed facility capabilities and/or provisions of 3rd party contracts;
- Pressures on the system or specific portions of the system are too high or too low for safe operations;
- Storage system constraints on capacity or pressure or caused by equipment problems resulting in limited ability to inject or withdraw from storage;
- Pipeline equipment failures and/or damage that prohibits the flow of gas;
- Any and all other circumstances where the potential for system failure exists.

Daily Balancing Fee:

On any day where the customer has a Daily Imbalance the customer shall pay a Daily Balancing Fee equal to:

(Tier 1 Quantity X Tier 1 Fee) + (Tier 2 Quantity X Tier 2 Fee) + (Applicable Penalty Fee for Imbalance in excess of the Maximum Contractual Imbalance X the amount of Daily Imbalance in excess of the Maximum Contractual Imbalance)

Where Tier 1 and 2 Fees and Quantities are set forth as follows:

Tier 1 = 0.985 cents/m3 applied to Daily Imbalance of greater than 2% but less than 10% of the Maximum Contractual Imbalance

Tier 2 = 1.182 cents/m3 applied to Daily Imbalance of greater than 10% but less than the Maximum Contractual Imbalance

In addition for Tier 2, instances where the Daily Imbalance represents an under delivery of gas during the winter season shall constitute Unauthorized Supply Overrun Gas for all gas in excess of 10% of Maximum Contractual Imbalance. Where the Daily Imbalance represents an over delivery of gas during the summer season, the Company reserves the right to deem as Unauthorized Supply Underrun Gas for all gas in excess of 10% of Maximum Contractual Imbalance. The Company will issue a 24-hour advance notice to customers of its intent to impose cash out for over delivery of gas during the summer season.

For customers delivering to a Primary Delivery Area other than EGD's CDA or EGD's EDA, the Tier 1 Fee is applied to Daily Imbalance of greater than 0% but less than 10% of the Maximum Contractual Imbalance

The customers shall also pay any Limited Balancing Agreement (LBA) charges imposed by the pipeline on days when the customer has a Daily Imbalance provided such imbalance matches the direction of the pipeline imbalance. LBA charges shall first be allocated to customers served under Rates 125 and 300. The system bears a portion of these charges only to the extent that the system incurs such charges based on its operation excluding the operation of customers under Rates 125 and 300. In that event, LBA charges shall be prorated based on the relative imbalances. The Company will provide the customer with a derivation of any such charges.

Customer’s Actual Consumption cannot exceed Net Available Delivery when the Company issues an Operational Flow Order in the winter. Net nominations must not be less than consumption at the Terminal Location. Any negative Daily Imbalance on a winter Operational Flow Order day shall be deemed to be Unauthorized Supply Overrun. Customer’s Net Available Delivery cannot exceed Actual Consumption when the Company issues an Operational Flow Order in the summer. Actual Consumption must not be less than net nomination at the Terminal Location. Any positive Daily Imbalance on a summer Operational Flow Order day shall be deemed to be Unauthorized Supply Underrun.

The Company will waive Daily Balancing Fee and Cumulative Imbalance Charge on the day of an Operational Flow Order if the customer used less gas that the amount the customer delivered to the system during the winter season or the customer used more gas than the amount the customer delivered to the system during the summer season. The Company will issue a 24-hour advance notice to customers of Operational Flow Orders and suspension of Load Balancing Provisions.

Cumulative Imbalance Charges:

Customers may trade Cumulative Imbalances within a delivery area. Customers may also nominate to transfer gas from their Cumulative Imbalance Account into an unbundled (Rate 315 or Rate 316) storage account of the customer subject to their storage contract parameters.

Customers shall be permitted to nominate Make-up Gas, subject to operating constraints, provided that Make-up Gas plus Aggregate Delivery do not exceed the Contract Demand. The Company may, on days with no operating constraints, authorize Make-up Gas that, in conjunction with Aggregate Delivery, exceeds the Contract Demand.

The customer’s Cumulative Imbalance cannot exceed its Maximum Contractual Imbalance. In the event that the customer's imbalance exceeds their Maximum Contractual Imbalance the Company shall deem the excess imbalance to be Unauthorized Supply Overrun or Underrun gas, as appropriate.

The Cumulative Imbalance Fee, applicable daily, is 1.0652 cents/m3 per unit of imbalance.

In addition, on any day that the Company declares an Operational Flow Order, negative Cumulative Imbalances greater than 10 % of Maximum Contractual Imbalance in the winter season shall be deemed to be Unauthorized Overrun Gas. The Company reserves the right to deem positive Cumulative Imbalances greater than 10% of Maximum Contractual Imbalance in the summer season as Unauthorized Supply Underun Gas. The Company will issue a 24-hour advance notice to customers of Operational Flow Orders including cash out instructions for Cumulative Imbalances greater than 10 % of Maximum Contractual Imbalance.

EFFECTIVE DATE:

To apply to bills rendered for gas delivered on and after January 1, 2017. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184 effective July 1, 2016.

APPLICABILITY:

To any Applicant who enters into a Service Contract with the Company to use the Company's natural gas distribution network for the transportation, to a single terminal location ("Terminal Location"), of an annual supply of natural gas of not less than 340,000 cubic metres.

CHARACTER OF SERVICE:

Service shall be continuous (firm) except for events as specified in the Service Contract including force majeure. A maximum of five percent of the contracted annual volume may be taken by the Applicant in a single month during the months of December to March inclusively.

RATE:

Rates per cubic metre assume an energy content of 37.69 MJ/m³.

		Billing Month	
		December to March	**April to November**
Monthly Customer Charge		**$115.08**	**$115.08**
Delivery Charge			
For the first 14,000 m³ per month		**7.1021 ¢/m³**	**2.4021 ¢/m³**
For the next 28,000 m³ per month		**5.9021 ¢/m³**	**1.7021 ¢/m³**
For all over 42,000 m³ per month		**5.5021 ¢/m³**	**1.5021 ¢/m³**
Gas Supply Load Balancing Charge		**0.0000 ¢/m³**	**0.0000 ¢/m³**
Transportation Charge per cubic metre	(If applicable)	**5.6186 ¢/m³**	**5.6186 ¢/m³**
Transportation Dawn Charge per cubic metre	(If applicable)	**1.1335 ¢/m³**	**5.6186 ¢/m³**
System Sales Gas Supply Charge per cubic metre	(If applicable)	**9.5761 ¢/m³**	**9.5761 ¢/m³**

The rates quoted above shall be subject to the Gas Cost Adjustment contained in Rider “C” and the Revenue Adjustment Rider contained in Rider "E". In addition, meter readings will be adjusted by the Atmospheric Pressure Factor relevant to the customer’s location as shown in Rider "F". The Gas Supply Charge is applicable if the Applicant is not providing its own supply of natural gas for transportation.

DIRECT PURCHASE ARRANGEMENTS:

Rider "A" or Rider "B" shall be applicable to Applicants who enter into Direct Purchase Arrangements under this Rate Schedule.

The applicant has the option of delivering either Option a) a Mean Daily Volume ("MDV") based on 12 months, or Option b) a Modified Mean Daily Volume ("MMDV") based on nine months of deliveries. Authorized Volumes for the months of January, February and March would be zero under option b).

UNAUTHORIZED OVERRUN GAS RATE:

When the Applicant takes Unauthorized Supply Overrun Gas, the Applicant shall purchase such gas at a rate of 150% of the highest price on each day on which an overrun occurred for the calendar month as published in the Gas Daily for the Niagara and Iroquois export points for the CDA and EDA respectively.

Failure to deliver a volume of gas equal to the Mean Daily Volume under Option a) set out in the Service Contract during the months of December to March inclusive may result in the Applicant not being eligible for service under this rate in a subsequent contract period, at the Company's sole discretion.

Failure to deliver a volume of gas equal to the Modified Mean Daily Volume under Option b) set out in the Service Contract during the month of December may result in the Applicant not being eligible for service under this rate in a subsequent contract period, at the Company's sole discretion.

SEASONAL CREDIT:

Rate per cubic metre of Mean Daily Volume from December to March	$	**0.77 /m³**
Rate per cubic metre of Modified Mean Daily Volume for December	$	**0.77 /m³**

SEASONAL OVERRUN CHARGE:

During the months of December through March inclusively, any volume of gas taken in a single month in excess of five percent of the annual contract volume (Seasonal Overrun Monthly Volume) will be subject to Seasonal Overrun Charges in place of both the Delivery and Gas Supply Load Balancing Charges. The Seasonal Overrun Charge applicable for the months of December and March shall be calculated as 2.0 times the sum of the Gas Supply Load Balancing Charge, Transportation Charge and the maximum Delivery Charge. The Seasonal Overrun Charge applicable for the months of January and February shall be calculated as 5.0 times the sum of the Load Balancing Charge, Transportation Charge and the maximum Delivery Charge.

Seasonal Overrun Charges:

December and March	**25.4414 ¢/m³**
January and February	**63.6035 ¢/m³**

MINIMUM BILL:

Per cubic metre of Annual Volume Deficiency (See Terms and Conditions of Service):	**9.5585 ¢/m³**

TERMS AND CONDITIONS OF SERVICE:

The provisions of PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** apply, as contemplated therein, to service under this Rate Schedule.

EFFECTIVE DATE:

To apply to bills rendered for gas consumed by customers on and after January 1, 2017 under Sales Service and Transportation Service. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184, effective July 1, 2016.

APPLICABILITY:

To any Applicant who enters into a Service Contract with the Company to use the Company's natural gas distribution network for the transportation of a specified maximum daily volume of natural gas to a single terminal location ("Terminal Location") which can accommodate the total interruption of gas service as ordered by the Company exercising its sole discretion. The Company reserves the right to satisfy itself that the customer can accommodate the interruption of gas through either a shutdown of operations or a demonstrated ability and readiness to switch to an alternative fuel source. Any Applicant for service under this rate schedule must agree to transport a minimum annual volume of 340,000 cubic metres.

CHARACTER OF SERVICE:

In addition to events as specified in the Service Contract including force majeure, service shall be subject to curtailment or discontinuance upon the Company issuing a notice not less than 16 hours prior to the time at which such curtailment or discontinuance is to commence. An Applicant may, by contract, agree to accept a shorter notice period.

RATE:

Rates per cubic metre assume an energy content of 37.69 MJ/m³.

		Billing Month January to December
Monthly Customer Charge		**$123.34**
Delivery Charge		
Per cubic metre of Contract Demand		**8.2300 ¢/m³**
For the first 14,000 m³ per month		**2.9612 ¢/m³**
For the next 28,000 m³ per month		**1.6022 ¢/m³**
For all over 42,000 m³ per month		**1.0432 ¢/m³**
Gas Supply Load Balancing Charge		**0.6796 ¢/m³**
Transportation Charge per cubic metre	(If applicable)	**5.6186 ¢/m³**
Transportation Dawn Charge per cubic metre	(If applicable)	**1.1335 ¢/m³**
System Sales Gas Supply Charge per cubic metre	(If applicable)	**9.5537 ¢/m³**

The rates quoted above shall be subject to the Gas Cost Adjustment contained in Rider “C” and the Revenue Adjustment Rider contained in Rider "E". In addition, meter readings will be adjusted by the Atmospheric Pressure Factor relevant to the customer’s location as shown in Rider "F". The Gas Supply Charge is applicable if the Applicant is not providing its own supply of natural gas for transportation.

DIRECT PURCHASE ARRANGEMENTS:

Rider "A" or Rider "B" shall be applicable to Applicants who enter into Direct Purchase Arrangements under this Rate Schedule.

CURTAILMENT CREDIT:

Rate for 16 hours of notice per cubic metre of Mean Daily Volume from December to March **$ 0.50 /m³**

In addition, if the Applicant is supplying its own gas requirements, the gas delivered by the Applicant during the period of curtailment shall be purchased by the Company for the Company's use. The purchase price for such gas will be equal to the price that is reported for the month, in the first issue of the Natural Gas *Market Report* published by Canadian Enerdata Ltd. during the month, as the "current" "Avg." (i.e., average) "Alberta One-Month Firm Spot Price" for "AECO 'C' and Nova Inventory Transfer" in the table entitled "Domestic spot gas prices", adjusted for AECO to Empress transportation tolls and compressor fuel costs.

For the areas specified in Appendix A to this Rate Schedule, the Company's gas distribution network does not have sufficient physical capacity under current operating conditions to accommodate the provision of firm service to existing interruptible locations.

UNAUTHORIZED OVERRUN GAS RATE:

When the Applicant takes Unauthorized Supply Overrun Gas, the Applicant shall purchase such gas at a rate of 150% of the highest price on each day on which an overrun occurred for the calendar month as published in the Gas Daily for the Niagara and Iroquois export points for the CDA and EDA respectively.

Any material instance of failure to curtail in any contract year may result in the Applicant forfeiting the right to be served under this rate schedule.

In such case, service hereunder would cease, notwithstanding any Service Contract between the Company and the Applicant. Gas supply and/or transportation service would continue to be available to the Applicant pursuant to the provisions of the Company's Rate 6 until a Service Contract pursuant to another applicable Rate Schedule was executed.

Any Applicant taking a material volume of Unauthorized Supply Overrun Gas, during a period of ordered curtailment, may forfeit its curtailment credits for the respective winter season, December through March inclusive.

On the second and subsequent occasion in a contract year when the Applicant takes Unauthorized Demand Overrun Gas, a new Contract Demand will be established and shall be charged equal to 120% of the applicable monthly charge for twelve months of the current contract term, including retroactively based on the terms of the Service Contract.

MINIMUM BILL:

Per cubic metre of Annual Volume Deficiency (See Terms and Conditions of Service):	**9.2305 ¢/m³**

TERMS AND CONDITIONS OF SERVICE:

The provisions of PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** apply, as contemplated therein, to service under this Rate Schedule.

EFFECTIVE DATE:

To apply to bills rendered for gas consumed by customers on and after January 1, 2017 under Sales Service and Transportation Service. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184, effective July 1, 2016.

APPLICABILITY:

To any Applicant who enters into a Service Contract with the Company to use the Company's natural gas distribution network for the transportation of a specified maximum daily volume of natural gas of not less than 30,000 cubic metres and a minimum annual volume of 5,000,000 cubic metres to a single terminal location ("Terminal Location") which can accommodate the total interruption of gas service when required by the Company. The Company reserves the right to satisfy itself that the customer can accommodate the interruption of gas through either a shutdown of operations or a demonstrated ability and readiness to switch to an alternative fuel source. The Company, exercising its sole discretion, may order interruption of gas service upon not less than four (4) hours notice.

CHARACTER OF SERVICE:

In addition to events as specified in the Service Contract including force majeure, service shall be subject to curtailment or discontinuance upon the Company issuing a notice not less than 4 hours prior to the time at which such curtailment or discontinuance is to commence.

RATE:

Rates per cubic metre assume an energy content of 37.69 MJ/m³.

		Billing Month **January to December**
Monthly Customer Charge		**$279.31**
Delivery Charge		
Per cubic metre of Contract Demand		**4.0900 ¢/m³**
Per cubic metre of gas delivered		
For the first 1,000,000 m³ per month		**0.5147 ¢/m³**
For all over 1,000,000 m³ per month		**0.3147 ¢/m³**
Gas Supply Load Balancing Charge		**0.3145 ¢/m³**
Transportation Charge per cubic metre	(If applicable)	**5.6186 ¢/m³**
Transportation Dawn Charge per cubic metre	(If applicable)	**1.1335 ¢/m³**
System Sales Gas Supply Charge per cubic metre	(If applicable)	**9.5499 ¢/m³**

The rates quoted above shall be subject to the Gas Cost Adjustment contained in Rider “C” and the Revenue Adjustment Rider contained in Rider "E". In addition, meter readings will be adjusted by the Atmospheric Pressure Factor relevant to the customer’s location as shown in Rider "F". The Gas Supply Charge is applicable if the Applicant is not providing its own supply of natural gas for transportation.

DIRECT PURCHASE ARRANGEMENTS:

Rider "A" or Rider "B" shall be applicable to Applicants who enter into Direct Purchase Arrangements under this Rate Schedule.

CURTAILMENT CREDIT:

Rate for 4 hours of notice per cubic metre of Mean Daily Volume from December to March **$ 1.10 /m³**

In addition, if the Applicant is supplying its own gas requirements, the gas delivered by the Applicant during the period of curtailment shall be purchased by the Company for the Company's use. The purchase price for such gas will be equal to the price that is reported for the month, in the first issue of the Natural Gas *Market Report* published by Canadian Enerdata Ltd. during the month, as the "current" "Avg." (i.e., average) "Alberta One-Month Firm Spot Price" for "AECO 'C' and Nova Inventory Transfer" in the table entitled "Domestic spot gas prices", adjusted for AECO to Empress transportation tolls and compressor fuel costs.

For the areas specified in Appendix A to this Rate Schedule, the Company's gas distribution network does not have sufficient physical capacity under current operating conditions to accommodate the provision of firm service to existing interruptible locations.

UNAUTHORIZED OVERRUN GAS RATE:

When the Applicant takes Unauthorized Supply Overrun Gas, the Applicant shall purchase such gas at a rate of 150% of the highest price on each day on which an overrun occurred for the calendar month as published in the Gas Daily for the Niagara and Iroquois export points for the CDA and EDA respectively.

Any material instance of failure to curtail in any contract year may result in the Applicant forfeiting the right to be served under this rate schedule.

In such case, service hereunder would cease, notwithstanding any Service Contract between the Company and the Applicant. Gas supply and/or transportation service would continue to be available to the Applicant pursuant to the provisions of the Company's Rate 6 until a Service Contract pursuant to another applicable Rate Schedule was executed.

Any Applicant taking a material volume of Unauthorized Supply Overrun Gas, during a period of ordered curtailment, may forfeit its curtailment credits for the respective winter season, December through March inclusive.

On the second and subsequent occasion in a contract year when the Applicant takes Unauthorized Demand Overrun Gas, a new Contract Demand will be established and shall be charged equal to 120% of the applicable monthly charge for twelve months of the current contract term, including retroactively based on the terms of the Service Contract.

MINIMUM BILL:

Per cubic metre of Annual Volume Deficiency
(See Terms and Conditions of Service):

6.4189 ¢/m³

TERMS AND CONDITIONS OF SERVICE:

The provisions of PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** apply, as contemplated therein, to service under this Rate Schedule.

EFFECTIVE DATE:

To apply to bills rendered for gas consumed by customers on and after January 1, 2017 under Sales Service and Transportation Service. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184, effective July 1, 2016.

APPLICABILITY:

To any Distributor who enters into a Service Contract with the Company to use the Company's natural gas distribution network for the transportation of an annual supply of natural gas to customers outside of the Company's franchise area.

CHARACTER OF SERVICE:

Service shall be continuous (firm), except for events as specified in the Service Contract including force majeure, up to the contracted firm daily demand and subject to curtailment or discontinuance, of demand in excess of the firm contract demand, upon the Company issuing a notice not less than 4 hours prior to the time at which such curtailment or discontinuance is to commence.

RATE:

Rates per cubic metre assume an energy content of 37.69 MJ/m³.

	Billing Month
	January to December
Monthly Customer Charge	
The monthly customer charge shall be negotiated with the applicant and shall not exceed:	**$2,000.00**
Delivery Charge	
Per cubic metre of Firm Contract Demand	**14.7000 ¢/m³**
Per cubic metre of gas delivered	**1.1386 ¢/m³**
Gas Supply Load Balancing Charge	**1.3641 ¢/m³**
Transportation Charge per cubic metre (If applicable)	**5.6186 ¢/m³**
Transportation Dawn Charge per cubic metre (If applicable)	**0.0000 ¢/m³**
System Sales Gas Supply Charge per cubic metre (If applicable)	**9.5499 ¢/m³**
Buy/Sell Sales Gas Supply Charge per cubic metre (If applicable)	**9.5302 ¢/m³**

The rates quoted above shall be subject to the Gas Inventory Adjustment contained in Rider "C" and the Revenue Adjustment Rider contained in Rider "E". Also, meter readings will be adjusted by the Atmospheric Pressure Factor relevant to the customer's location as shown in Rider "F". The Gas Supply Charge is applicable to volumes of natural gas purchased from the Company. The volumes purchased shall be the volumes delivered at the Point of Delivery less any volumes, which the Company does not own and are received at the Point of Acceptance for delivery to the Applicant at the Point of Delivery.

DIRECT PURCHASE ARRANGEMENTS:

Rider "A" or Rider "B" shall be applicable to Applicants who enter into Direct Purchase Arrangements under this Rate Schedule.

CURTAILMENT CREDIT:

Rate for 4 hours of notice per cubic metre of Mean Daily Volume from December to March	**$**	**1.10 /m³**

In addition, if the Applicant is supplying its own gas requirements, the gas delivered by the Applicant during the period of curtailment shall be purchased by the Company for the Company's use. The purchase price for such gas will be equal to the price that is reported for the month, in the first issue of the Natural Gas *Market Report* published by Canadian Enerdata Ltd. during the month, as the "current" "Avg." (i.e., average) "Alberta One-Month Firm Spot Price" for "AECO 'C' and Nova Inventory Transfer" in the table entitled "Domestic spot gas prices", adjusted for AECO to Empress transportation tolls and compressor fuel costs.

For the areas specified in Appendix A to this Rate Schedule, the Company's gas distribution network does not have sufficient physical capacity under current operating conditions to accommodate the provision of firm service to existing interruptible locations.

UNAUTHORIZED OVERRUN GAS RATE:

When the Applicant takes Unauthorized Supply Overrun Gas, the Applicant shall purchase such gas at a rate of 150% of the highest price on each day on which an overrun occurred for the calendar month as published in the Gas Daily for the Niagara and Iroquois export points for the CDA and EDA respectively.

Any material instance of failure to curtail in any contract year may result in the Applicant forfeiting the right to receive interruptible service under this rate schedule.

Any Applicant taking a material volume of Unauthorized Supply Overrun Gas, during a period of ordered curtailment, may forfeit its curtailment credits for the respective winter season, December through March inclusive.

On the second and subsequent occasion in a contract year when the Applicant takes Unauthorized Demand Overrun Gas, a new Contract Demand will be established and shall be charged equal to 120% of the applicable monthly charge for twelve months of the current contract term, including retroactively based on the terms of the Service Contract.

MINIMUM BILL:

Per cubic metre of Annual Volume Deficiency (See Terms and Conditions of Service):	**8.0924 ¢/m³**

TERMS AND CONDITIONS OF SERVICE:

The provisions of PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** apply, as contemplated therein, to service under this Rate Schedule.

EFFECTIVE DATE:

To apply to bills rendered for gas consumed by customers on and after January 1, 2017 under Sales Service including Buy/Sell Arrangements and Transportation Service. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates as the Board Order, EB-2016-0184, effective July 1, 2016.

APPLICABILITY:

To any Applicant who enters into a Service Contract with the Company to use the Company's natural gas distribution network for the transportation to a single Terminal Location of a specified maximum daily volume of natural gas. The Company reserves the right to limit service under this schedule to customers whose maximum contract demand does not exceed 600,000 m3. The Service under this rate requires Automatic Meter Reading (AMR) capability. Service under this schedule is firm unless a customer is currently served under interruptible distribution service or the Company, in its sole judgment, determines that existing delivery facilities cannot adequately serve the load on a firm basis.

The unitized Monthly Contract Demand Charge is also applicable to volumes delivered to any Applicant taking service under a Curtailment Delivered Supply contract with the Company. The unitized rate equals the applicable Monthly Contract Demand Charge times 12/365.

CHARACTER OF SERVICE:

The Service shall be continuous (firm) except for events specified in the Service Contract including force majeure. The Applicant is neither allowed to take a daily quantity of gas greater than the Contract Demand nor an hourly amount in excess of the Contract Demand divided by 24, without the Company's prior consent. Interruptible Distribution Service is provided on a best efforts basis subject to the events identified in the service contract including force majeure and, in addition, shall be subject to curtailment or discontinuance of service when the Company notifies the customer under normal circumstances 4 hours prior to the time that service is subject to curtailment or discontinuance. Under emergency conditions, the Company may curtail or discontinue service on one-hour notice. The Interruptible Service Customer is not allowed to exceed maximum hourly flow requirements as specified in Service Contract.

DISTRIBUTION RATES:

Monthly Customer Charge	**$500.00**
Monthly Contract Demand Charge Firm	**26.4239 ¢/m³**
Interruptible Service:	
Minimum Delivery Charge	**0.3850 ¢/m³**
Maximum Delivery Charge	**1.0425 ¢/m³**
Direct Purchase Administration Charge	**$75.00**
Forecast Unaccounted For Gas Percentage	**0.7%**

Monthly Minimum Bill: The Monthly Customer Charge plus the Monthly Contract Demand Charge.

TERMS AND CONDITIONS OF SERVICE:

1. To the extent that this Rate Schedule does not specifically address matters set out in PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** then the provisions in those Parts shall apply, as contemplated therein, to service under this Rate Schedule.

2. **Unaccounted for Gas (UFG) Adjustment Factor**:

   The Applicant is required to deliver to the Company on a daily basis the sum of: (a) the volume of gas to be delivered to the Applicant's Terminal Location; and (b) a volume of gas equal to the forecast unaccounted for gas percentage as stated above multiplied by (a).

3. **Nominations**:

   Customer shall nominate gas delivery daily based on the gross commodity delivery required to serve the customer's daily load plus the UFG, net of No-Notice Storage Service provisions under Rate 315, if applicable. The amount of gas delivered under No-Notice Storage Service will also be reduced by the UFG adjustment factor for delivery to the customer's meter.

   Customers may change daily nominations based on the nomination windows within a day as defined by the customer contract with TransCanada PipeLines (TCPL) or Union Gas Limited.

   Schedule of nominations under Rate 300 has to match upstream nominations. This rate does not allow for any more flexibility than exists upstream of the EGD gas distribution system. Where the customer's nomination does not match the confirmed upstream nomination, the nomination will be confirmed at the upstream value.

Customer may nominate gas to a contractually specified Primary Delivery Area that may be EGD's Central Delivery Area (CDA) or EGD's Eastern Delivery Area (EDA) *or* other Delivery Area as specified in the applicable Service Contract. The Company may accept deliveries at a Secondary Delivery Area such as Dawn, at its sole discretion. Quantities of gas nominated to the system cannot exceed Contract Demand, unless Make-up Gas or Authorized Overrun is permitted.

Customers with multiple Rate 300 contracts within a Primary Delivery Area may combine nominations subject to system operating requirements and subject to the Contract Demand for each Terminal Location. For combined nominations the customer shall specify the quantity of gas to each Terminal Location and the order in which gas is to be delivered to each Terminal Location. The specified order of deliveries shall be used to administer Load Balancing Provisions to each Terminal Location. When system conditions require delivery to a single Terminal Location only, nominations with different Terminal Locations may not be combined.

4. **Authorized Demand Overrun:**

The Company may, at its sole discretion, authorize consumption of gas in excess of the Contract Demand for limited periods within a month, provided local distribution facilities have sufficient capacity to accommodate higher demand. In such circumstances, customer shall nominate gas delivery based on the gross commodity delivery required to serve the customer's daily load, including quantities of gas in excess of the Contract Demand, plus the UFG. The Load Balancing Provisions and/or No-Notice Storage Service provisions under Rate 315 cannot be used for Authorized Demand Overrun. Failure to nominate gas deliveries to match Authorized Demand Overrun shall constitute Unauthorized Supply Overrun.

The rate applicable to Authorized Demand Overrun shall equal the applicable Monthly Demand Charge times 12/365 provided, however, that such service shall not exceed 5 days in any contract year. Requests beyond 5 days will constitute a request for a new Contract Demand level, with retroactive charges based on terms of Service Contract.

5. **Unauthorized Demand Overrun:**

Any gas consumed in excess of the Contract Demand and/or maximum hourly flow requirements, if not authorized, will be deemed to be Unauthorized Demand Overrun gas. Unauthorized Demand Overrun gas will establish a new Contract Demand and shall be subject to a charge equal to 120 % of the applicable monthly charge for twelve months of the current contract term, including retroactively based on terms of Service Contract. Unauthorized Demand Overrun gas shall also be subject to Unauthorized Supply Overrun provisions. Where a customer receives interruptible service hereunder and consumes gas during a period of interruption, such gas shall be deemed Unauthorized Supply Overrun. In addition to charges for Unauthorized Supply Overrun, interruptible customers consuming gas during a scheduled interruption shall pay a penalty charge of $18.00 per m3.

6. **Unauthorized Supply Overrun:**

Any volume of gas taken by the Applicant on a day at the Terminal Location which exceeds the sum of:

i. any applicable Load Balancing Provision pursuant to Rate 300 and/or provisions of Rate 315, plus

ii. the volume of gas delivered by the Applicant on that day shall constitute Unauthorized Supply Overrun Gas.

The Company may also deem volumes of gas to be Unauthorized Supply Overrun gas in other circumstances, as set out in the Load Balancing Provisions of Rate 300.

Any gas deemed to be Unauthorized Overrun gas shall be purchased by the customer at a price (Pe), which is equal to 150% of the highest price in effect for that day as defined below*.

7. **Unauthorized Supply Underrun:**

Any volume of gas delivered by the Applicant on any day in excess of the sum of:

i. any applicable Rate 300 Load Balancing Provision pursuant to Rate 300 and/or provisions of Rate 315, plus

ii. the volume of gas taken by the Applicant at the Terminal Location on that day shall be classified as Supply Underrun Gas.

The Company may also deem volumes of gas to be Unauthorized Supply Underrun gas in other circumstances, as set out in the Load Balancing Provisions of Rate 300.

Any gas deemed to be Unauthorized Supply Underrun Gas shall be purchased by the Company at a price (P_u) which is equal to fifty percent (50%) of the lowest price in effect for that day as defined below**.

* where the price P_e expressed in cents / cubic metre is defined as follows:
$P_e = (P_m * E_r * 100 * 0.03769 / 1.055056) * 1.5$

P_m = highest daily price in U.S. $/mmBtu published in the Gas Daily, a Platts Publication, for that day under the column "Absolute", for the Niagara export point if the terminal location is in the CDA delivery area, and the Iroquois export point if the terminal location is in the EDA delivery area.

E_r = Noon day spot exchange rate expressed in Canadian dollars per U.S. dollar for such day quoted by the Bank of Canada in the following days Globe & Mail Publication.

1.055056 = Conversion factor from mmBtu to GJ.

0.03769 = Conversion factor from GJ to cubic metres.

** where the price P_u expressed in cents / cubic metre is defined as follows:
$P_u = (P_l * E_r * 100 * 0.03769 / 1.055056) * 0.5$

P_l = lowest daily price in U.S. $/mmBtu published in the Gas Daily, a Platts Publication, for that day under the column "Absolute", for the Niagara export point if the terminal location is in the CDA delivery area, and the Iroquois export point if the terminal location is in the EDA delivery area.

Term of Contract:

A minimum of one year. A longer-term contract may be required if incremental assets/facilities have been procured/built for the customer. Migration from an unbundled rate to bundled rate may be restricted subject to availability of adequate transportation and storage assets.

Right to Terminate Service:

The Company reserves the right to terminate service to customers served hereunder where the customer's failure to comply with the parameters of this rate schedule, including interruptible service and load balancing provisions, jeopardizes either the safety or reliability of the gas system. The Company shall provide notice to the customer of such termination; however, no notice is required to alleviate emergency conditions.

Load Balancing:

Any difference between actual daily-metered consumption and the actual daily volume of gas delivered to the system less the UFG shall first be provided under the provisions of Rate 315 - Gas Storage Service, if applicable. Any remaining difference will be subject to the Load Balancing Provisions.

LOAD BALANCING PROVISIONS:

Load Balancing Provisions shall apply at the customer's Terminal Location.

In the event of an imbalance any excess delivery above the customer's actual consumption or delivery less than the actual consumption shall be subject to the Load Balancing Provisions.

Definitions:

Aggregate Delivery:

The Aggregate Delivery for a customer's account shall equal the sum of the confirmed nominations of the customer for delivery of gas to the applicable delivery area from all pipeline sources plus, where applicable, the confirmed nominations of the customer for Storage Service under Rate 316 or Rate 315 and any available No-Notice Storage Service under Rate 315 for delivery of gas to the Applicable Delivery Area.

Applicable Delivery Area:

The Applicable Delivery Area for each customer shall be specified by contract as a Primary Delivery Area. Where system-operating conditions permit, the Company, in its sole discretion, may accept a Secondary Delivery Area as the Applicable Delivery Area by confirming the customer's nomination of such area. Confirmation of a Secondary Delivery Area for a period of a gas day shall cause such area to become the Applicable Delivery Area for such day. Where delivery occurs at both a Terminal Location and a Secondary Delivery Area on a given day, the sum of the confirmed deliveries may not exceed Contract Demand, unless Demand Overrun and/or Make-up Gas is authorized.

Primary Delivery Area:

The Primary Delivery Area shall be delivery area such as EGD's Central Delivery Area (CDA) or EGD's Eastern Delivery Area (EDA), or other Delivery Area as specified in the applicable Service Contract.

Secondary Delivery Area:

A Secondary Delivery Area may be a delivery area such as Dawn where the Company, at its sole discretion, determines that operating conditions permit gas deliveries for a customer.

Actual Consumption:

The Actual Consumption of the customer shall be the metered quantity of gas consumed at the customer's premise.

Net Available Delivery:

The Net Available Delivery shall equal the Aggregate Delivery times one minus the annually determined percentage of Unaccounted for Gas (UFG) as reported by the Company.

Daily Imbalance:

The Daily Imbalance shall be the absolute value of the difference between Actual Consumption and Net Available Delivery.

Cumulative Imbalance:

The Cumulative Imbalance shall be the sum of the difference between Actual Consumption and Net Available Delivery.

Maximum Contractual Imbalance:

The Maximum Contractual Imbalance shall be equal to 60% of the customer's Contract Demand.

Winter and Summer Seasons:

The winter season shall commence on the date that the Company provides notice of the start of the winter period and conclude on the date that the Company provides notice of the end of the winter period. The summer season shall constitute all other days. The Company shall provide advance notice to the customer of the start and end of the winter season as soon as reasonably possible, but in no event not less than 2 days prior to the start or end.

Operational Flow Order:

An Operational Flow Order (OFO) shall constitute an issuance of instructions to protect the operational capacity and integrity of the Company's system, including distribution and/or storage assets, and/or connected transmission pipelines.

Enbridge Gas Distribution, acting reasonably, may call for an OFO in the following circumstances:

- Capacity constraint on the system, or portions of the system, or upstream systems, that are fully utilized;
- Conditions where the potential exists that forecasted system demand plus reserves for short notice services provided by the Company and allowances for power generation customers' balancing requirements would exceed facility capabilities and/or provisions of 3rd party contracts;
- Pressures on the system or specific portions of the system are too high or too low for safe operations;
- Storage system constraints on capacity or pressure or caused by equipment problems resulting in limited ability to inject or withdraw from storage;
- Pipeline equipment failures and/or damage that prohibits the flow of gas;
- Any and all other circumstances where the potential for system failure exists.

Daily Balancing Fee:

On any day where the customer has a Daily Imbalance the customer shall pay a Daily Balancing Fee equal to:

(Tier 1 Quantity X Tier 1 Fee) + (Tier 2 Quantity X Tier 2 Fee) + (Applicable Penalty Fee for Imbalance in excess of the Maximum Contractual Imbalance X the amount of Daily Imbalance in excess of the Maximum Contractual Imbalance)

Where Tier 1 and 2 Fees and Quantities are set forth as follows:

Tier 1 = Daily Imbalance of greater than 2% but less than 10% of the Maximum Contractual Imbalance and shall be subject to a charge of 0.985 cents/M3

Tier 2 = Daily Imbalance of greater than 10% but less than Maximum Contractual Imbalance shall be subject to a charge of 1.182 cents/m3

The customers shall also pay any Limited Balancing Agreement (LBA) charges imposed by the pipeline on days when the customer has a Daily Imbalance provided such imbalance matches the direction of the pipeline imbalance. LBA charges shall first be allocated to customers served under Rate 125 and 300. The system bears a portion of these charges only to the extent that the system incurs such charges based on its operation excluding the operation of customers under Rates 125 and 300. In that event, LBA charges shall be prorated based on the relative imbalances.

A Daily Imbalance in excess of the Maximum Contractual Imbalance shall be deemed to be Unauthorized Supply Overrun or Underrun gas, as appropriate.

Customer's Actual Consumption cannot exceed Net Available Delivery when the Company issues an Operational Flow Order in the winter. Net nominations must not be less than consumption at the Terminal Location. Any negative Daily Imbalance on a winter Operational Flow Order day shall be deemed to be Unauthorized Supply Overrun. Customer's Net Available Delivery cannot exceed Actual Consumption when the Company issues an Operational Flow Order in the summer. Actual Consumption must not be less than net nomination at the Terminal Location. Any positive Daily Imbalance on a summer Operational Flow Order day shall be deemed to be Unauthorized Supply Underrun.

The Company will waive Daily Balancing Fee and Cumulative Imbalance Charge on the day of an Operational Flow Order if the customer used less gas that the amount the customer delivered to the system during the winter season or the customer used more gas than the amount the customer delivered to the system during the summer season. The Company will issue a 24-hour advance notice to customers of Operational Flow Orders and suspension of Load Balancing Provisions.

Cumulative Imbalance Charges:

Customers may trade Cumulative Imbalances within a delivery area.

Customers shall be permitted to nominate Make-up Gas, subject to operating constraints, provided that Make-up Gas plus Aggregate Delivery do not exceed Contract Demand. The Company may, on days with no operating constraints, authorize Make-up Gas that, in conjunction with Aggregate Delivery, exceeds Contract Demand.

The customer's Cumulative Imbalance cannot exceed its Maximum Contractual Imbalance. The excess imbalance shall be deemed to be Unauthorized Supply Overrun or Underrun gas, as appropriate.

The Cumulative Imbalance Fee, applicable daily, is 0.6974 cents/m3 per unit of imbalance.

The customer's Cumulative Imbalance shall be equal to zero within five (5) days from the last day of the Service Contract.

EFFECTIVE DATE:

To apply to bills rendered for gas delivered on and after January 1, 2017. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184 effective July 1, 2016.

APPLICABILITY:

This rate is available to any customer taking service under Distribution Rates 125 and 300. It requires a Service Contract that identifies the required storage space and deliverability. In addition, the customer shall maintain a positive balance of gas in storage at all times or forfeit the use of Storage Services for Load Balancing and No-Notice Storage Service.

A daily nomination for storage injection and withdrawal except for No-Notice Storage Service, hereunder, which is used automatically for daily Load Balancing, shall also be required.

The maximum hourly injections / withdrawals shall equal 1/24th of the daily Storage Demand. No-Notice Storage Service is available up to the maximum daily withdrawal rights less the nominated withdrawal or the maximum daily injection rights less the nominated injections.

Storage space shall be based on either of two storage allocation methodologies: (customer's average winter demand - customer's average annual demand) x 151, or [(17 x customers's maximum hourly demand) / 0.1] x 0.57. Customers have the option to select from these two storage space allocation methods the one that best suits their requirements.

Maximum deliverability shall be 1.2% of contracted storage space. The customer may inject and withdraw gas based on the quantity of gas in storage and the limitations specified in the Service Contract. Both injection and withdrawal shall be subject to applicable storage ratchets as determined by the Company and posted from time to time.

CHARACTER OF SERVICE:

Service shall be firm when used in conjunction with firm distribution service. Service is interruptible when used in conjunction with interruptible distribution service. All service is subject to contract terms and force majeure.

The service is available on two bases:

(1) Service nominated daily based on the available capacity and gas in storage up to the maximum contracted daily deliverability; and

(2) No-Notice Storage Service for daily Load Balancing consistent with the maximum hourly deliverability.

RATE:

The following rates and charges shall apply in respect to all gas received by the Company from and delivered by the Company to storage on behalf of the Applicant.

Monthly Customer Charge:	**$150.00**
Storage Reservation Charge:	
Monthly Storage Space Demand Charge	**0.0504 ¢/m³**
Monthly Storage Deliverability Demand Charge	**23.9352 ¢/m³**
Injection & Withdrawal Unit Charge:	**0.3266 ¢/m³**

Monthly Minimum Bill: The sum of the Monthly Customer Charge plus Monthly Demand Charges.

FUEL RATIO REQUIREMENT:

The Fuel Ratio per unit of gas injected and withdrawn is 0.35%.

All Storage Space and Deliverability/Injection Demand Charges are applicable monthly. Injection and withdrawal charges are applicable to each unit of gas injected or withdrawn based on daily nominations and No-Notice Storage Service quantities.

All deemed withdrawal quantities under the No-Notice Storage Service provisions of this rate will be adjusted for the UFG provisions applicable to the distribution service rates.

In addition, for each unit of injection or withdrawal there will be an applicable fuel charge adjustment expressed as a percent of gas.

TERMS AND CONDITIONS OF SERVICE:

1. **Nominated Storage Service**:

Nominations under this rate shall only be accepted at the standard North American Energy Standards Board ("NAESB") nomination windows. The customer may elect to nominate all or a portion of the available withdrawal capacity for delivery to the applicable Primary Delivery Area, which may be EGD’s Central Delivery Area (CDA) or EGD’s Eastern Delivery Area (EDA). All volumes nominated from storage are delivered first for purposes of daily Load Balancing of available supply assets. When system conditions permit, the customer may nominate all or a portion of the available withdrawal capacity for delivery to Dawn or to the customer's Primary Delivery Area for purposes other than consumption at the customer's own meter.

Storage not nominated for delivery will be available for No-Notice Storage Service. The sum of gas nominated for storage injection and for the Terminal Location shall not exceed the customer's Contract Demand (CD).

The customer may also nominate gas for delivery into storage by nominating the storage delivery area as the Primary Delivery Area. Gas nominated for storage delivery will not be available for No-Notice Storage Service. The sum of gas nominated for storage injection and for the Terminal Location shall not exceed the customer’s CD.
Any gas in excess of the contract demand will be subject to cash out as injection overrun gas.

The Company reserves the right to limit injection and withdrawal rights to all storage customers in certain situations, such as major maintenance or construction projects, and may reduce nominations for injections and withdrawals over and above applicable storage ratchets. The Company will provide customers with one week's notice of its intent to limit injection and withdrawal rights, and at the same time, shall provide its best estimate of the duration and extent of the limitations.

In situations where the Company limits injection and withdrawal rights, the Company shall proportionately reduce the Storage Deliverability/Injection Demand Charge for affected customers based on the number of days the limitation is in effect and the difference between Deliverability/Injection Demand, subject to applicable storage ratchets, and the quantity of gas actually delivered or injected.

2. **No-Notice Storage Service**:

The Company, at its sole discretion based on operating conditions, may provide a No-Notice Storage Service that allows customers taking gas under distribution service rates to balance daily deliveries using this Storage Service. No-Notice Storage Service requires that the customer grant the Company the exclusive right to use unscheduled service available from storage to reduce the daily imbalance associated with the actual consumption of the customer.

No-Notice Storage Service is limited to the available, unscheduled withdrawal or injection capacity under contract to serve a customer. Where the customer serves multiple delivery locations from a single storage Service Contract, the customer shall specify the order in which gas is to be delivered to each Terminal Location served under a distribution Service Contract. The specified order of deliveries shall be used to administer Load Balancing Provisions to each Terminal Location.

The availability of No-Notice Storage Service is subject to and reduced by any service schedule from or to storage. To the extent that the quantity of gas available in storage is insufficient to meet the requirements of the customer under a No-Notice Storage Service, the customer will be unable to use the service on a no-notice basis for Load Balancing service. To the extent that the scheduled injections into storage plus No-Notice Storage Service exceed the maximum limit for injection, No-Notice Storage Service will be reduced and the remainder of the gas will constitute a daily imbalance. Gas delivered in excess of the maximum injection quantity shall be deemed injection overrun gas and cashed out at 50% of the lowest index price of gas.

Other provisions:

If the customer elects to use the contracted storage capacity at less than the full volumetric capacity of the storage, the Company may inject its own gas provided that such injection does not reduce the right of the customer to withdraw the full amount of gas injected on any day during the withdrawal season or to schedule its full injection right during the injection season.

Term of Contract:

A minimum of one year.

A longer-term contract may be required if incremental contracts/assets/facilities have been procured/built for the customer.

EFFECTIVE DATE:

To apply to bills rendered for gas delivered on and after January 1, 2017. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184 effective July 1, 2016.

APPLICABILITY:

This rate is available to any customer taking service under Distribution Rates 125 and 300. It requires a Service Contract that identifies the required storage space and deliverability. The customer shall maintain a positive balance of gas in storage at all times. In addition, the customer must arrange for pipeline delivery service from Dawn to the applicable Primary Delivery Area.

This service is not a delivered service and is only available when the relevant pipeline confirms the delivery.

The maximum hourly injections / withdrawals shall equal 1/24th of the daily Storage Demand.

Storage space shall be based on either of two storage allocation methodologies: (customer's average winter demand - customer's average annual demand) x 151, or [(17 x customers's maximum hourly demand) / 0.1] x 0.57. Customers have the option to select from these two storage space allocation methods the one that best suits their requirements.

Maximum deliverability shall be 1.2% of contracted storage space. The customer may inject and withdraw gas based on the quantity of gas in storage and the limitations specified in the Service Contract. Both injection and withdrawal shall be subject to applicable storage ratchets as determined by the Company and posted from time to time.

CHARACTER OF SERVICE:

Service shall be firm when used in conjunction with firm distribution service. Service is interruptible when used in conjunction with interruptible distribution service. All service is subject to contract terms and force majeure.

The service is nominated based on the available capacity and gas in storage up to the maximum contracted daily deliverability.

RATE:

The following rates and charges shall apply in respect to all gas received by the Company from and delivered by the Company to storage on behalf of the Applicant.

Monthly Customer Charge:	**$150.00**	
Storage Reservation Charge:		
Monthly Storage Space Demand Charge	**0.0504**	**¢/m³**
Monthly Storage Deliverability Demand Charge	**5.2531**	**¢/m³**
Injection & Withdrawal Unit Charge:	**0.1015**	**¢/m³**

Monthly Minimum Bill: The sum of the Monthly Customer Charge plus Monthly Demand Charges.

FUEL RATIO REQUIREMENT:

The Fuel Ratio per unit of gas injected and withdrawn is 0.35%.

All Storage Space and Deliverability/Injection Demand Charges are applicable monthly. Injection and withdrawal charges are applicable to each unit of gas injected or withdrawn based on daily nominations.

In addition, for each unit of injection or withdrawal there will be an applicable fuel charge adjustment expressed as a percent of gas.

TERMS AND CONDITIONS OF SERVICE:

Nominated Storage Service:

The customer shall nominate storage injections and withdrawals daily. The customer may change daily nominations based on the nomination windows within a day as defined by the customer contract with Union Gas Limited and TransCanada PipeLines (TCPL).

The customer may elect to nominate all or a portion of the available withdrawal capacity for delivery to the applicable Primary Delivery Area.

The Company reserves the right to limit injection and withdrawal rights to all storage customers in certain situations, such as major maintenance or construction projects, and may reduce nominations for injections and withdrawals over and above applicable storage ratchets. The Company will provide customers with one week's notice of its intent to limit injection and withdrawal rights, and at the same time, shall provide its best estimate of the duration and extent of the limitations.

In situations where the Company limits injection and withdrawal rights, the Company shall proportionately reduce the Storage Deliverability/Injection Demand Charge for affected customers based on the number of days the limitation is in effect and the difference between Deliverability/Injection Demand, subject to applicable storage ratchets, and the quantity of gas actually delivered or injected.

The customer may transfer the title of gas in storage.

Other provisions:

If the customer elects to use the contracted storage capacity at less than the full volumetric capacity of the storage, the Company may inject its own gas provided that such injection does not reduce the right of the customer to withdraw the full amount of gas injected on any day during the withdrawal season or to schedule its full injection right during the injection season.

Term of Contract:

A minimum of one year.

A longer-term contract may be required if incremental contracts/assets/facilities have been procured/built for the customer.

EFFECTIVE DATE:

To apply to bills rendered for gas delivered on and after January 1, 2017. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184 effective July 1, 2016.

RATE NUMBER: **320**	**BACKSTOPPING SERVICE**

APPLICABILITY:

To any Applicant whose delivery of natural gas to the Company for transportation to a Terminal Location has been interrupted prior to the delivery of such gas to the Company.

CHARACTER OF SERVICE:

The volume of gas available for backstopping in any day shall be determined by the Company exercising its sole discretion. If the aggregate daily demand for service under this Rate Schedule exceeds the supply available for such day, the available supply shall be allocated to firm service customers on a first requested basis and any balance shall be available to interruptible customers on a first requested basis.

RATE:

The rates applicable in the circumstances contemplated by this Rate Schedule, in lieu of the Gas Supply Charges specified in any of the Company's other Rate Schedules pursuant to which the Applicant is taking service, shall be as follows:

	Billing Month
	January to December
Gas Supply Charge	
Per cubic metre of gas sold	**15.7977 ¢/m³**

provided that if upon the request of an Applicant, the Company quotes a rate to apply to gas which is delivered to the Applicant at a particular Terminal Location on a particular day or days and to which this Rate Schedule is applicable (which rate shall not be less than the Company's avoided cost in the circumstances at the time nor greater than the otherwise applicable rate specified above), then the Gas Supply Charge applicable to such gas shall be the rate quoted by the Company.

EFFECTIVE DATE:

To apply to bills rendered for gas consumed by customers on and after January 1, 2017 under Sales Service and Transportation Service. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184, effective July 1, 2016.

APPLICABILITY AND CHARACTER OF SERVICE:

Service under this rate schedule shall apply to the Transmission and Compression Service Agreement with Union Gas Limited dated April 1, 1989, and the Transmission, Compression and Pool Storage Service Agreement with Centra Gas Ontario Inc. dated May 30, 1994. Service shall be provided subject to the terms and conditions specified in the Service Agreement.

RATE:

The Customer shall pay for service rendered in each month in a contract year, the sum of the following applicable charges:

	Transmission & Compression $\$/10^3m^3$	**Pool Storage $\$/10^3m^3$**
Demand Charge for:		
Annual Turnover Volume	**0.2002**	**0.1873**
Maximum Daily Withdrawal Volume	**22.0216**	**20.8192**
Commodity Charge	**0.8504**	**0.1417**

FUEL RATIO REQUIREMENT:

Fuel Ratio applicable to per unit of gas injected and withdrawn is 0.35%.

MINIMUM BILL:

The minimum monthly bill shall be the sum of the applicable Demand Charges as stated in Rate Section above.

EXCESS VOLUME AND OVERRUN RATES:

In addition to the charges provided for in the Rate Section above, the Customer shall pay, for services rendered, the sum of the following applicable charges as they are incurred:

TERMS AND CONDITIONS OF SERVICE:

1. Excess Volumes will be billed at the total of the Excess Volume Charges as stated above.

2. Transmission and Compression, and Pool Storage Overrun Service will be billed according to the following:
   (a) At the end of each month, in a contract year, the Company will make a determination, for each day in the month, of

      (i) the difference between the volume of gas actually delivered, exclusive of the fuel volume, for Customer's account into the Company System, at the Point of Delivery and the Customer's Maximum Daily Injection Volume, and

      (ii) the difference between the volume of gas actually delivered, exclusive of the fuel volume, for Customer's account from the Company System, at the Point of Delivery, and the Customer's Maximum Daily Withdrawal Volume.

	Excess Volume Charge $/10³m³ / Year	Overrun Charge $/10³m³ / Day
Transmission & Compression		
Authorized	**2.6426**	**0.7240**
Unauthorized	**-**	**290.6851**
Pool Storage		
Authorized	**2.4724**	**0.6845**
Unauthorized	**-**	**274.8134**

(b) For each day of the month, where any such differences exceed 2.0 percent of the Customer's relevant Maximum Daily Injection Volume and/or Maximum Daily Withdrawal Volume, the Customer shall pay a charge equal to the relevant Overrun rates, as stated above, for such differences.

BILLING ADJUSTMENT:

1. Injection deficiency - If at the beginning of any Withdrawal Period the Customer's Storage Balance is less than the Customer's Annual Turnover Volume, due solely to the Company's inability to inject gas for any reason other than the fault of the Customer, then the applicable Demand Charge for Annual Turnover Volume for the contract year beginning the prior April 1 as stated in Rate Section as applicable, shall be adjusted by multiplying each by a fraction, the numerator of which shall be the Customer's Storage Gas Balance as of the beginning of such Withdrawal Period and the denominator shall be the Customer's Annual Turnover Volume as it may have been established for the then current year.

2. Withdrawal deficiency - If in any month in a contract year for any reason other than the fault of the Customer, the Company fails or is unable to deliver during any one or more days, the amount of gas which the Customer has nominated, up to the maximum volumes which the Company is obligated by the Agreement to deliver to the Customer, then the Demand Charge for maximum Contract Daily Withdrawal Volume in the contract year otherwise payable for the month in which such failure occurs, as stated in Rate Section above, as applicable, shall be reduced by an amount for each day of deficiency to be calculated as follows: The Demand Charge for maximum Contract Daily Withdrawal Volume for the contract year for the month will be divided by 30.4 and the result obtained will then be multiplied by a fraction, the numerator being the difference between the nominated volume for such day and the delivered volume for such day and the denominator being the Customer's maximum Contract Daily Withdrawal Volume for such contract year.

TERMS AND EXPRESSIONS:

In the application of this Rate Schedule to each of the Agreements, terms and expressions used in this Rate Schedule have the meanings ascribed thereto in such Agreement.

EFFECTIVE DATE:

To apply to bills rendered for gas delivered on and after January 1, 2017. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184 effective July 1, 2016.

TRANSMISSION AND COMPRESSION AND POOL STORAGE

APPLICABILITY:

To any Applicant who enters into a Storage Contract with the Company for delivery by the Applicant to the Company and re-delivery by the Company to the Applicant of a volume of natural gas owned by the Applicant.

CHARACTER OF SERVICE:

Service under this rate is for Full Cycle or Short Cycle storage service; with firm or interruptible injection and withdrawal service, all as may be available from time to time.

RATE:

The following rates and charges shall apply in respect of all gas received by the Company from and re-delivered by the Company to the Applicant.

	Full Cycle		Short Cycle
	Firm	Interruptible	
	$/10³m³	$/10³m³	$/10³m³
Monthly Demand Charge per unit of Annual Turnover Volume:			
Minimum	**0.3875**	**0.3875**	**-**
Maximum	**1.9375**	**1.9375**	**-**
Monthly Demand Charge per unit of Contracted Daily Withdrawal:			
Minimum	**42.8408**	**34.2729**	**-**
Maximum	**214.2040**	**171.3632**	**-**
Commodity Charge per unit of gas delivered to / received from storage:			
Minimum	**0.9921**	**0.9921**	**0.3936**
Maximum	**4.9605**	**4.9605**	**40.1107**

FUEL RATIO REQUIREMENT:

The Fuel Ratio per unit of gas injected and withdrawn is 0.35%.

TRANSACTING IN ENERGY:

The conversion factor is 37.74MJ/m3, which corresponds to Union Gas' System Wide Average Heating Value, as per the Board's RP-1999-0017 Decision with Reasons.

MINIMUM BILL:

The minimum monthly bill shall be the sum of the applicable Demand Charges.

OVERRUN RATES:

The units rates stated below will apply to overrun volumes. The provision of Authorized Overrun service will be at the Company's sole discretion.

	Full Cycle		Short Cycle
	Firm	**Interruptible**	
	$/10³m³	**$/10³m³**	**$/10³m³**
Authorized Overrun			
Annual Turnover Volume			
Negotiable, not to exceed:	**40.1107**	**40.1107**	**40.1107**
Authorized Overrun			
Daily Injection/Withdrawal			
Negotiable, not to exceed:	**40.1107**	**40.1107**	**40.1107**
Unauthorized Overrun			
Annual Turnover Volume			
Excess Storage Balance			
Excess Storage Balance	**401.1073**	**401.1073**	**401.1073**
December 1 - October 31	**40.1107**	**40.1107**	**40.1107**
Unauthorized Overrun			
Annual Turnover Volume			
Negative Storage Balance			

TERMS AND CONDITIONS OF SERVICE:

1. All Services are available at the Company's sole discretion.

2. Delivery and Re-delivery of the volume of natural gas shall be from/to the facilities of Union Gas Limited and / or TransCanada PipeLines Limited in Dawn Township and/or Niagara Gas Transmission Limited in Moore Township.

3. The Customers daily injections or withdrawals will be adjusted to provide for the fuel ratio stated in the Fuel Ratio Section. In the event that a Short Cycle service does not require fuel for injection and/or withdrawal, the fuel ratio commodity charge may be waived.

EFFECTIVE DATE:

To apply to bills rendered for gas delivered on and after January 1, 2017. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184 effective July 1, 2016.

TECUMSEH TRANSPORTATION SERVICE

APPLICABILITY:

To any Applicant who enters into an agreement with the Company pursuant to the Rate 331 Tariff (“Tariff”) for transportation service on the Company’s pipelines extending from Tecumseh to Dawn (“Tecumseh Pipeline”). The Company will receive gas at Tecumseh and deliver the gas at Dawn. Capitalized terms used in this Rate Schedule shall have the meanings ascribed to those terms in the Tariff.

CHARACTER OF SERVICE:

Transportation service under this Rate Schedule may be available on a firm basis (“FT Service”) or an interruptible basis (“IT Service”), subject to the terms and conditions of service set out in the Tariff and the applicable rates set out below.

RATE:

The following rates, effective January 1, 2017, shall apply in respect of FT and IT Service under this Rate Schedule:

	Demand Rate $\$/10^3m^3$	Commodity Rate $\$/10^3m^3$
FT Service	**5.6430**	**-**
IT Service	**-**	**0.2230**

FT Service: The monthly demand charge shall be the products obtained by multiplying the applicable Maximum Daily Volume by the above demand rate.

IT Service: The monthly commodity charge shall be the product obtained by multiplying the applicable Delivery Volume for the Month by the above commodity rate.

TERMS AND CONDITIONS OF SERVICE:

The terms and conditions of FT and IT Service are set out in the Tariff. The provisions of PARTS I to IV of the Company's HANDBOOK OF RATES AND DISTRIBUTION SERVICES do not apply to Rate 331 service.

EFFECTIVE DATE:

The Tariff was approved by the Board in Board Order EB-2010-0177, dated July 12, 2010, and is posted and available on the Company's website. In accordance with Section 1.6.2 of the Board's Storage and Transportation Access Rule, the Tariff does not apply to any Rate 331 service agreements executed prior to June 16, 2010.

RATE NUMBER: 332	PARKWAY TO ALBION KING'S NORTH TRANSPORTATION SERVICE

APPLICABILITY:

To any Applicant who enters into an agreement with the Company pursuant to the Rate 332 Tariff ("Tariff") for transportation service on the Company's Albion Pipeline, as defined in the Tariff. Capitalized terms used in this Rate Schedule shall have the meanings ascribed to those terms in the Tariff.

CHARACTER OF SERVICE:

Transportation service under this Rate Schedule shall be provided on a firm basis, subject to the terms and conditions set out in the Tariff and this Rate Schedule.

RATE:

The following charges, effective January 1, 2017, shall apply for transportation service under this Rate Schedule:

	$/GJ	$/103m3
Monthly Contract Demand Charge	**$1.2075**	**45.5107**

	$/GJ	$/103m3
Authorized Overrun Charge	**$0.0476**	**1.7940**

The Monthly Contract Demand charge is equal to the Daily Contract Demand of $0.0397 per GJ or $1.4963 per 10^3m^3.

Monthly Minimum Bill: The minimum monthly bill shall equal the applicable Monthly Contract Demand Charge times the Maximum Daily Quantity.

Authorized Overrun Service: The Company may, in its sole discretion, authorize transportation of gas in excess of the Maximum Daily Quantity provided excess capacity is available. The excess volumes will be subject to the Authorized Overrun Charge.

In addition to the rates quoted above, Applicants taking Rate 332 transportation service will be required to pay any charges resulting from Board approved dispositions of Deferral and Variance account balances pertaining to Rate 332.

TERMS AND CONDITIONS OF SERVICE:

The terms and conditions of transportation service are set out in the Tariff.
The provisions of Parts I to IV of the Company's HANDBOOK OF RATES AND DISTRIBUTION SERVICES do not apply to Rate 332 transportation service.

EFFECTIVE DATE:

The Tariff was approved by the Board in Board Order EB-2016-0028 available on the Company's website.

EFFECTIVE DATE:	IMPLEMENTATION DATE:	BOARD ORDER:	REPLACING RATE EFFECTIVE:	
January 1, 2017	January 1, 2017	EB-2016-0215	July 1, 2016	

ENBRIDGE

APPENDIX: A	AREAS OF CAPACITY CONSTRAINT

Applicants located off the piping networks noted below or off piping systems supplied from these networks may be curtailed to maintain distribution system integrity.

The Town of Collingwood
The Town of Midland

RIDER: A	TRANSPORTATION SERVICE RIDER

APPLICABILITY:

This rider is applicable to any Applicant who enters into Gas Transportation Agreement with the Company under any rate other than Rates 125 and 300.

MONTHLY DIRECT PURCHASE ADMINISTRATION CHARGE:

Fixed Charge	$75.00	per month
Account Charge	$0.21	per month per account

AVERAGE COST OF TRANSPORTATION:

The average cost of transportation effective January 1, 2017:

Service Type:	**Point of Acceptance**	**Firm Transportation (FT)**
T-Service:	CDA, EDA	5.6186 ¢/m³
Dawn T-Service:	CDA, EDA	1.1335 ¢/m³

<u>TCPL FT CAPACITY TURNBACK:</u>

APPLICABILITY:

To Ontario T-Service and Western T-Service customers who have been or will be assigned TCPL capacity by the Company.

TERMS AND CONDITIONS OF SERVICE:

1. The Company will accommodate TCPL FT capacity turnback requests from customers, but only if it can do so in accordance with the following considerations:
   i. The FT capacity to be turned back must be replaced with alternative, contracted firm transportation (primary capacity or assignment) of equivalent quality to the TCPL FT capacity;
   ii. The amount of turnback capacity that Enbridge otherwise may accommodate may be reduced to address the impact of stranded costs, other transitional costs or incremental gas costs resulting from the loss of STS capacity arising from any turnback request; and
   iii. Enbridge must act in a manner that maintains the integrity and reliability of the gas distribution system and that respects the sanctity of contracts.
2. Requests for TCPL FT turnback must be made in writing to the attention of Enbridge's Direct Purchase group.
3. All TCPL FT capacity turnback requests will be treated on an equitable basis.
4. The percentage turnback of TCPL FT capacity will be applied at the Direct Purchase Agreement level.

5. Written notice to turnback capacity must be received by the Company the earlier of:

(a) Sixty days prior to the expiry date of the current contract.

or

(b) A minimum of one week prior to the deadline specified in TransCanada tariff for FT contract extension.

EFFECTIVE DATE:

To apply to bills rendered for gas delivered on and after January 1, 2017. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184 effective July 1, 2016.

APPLICABILITY:

This rider is applicable to any Applicant who entered into a Gas Purchase Agreement with the Company, prior to April 1, 1999, to sell to the Company a supply of natural gas.

MONTHLY DIRECT PURCHASE ADMINISTRATION CHARGE:

Fixed Charge	$75.00	per month
Account Charge	$0.21	per month per account

BUY / SELL PRICE:

In Buy/Sell Arrangements between the Company and an Applicant, the Company shall buy the Applicants gas at the Company's actual FT-WACOG price determined on a monthly basis in the manner approved by the Ontario Energy Board. For Western Buy/Sell arrangements the FT-WACOG price shall be reduced by pipeline transmission costs.

FT FUEL PRICE:

The FT fuel price used to establish the Buy price in Western Buy/Sell arrangements without fuel will be determined monthly based upon the actual FT-WACOG.

EFFECTIVE DATE:

To apply to bills rendered for gas delivered on and after January 1, 2017. This rate schedule is effective January 1, 2017 and replaces the identically numbered rate schedule that specifies implementation date, July 1, 2016 and that indicates the Board Order, EB-2016-0184 effective July 1, 2016.

The following adjustment is applicable to volumes during the period of January 1, 2017 to December 31, 2017.

Bundled Services

Rate Class	(¢/m³)
Rate 1	(1.1277)
Rate 6	(0.3975)
Rate 9	(0.2837)
Rate 100	(0.3975)
Rate 110	(0.1185)
Rate 115	(0.0974)
Rate 135	(0.0114)
Rate 145	(0.0958)
Rate 170	(0.0207)
Rate 200	(0.0829)

Unbundled Services

Rate Class	(¢/m³)
Rate 125 - per m³ of contract demand	(0.8086)
Rate 300 - per m³ of contract demand	(2.7992)
Rate 300 (Interruptible)	(0.0718)

The following elevation factors shall be applicable to metered volumes measured by a meter that does not correct for atmospheric pressure.

Zone	Elevation Factor
1	0.9644
2	0.9652
3	0.9669
4	0.9678
5	0.9686
6	0.9703
7	0.9728
8	0.9745
9	0.9762
10	0.9771
11	0.9839
12	0.9847
13	0.9856
14	0.9864
15	0.9873
16	0.9881
17	0.9890
18	0.9898
19	0.9907
20	0.9915
21	0.9932
22	0.9941
23	0.9949
24	0.9958
25	0.9960
26	0.9966
27	0.9975
28	0.9981
29	0.9983
30	0.9992
31	0.9997
32	1.0000
33	1.0017
34	1.0025
35	1.0034
36	1.0051
37	1.0059
38	1.0170

	Rate (excluding HST)
New Account Or Activation	
New Account Charge	$25.00
Turning on of gas, activating appliances, obtaining billing data and establishing an opening meter reading for new customers in premises where gas has been previously supplied	
Appliance Activation Charge - Commercial Customers Only	$70.00 minimum 1/2 hour work. Total Amount depends on time required
Commercial customers are charged an appliance activation charge on unlock and red unlock orders, except on the very first unlock and service unlock at a premise.	
Meter Unlock Charge - Seasonal or Pool Heater	$70.00
Seasonal for all other revenue classes, or Pool Heater for residential only	
Statement of Account	
Lawyer Letter Handling Charge	$15.00
Provide the customer's lawyer with gas bill information.	
Statement of Account Charge (for one year history)	$10.00
Cheques Returned Non-Negotiable Charge	$20.00
Gas Termination	
Red Lock Charge	$70.00
Locking meter or shutting off service by closing the street shut-off valve (when work can be performed by Field Collector)	
Removal of Meter	$280.00
Removing meter by Construction & Maintenance crew	
Cut Off At Main Charge	$1,300.00
Cutting service off at main by Construction & Maintenance Crew	
Valve Lock Charge	
Shutting off service by closing the street shut-off valve - work performed by Field Investigator	$135.00
- work performed by Construction & Maintenance	$280.00
Safety Inspection	
Inspection Charge	$70.00
For inspection of gas appliances; the Company provides only one inspection free of charge, upon first time introduction of gas to a premise.	
Inspection Reject Charge (safety inspection)	$70.00
Energy Board Inspection rejects are billed to the meter installer or homeowner.	

Meter Test

Meter Test Charge
When a customer disputes the reading on his/her meter, he/she may request to have the meter tested. This charge will apply if the test result confirms the meter is recording consumption correctly.

Residential meters	$105.00
Non-Residential meters	Time & Material per Contractor

Street Service Alteration

Street Service Alteration Charge For installation of service line beyond allowable guidelines (for new residential services only)	$32.00

NGV Rental

NGV Rental Cylinder (weighted average)	$12.00

Other Customer Services (ad-hoc request) and Third Party Services (damages investigation and repair)

Labour Hourly Charge-Out Rate Other Services (including ad-hoc customer requests and charges to customers and third parties for responding, investigating and repairing damages to Company facilities)	$140.00
Cut Off At Main Charge - Commercial & Special Requests Cut Off At Main charges for commercial services and other residential services that involve significantly more work than the average will be custom quoted.	custom quoted
Cut Off At Main Charge - Other Customer Requests Other residential Cut Off At Main requests due to demolitions, fires, inactive services, etc. will be charged at the standard COAM rate.	$1,300.00
Meter In-Out (Residential Only)) Relocate the meter from inside to outside per customer request	$280.00
Request For Service Call Information Provide written information of the result of a service call as requested by home owners.	$30.00
Temporary Meter Removal As requested by customers.	$280.00
Damage Meter Charge	$380.00

APPLICABILITY:

This rider is applicable to any Applicant who enters into Gas Delivery Agreement with the Company under any rate.

IN FRANCHISE TITLE TRANSFER SERVICE:

In any Gas Delivery Agreement between the Company and the Applicant, an Applicant may elect to initiate a transfer of natural gas from one of its pools to the pool of another Applicant for the purposes of reducing an imbalance between the Applicant's deliveries and consumption as recorded in its Banked Gas Account or Cumulative Imbalance Account. Elections must be made in accordance with the Company’s policies and procedures related to transaction requests under the Gas Delivery Agreement.

The Company will not apply an Administration charge for transfers between pools that have similar Points of Acceptance (i.e. both Ontario, both Western, or both Dawn Points of Acceptance). For transfers between pools that have dissimilar Points of Acceptance (i.e. one Ontario and one Western Point of Acceptance or, one Western and one Dawn point of Acceptance), the Company will apply the following Administration Charge per transaction to the pool transferring the natural gas (i.e. the seller or transferor).

Administration Charge:	$169.00	per transaction

Also, the applicable average cost of transportation as per Rider A for the transferred volume is charged to the pool with a Western or Dawn Point of Acceptance for transfers to a pool with an Ontario Point of Acceptance. The average cost of transportation as per Rider A for the transferred volume is remitted to the pool with a Western or Dawn Point of Acceptance for transfers from a pool with an Ontario Point of Acceptance. The applicable average cost of transportation as per Rider A is adjusted for transfers between Western and Dawn Points of Acceptance, so that the seller pool (transferor) is charged the applicable cost per volume transferred and the buyer pool or (recipient) is remitted at the applicable cost per volume transferred.

ENHANCED TITLE TRANSFER SERVICE:

In any Gas Delivery Agreement between the Company and the Applicant, the Applicant may elect to initiate a transfer of natural gas between the Company and another utility, regulated by the Ontario Energy Board, at Dawn for the purposes of reducing an imbalance between the customer's deliveries and consumption within the Enbridge Gas Distribution franchise areas. The ability of the Company to accept such an election may be constrained at various points in time for customers obtaining services under any rate other than Rate 125 or 300 due to operational considerations of the Company.

The cost for this service is separated between an Adminstration Charge that is applicable to all Applicants and a Bundled Service Charge that is only applicable to Applicants obtaining services under any rate other than Rate 125 or 300.

Administration Charge:

Base Charge	$50.00	per transaction
Commodity Charge	$0.4961	per 10^3m^3

Bundled Service Charge:

The Bundled Service Charge shall be equal to the absolute difference between the Eastern Zone and Southwest Zone Firm Transportation tolls approved by the National Energy Board for TCPL at a 100% Load Factor.

Also, the average cost of transportation as per Rider A for the transferred volume is charged to the Applicant with a Western Point of Acceptance for transfers to another party. The average cost of transportation as per Rider A for the transferred volume is remitted to the Applicant with a Western Point of Acceptance for transfers from another party.

GAS IN STORAGE TITLE TRANSFER:

An Applicant that holds a contract for storage services under Rate 315 or 316 may elect to initiate a transfer of title to the natural gas currently held in storage between the storage service and another storage service held by the Applicant, or any other Applicant that has contracted with the Company for storage services under Rate 315 or 316. The service will be provided on a firm basis up to the volume of gas that is equivalent to the more restrictive firm withdrawal and injection parameters of the two parties involved in the transfer. Transfer of title at rates above this level may be done on at the Company's discretion.

For Applicants requesting service between two storage service contracts that have like services, each party to the request shall pay an Administration Charge applicable to the request. Services shall be considered to be alike if the injection and deliverability rate at the ratchet levels in effect at the time of the request are the same and both services are firm or both services are interruptible. In addition to like services, the Company, at its sole discretion based on operational conditions, will also allow for the transfer of gas from a storage service contract that has a level of deliverability that is higher than the level of deliverability of the storage service contract the gas is being transfered to with only the Administration Charge being applicable to each party.

In addition to the Administration Charge, Applicants requesting service between two storage service contracts not addressed in the preceding paragraph would be subject to the injection and withdrawal charges specified in their contracts.

Administration Charge:	$25.00	per transaction

SCHEDULE 4

DECISION AND RATE ORDER

ENBRIDGE GAS DISTRIBUTION INC.

EB-2016-0215

DECEMBER 08, 2016

FINANCIAL SCHEDULES

ALLOWED REVENUE AND SUFFICIENCY/(DEFICIENCY)
2017 TEST YEAR

Line No.		Col. 1 EB-2012-0459 Total 2017 Allowed Revenue Placeholder ($Millions)	Col. 2 2017 Required Updates ($Millions)	Col. 3 Total Final 2017 Test Year Allowed Revenue ($Millions)	Col. 4 Explanation See Page 2	Col. 5 Evidence Exhibit Reference
	Cost of capital					
1.	Rate base	5,948.6	75.5	6,024.1	a)	B Series of Exhibits
2.	Required rate of return	7.04	(0.83)	6.21	b)	E Series of Exhibits
3.		418.7	(44.7)	374.0		
	Cost of service					
4.	Gas costs	1,632.5	(29.4)	1,603.1	c)	D1-1-1 and D1-2-1 to D1-2-8
5.	Operation and maintenance	436.9	23.0	459.9	d)	D1-1-1 and D1-3-1 to D1-5-1
6.	Depreciation and amortization	297.7	-	297.7		
7.	Fixed financing costs	1.9	-	1.9		
8.	Municipal and other taxes	47.9	-	47.9		
9.		2,416.9	(6.4)	2,410.5		
	Misc. operating and non-operating revenue					
10.	Other operating revenue	(42.7)	-	(42.7)		
11.	Interest and property rental	-	-	-		
12.	Other income	(0.1)	-	(0.1)		
13.		(42.8)	-	(42.8)		
	Income taxes on earnings					
14.	Excluding tax shield	54.8	(0.1)	54.7	e)	D1-1-1 and D1-6-1 to D1-6-2
15.	Tax shield provided by interest expense	(52.0)	3.9	(48.1)	e)	D1-1-1 and D1-6-1 to D1-6-2
16.		2.8	3.8	6.6		
	Taxes on sufficiency / (deficiency)					
17.	Gross sufficiency / (deficiency)	(117.9)	88.5	(29.4)		
18.	Net sufficiency / (deficiency)	(86.7)	65.1	(21.6)		
19.		31.3	(23.5)	7.8	e)	D1-1-1 and D1-6-1 to D1-6-2
20.	**Sub-total revenue requirement**	2,826.9	(70.8)	2,756.1		
21.	Customer Care Rate Smoothing V/A Adjustment	2.9	(0.1)	2.8		
22.	**Allowed revenue**	2,829.8	(70.9)	2,758.9		
	Revenue at existing Rates					
23.	Gas sales	2,480.3	(43.4)	2,436.9	f)	C Series of Exhibits
24.	Transportation service	211.1	70.6	281.7	f)	C Series of Exhibits
25.	Transmission, compression and storage	1.8	4.9	6.7		
26.	Rounding adjustment	0.3	(0.3)	-		
27.	Revenue at existing rates	2,693.5	31.8	2,725.3		
28.	**Gross revenue sufficiency / (deficiency)**	(136.3)	102.7	(33.6)		F Series of Exhibits

App.B Pg.1 Ref.	Required adjustments to 2017 Placeholder Allowed Revenue per Appendix E of the EB-2012-0459 Final Rate Order, and other subsequent proceedings
a)	Adjustment to rate base arising from the gas cost and O&M updates and the related impact on gas in storage and working cash. The adjustment also reflects an allocation of base pressure gas to Unregulated Storage operations, as per the Board approved EB-2015-0114 Settlement Proposal.
b)	Adjustment to forecast cost of capital rates, based upon the updated forecast ROE and updated forecast cost of debt.
c)	Adjustment to forecast gas cost based upon the updated gas cost forecast and the 2017 gas volume forecast. The adjustment also reflects an allocation of Lost and Unaccounted For (LUF) gas to Unregulated Storage operations, as per the Board approved EB-2015-0114 Settlement Proposal.
d)	Adjustment to O&M in relation to updated forecasts of DSM, Pension/OPEB, and CIS/Customer Care costs.
e)	Adjustment to income taxes in relation to all other Board required / permitted adjustments to achieve final 2017 Allowed Revenue.
f)	Adjustment to revenue forecasts resulting from updating the 2017 volume forecast and use of July 1, 2016 Board Approved rates.

ALLOWED REVENUE AND SUFFICIENCY/(DEFICIENCY)
2017 UPDATED FORECAST

Line No.		Col. 1 EB-2012-0459 Excl. CIS 2017 Allowed Revenue Placeholder ($Millions)	Col. 2 EB-2012-0459 CIS 2017 Allowed Revenue Placeholder ($Millions)	Col. 3 EB-2012-0459 2017 Total Allowed Revenue Placeholder ($Millions)	Col. 4 2017 CIR Updates Excl. CIS ($Millions)	Col. 5 2017 CIR Updates for CIS ($Millions)	Col. 6 2017 Updated Forecast Allowed Revenue Excl. CIS ($Millions)	Col. 7 2017 Approved CIS Allowed Revenue ($Millions)	Col. 8 2017 Total Updated Forecast Allowed Revenue ($Millions)
	Cost of capital								
1.	Rate base	5,928.9	19.7	5,948.6	75.5	-	6,004.4	19.7	6,024.1
2.	Required rate of return	7.04	6.44	7.04	(0.83)	-	6.21	6.44	6.21
3.		417.4	1.3	418.7	(44.7)	-	372.7	1.3	374.0
	Cost of service								
4.	Gas costs	1,632.5	-	1,632.5	(29.4)	-	1,603.1	-	1,603.1
5.	Operation and maintenance	332.5	104.4	436.9	24.9	(1.9)	357.4	102.5	459.9
6.	Depreciation and amortization	285.0	12.7	297.7	-	-	285.0	12.7	297.7
7.	Fixed financing costs	1.9	-	1.9	-	-	1.9	-	1.9
8.	Municipal and other taxes	47.9	-	47.9	-	-	47.9	-	47.9
9.		2,299.8	117.1	2,416.9	(4.5)	(1.9)	2,295.3	115.2	2,410.5
	Miscellaneous operating and non-operating revenue								
10.	Other operating revenue	(42.7)	-	(42.7)	-	-	(42.7)	-	(42.7)
11.	Interest and property rental	-	-	-	-	-	-	-	-
12.	Other income	(0.1)	-	(0.1)	-	-	(0.1)	-	(0.1)
13.		(42.8)	-	(42.8)	-	-	(42.8)	-	(42.8)
	Income taxes on earnings								
14.	Excluding tax shield	47.3	7.5	54.8	(0.1)	-	47.2	7.5	54.7
15.	Tax shield provided by interest expense	(51.8)	(0.2)	(52.0)	3.9	-	(47.9)	(0.2)	(48.1)
16.		(4.5)	7.3	2.8	3.8	-	(0.7)	7.3	6.6
	Taxes on sufficiency / (deficiency)								
17.	Gross sufficiency / (deficiency)	(117.9)	-	(117.9)	88.5	-	(29.4)	-	(29.4)
18.	Net sufficiency / (deficiency)	(86.7)	-	(86.7)	65.1	-	(21.6)	-	(21.6)
19.		31.3	-	31.3	(23.5)	-	7.8	-	7.8
20.	**Sub-total revenue requirement**	2,701.2	125.7	2,826.9	(68.9)	(1.9)	2,632.3	123.8	2,756.1
21.	Customer Care Rate Smoothing V/A Adjustment	-	2.9	2.9	-	(0.1)	-	2.8	2.8
22.	**Allowed revenue**	2,701.2	128.6	2,829.8	(68.9)	(2.0)	2,632.3	126.6	2,758.9
	Revenue at existing Rates								
23.	Gas sales	2,388.5	91.8	2,480.3	(62.3)	18.9	2,326.2	110.7	2,436.9
24.	Transportation service	192.7	18.4	211.1	77.3	(6.7)	270.0	11.7	281.7
25.	Transmission, compression and storage	1.8	-	1.8	4.9	-	6.7	-	6.7
26.	Rounding adjustment	0.3	-	0.3	(0.3)	-	-	-	-
27.	Revenue at existing rates	2,583.3	110.2	2,693.5	19.6	12.2	2,602.9	122.4	2,725.3
28.	**Gross revenue sufficiency / (deficiency)**	(117.9)	(18.4)	(136.3)	88.5	14.2	(29.4)	(4.2)	(33.6)

UTILITY RATE BASE
2017 UPDATED FORECAST

Line No.		Col. 1 EB-2012-0459 Excl. CIS 2017 Utility Rate Base Placeholder ($Millions)	Col. 2 EB-2012-0459 CIS 2017 Utility Rate Base Placeholder ($Millions)	Col. 3 EB-2012-0459 2017 Total Rate Base Placeholder ($Millions)	Col. 4 2017 CIR Updates Excl. CIS ($Millions)	Col. 5 2017 CIR Updates for CIS ($Millions)	Col. 6 2017 Updated Forecast Rate Base Excl. CIS ($Millions)	Col. 7 2017 Approved CIS Rate Base ($Millions)	Col. 8 2017 Total Updated Forecast Rate Base ($Millions)
	Property, Plant, and Equipment								
1.	Cost or redetermined value	8,792.2	127.1	8,919.3	(5.6)	-	8,786.6	127.1	8,913.7
2.	Accumulated depreciation	(3,110.4)	(107.4)	(3,217.8)	-	-	(3,110.4)	(107.4)	(3,217.8)
3.		5,681.8	19.7	5,701.5	(5.6)	-	5,676.2	19.7	5,695.9
	Allowance for Working Capital								
4.	Accounts receivable rebillable projects	1.4	-	1.4	-	-	1.4	-	1.4
5.	Materials and supplies	34.6	-	34.6	-	-	34.6	-	34.6
6.	Mortgages receivable	-	-	-	-	-	-	-	-
7.	Customer security deposits	(64.6)	-	(64.6)	-	-	(64.6)	-	(64.6)
8.	Prepaid expenses	1.0	-	1.0	-	-	1.0	-	1.0
9.	Gas in storage	276.3	-	276.3	80.3	-	356.6	-	356.6
10.	Working cash allowance	(1.6)	-	(1.6)	0.8	-	(0.8)	-	(0.8)
11.	Total Working Capital	247.1	-	247.1	81.1	-	328.2	-	328.2
12.	Utility Rate Base	5,928.9	19.7	5,948.6	75.5	-	6,004.4	19.7	6,024.1

WORKING CAPITAL COMPONENTS - WORKING CASH ALLOWANCE
2017 UPDATED FORECAST

Line No.		Col. 1 Disbursements	Col. 2 Net Lag-Days	Col. 3 Allowance
		($Millions)	(Days)	($Millions)
1.	Gas purchase and storage and transportation charges	1,603.3	2.2	9.7
2.	Items not subject to working cash allowance (Note 1)	(0.2)		
3.	Gas costs charged to operations	1,603.1		
4.	Operation and Maintenance	357.4		
5.	Less: Storage costs	(8.4)		
6.	Operation and maintenance costs subject to working cash	349.0		
7.	Ancillary customer services	-		
8.		349.0	(10.9)	(10.4)
9.	Sub-total			(0.7)
10.	Storage costs	8.4	58.4	1.3
11.	Storage municipal and capital taxes	1.4	22.9	0.1
12.	Sub-total			1.4
13.	Harmonized Sales Tax			(1.5)
14.	Total working cash allowance			(0.8)

Note 1: Represents non cash items such as amortization of deferred charges, accounting adjustments and the T-service capacity credit.

UTILITY INCOME
2017 UPDATED FORECAST

Line No.		Col. 1 EB-2012-0459 Excl. CIS 2017 Utility Income Placeholder ($Millions)	Col. 2 EB-2012-0459 CIS 2017 Utility Income Placeholder ($Millions)	Col. 3 EB-2012-0459 2017 Total Utility Income Placeholder ($Millions)	Col. 4 2017 CIR Updates Excl. CIS ($Millions)	Col. 5 2017 CIR Updates for CIS ($Millions)	Col. 6 2017 Updated Forecast Utility Income Excl. CIS ($Millions)	Col. 7 2017 Approved CIS Utility Income ($Millions)	Col. 8 2017 Total Updated Forecast Utility Income ($Millions)
1.	Gas sales	2,388.5	91.8	2,480.3	(62.3)	18.9	2,326.2	110.7	2,436.9
2.	Transportation of gas	192.7	18.4	211.1	77.3	(6.7)	270.0	11.7	281.7
3.	Transmission, compression and storage revenue	1.8	-	1.8	4.9	-	6.7	-	6.7
4.	Other operating revenue	42.7	-	42.7	-	-	42.7	-	42.7
5.	Interest and property rental	-	-	-	-	-	-	-	-
6.	Other income	0.1	-	0.1	-	-	0.1	-	0.1
7.	Total operating revenue	2,625.8	110.2	2,736.0	19.9	12.2	2,645.7	122.4	2,768.1
8.	Gas costs	1,632.5	-	1,632.5	(29.4)	-	1,603.1	-	1,603.1
9.	Operation and maintenance	332.5	104.4	436.9	24.9	(1.9)	357.4	102.5	459.9
10.	Depreciation and amortization expense	285.0	12.7	297.7	-	-	285.0	12.7	297.7
11.	Fixed financing costs	1.9	-	1.9	-	-	1.9	-	1.9
12.	Municipal and other taxes	47.9	-	47.9	-	-	47.9	-	47.9
13.	Interest and financing amortization expense	-	-	-	-	-	-	-	-
14.	Other interest expense	-	-	-	-	-	-	-	-
15.	Total costs and expenses	2,299.8	117.1	2,416.9	(4.5)	(1.9)	2,295.3	115.2	2,410.5
16.	Ontario utility income before income taxes	326.0	(6.9)	319.1	24.4	14.1	350.4	7.2	357.6
17.	Income tax expense	(4.5)	7.3	2.8	3.8	-	(0.7)	7.3	6.6
18.	Utility net income	330.5	(14.2)	316.3	20.6	14.1	351.1	(0.1)	351.0

CALCULATION OF UTILITY TAXABLE INCOME AND INCOME TAX EXPENSE
2017 UPDATED FORECAST (EXCLUDING CIS & CUSTOMER CARE)

Line No.		Col. 1 EB-2012-0459 2017 Utility Placeholder Tax ($Millions)	Col. 2 2017 CIR Update Adjustments ($Millions)	Col. 3 2017 Updated Forecast Utility Tax ($Millions)
1.	Utility income before income taxes	326.0	24.4	350.4
	Add			
2.	Depreciation and amortization	285.0	-	285.0
3.	Accrual based pension and OPEB costs	28.5	(3.8)	24.7
4.	Other non-deductible items	1.0	-	1.0
5.	Total Add Back	314.5	(3.8)	310.7
6.	Sub total	640.5	20.6	661.1
	Deduct			
7.	Capital cost allowance - Federal	298.2	-	298.2
8.	Capital cost allowance - Provincial	298.2	-	298.2
9.	Items capitalized for regulatory purposes	46.6	-	46.6
10.	Deduction for "grossed up" Part VI.1 tax	5.6	(2.5)	3.1
11.	Amortization of share/debenture issue expense	3.9	0.9	4.8
12.	Amortization of cumulative eligible capital	4.8	-	4.8
13.	Amortization of C.D.E. and C.O.G.P.E	0.1	-	0.1
14.	Site restoration cost adjustment	77.5	-	77.5
15.	Cash based pension and OPEB costs	32.2	19.2	51.4
16.	Total Deduction - Federal	468.9	17.6	486.5
17.	Total Deduction - Provincial	468.9	17.6	486.5
18.	Taxable income - Federal	171.6	3.0	174.6
19.	Taxable income - Provincial	171.6	3.0	174.6
20.	Income tax rate - Federal	15.00%	0.00%	15.00%
21.	Income tax rate - Provincial	11.50%	0.00%	11.50%
22.	Income tax provision - Federal	25.7	0.5	26.2
23.	Income tax provision - Provincial	19.7	0.4	20.1
24.	Income tax provision - combined	45.4	0.9	46.3
25.	Part V1.1 tax	1.9	(1.0)	0.9
26.	Total taxes excluding tax shield on interest expense	47.3	(0.1)	47.2
	Tax shield on interest expense			
27.	Rate base	5,928.9	75.5	6,004.4
28.	Return component of debt	3.30%	-0.29%	3.01%
29.	Interest expense	195.5	(14.8)	180.7
30.	Combined tax rate	26.50%	0.00%	26.50%
31.	Income tax credit	(51.8)	3.9	(47.9)
32.	Total income taxes	(4.5)	3.8	(0.7)

COST OF CAPITAL
2017 UPDATED FORECAST

Line No.		Col. 1 Principal Excl. CC/CIS	Col. 2 Component	Col. 3 Cost Rate	Col. 4 Return Component
		($Millions)	%	%	%
1.	Long and Medium-Term Debt	3,739.6	62.28	4.83	3.008
2.	Short-Term Debt	3.2	0.05	1.23	0.001
3.		3,742.8	62.33		3.009
4.	Preference Shares	100.0	1.67	2.24	0.037
5.	Common Equity	2,161.6	36.00	8.78	3.161
6.		6,004.4	100.00		6.207
7.	Rate Base	($Millions)			6,004.4
8.	Utility Income	($Millions)			351.1
9.	Indicated Rate of Return				5.847
10.	Deficiency in Rate of Return				(0.360)
11.	Net Deficiency	($Millions)			(21.6)
12.	Gross Deficiency	($Millions)	(excl. CC/CIS)		(29.4)
13.	Customer Care/CIS Deficiency	($Millions)	($126.6 vs $122.4)		(4.2)
14.	Total Gross Revenue Deficiency	($Millions)			(33.6)
15.	Revenue at Existing Rates	($Millions)			2,725.3
16.	Allowed Revenue	($Millions)			2,758.9
17.	Gross Revenue Deficiency	($Millions)			(33.6)

SCHEDULE 5

DECISION AND RATE ORDER

ENBRIDGE GAS DISTRIBUTION INC.

EB-2016-0215

DECEMBER 08, 2016

2017 DEFERRAL AND VARIANCE ACCOUNTS

ACCOUNTING TREATMENT FOR A PURCHASED GAS VARIANCE ACCOUNT ("2017 PGVA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 PGVA is to record the effect of price variances between actual 2017 gas purchase prices and the forecast prices that underpin the revenue rates to be charged in 2017. Without this deferral account, the ratepayers and the Company are exposed to the risk of purchased gas price variances, which could unduly penalize or benefit one party at the benefit or expense of the other. Lower than forecast gas purchase prices would result in an over recovery from the customers and higher prices would result in an under recovery to the Company. This deferral account ensures that such effects are eliminated.

Methodology

The actual unit cost is determined by dividing the total commodity and transportation costs (less the demand charges related to unutilized TransCanada firm service transportation capacity, if any) plus any other costs associated with emerging gas pricing mechanisms incurred in the month by the actual volumes purchased in the month. The rate differential between the PGVA reference price and the actual unit cost of the purchases, multiplied by the actual volumes purchased, is recorded in the PGVA monthly.

The fixed cost component of the TransCanada firm service transportation costs (i.e., Transportation Demand Charge) is included in the determination of the reference price. However, any demand charges relating to unutilized transportation capacity, either forecast or actual, are excluded. This treatment of forecast and actual Transportation Demand Charges for unutilized transportation capacity is consistent with the Board's concerns that these amounts be excluded from the PGVA.

Since all transportation costs on volumes purchased by the Company related to forecast utilized capacity are included in the determination of the PGVA reference price, any changes in the TransCanada tolls will be recorded in the PGVA. Any toll changes related to the cost of forecast unutilized capacity will not be recorded in the PGVA and therefore, requires separate adjustment. The inclusion of changes in TransCanada tolls in the PGVA is consistent with past practice.

Since the transportation tolls for other transportation services, such as for the Vector, Link, and NEXUS pipelines, that were used in the determination of the PGVA reference price were based upon an estimate, any variation between the actual transportation costs (including associated fuel costs) and the estimated transportation costs will be recorded in the PGVA.

Since transportation costs related to the transport of Western Canada Bundled T-service volumes are not included in the derivation of the PGVA reference price, changes in TransCanada tolls will be recorded in the PGVA as a separate adjustment.

For the period January 1, 2017 to December 31, 2017 expenditures related to TransCanada's Storage Transportation Services, including balancing fees related to TransCanada's Limited Balancing Agreement, will be recorded in the 2017 PGVA. The 2017 PGVA will also record amounts related to a Limited Balancing Agreement with Union Gas.

The PGVA will record adjustments related to transactional services activities which are designed to record the impact of direct and avoided costs between the PGVA and the TSDA. These adjustments are required to ensure appropriate allocation of costs and benefits to the underlying transactions and appropriate recording of amounts in the 2017 PGVA and 2017 TSDA for purposes of deferral account dispositions.

In addition, the 2017 PGVA will record the amounts related to unforecast penalty revenues received from interruptible customers who do not comply with the Company's curtailment requirements, unauthorized overrun gas revenues, the use of electronic bulletin boards, and the unforecast Unabsorbed Demand Charge ("UDC") that arises as a consequence of the Company voluntarily leaving transportation capacity unutilized in order to gain a net benefit for the customer by purchasing lower priced unforecast discretionary delivered supplies.

The 2017 PGVA will also record an inventory valuation adjustment every time a recalculated “Utility Price” or PGVA Reference Price comes into effect at the beginning of a quarter. The adjustment consists of the storage inventory valuation adjustment necessary to price actual opening inventory volumes at a rate equal to the Board approved quarterly PGVA reference price.

The 2017 PGVA will also record any refund/collection associated with Board approved Gas Cost Adjustment Riders.

The Company will record, at the time a Banked Gas Account Balance is purchased from a customer, the difference in the amount payable to the customer and the amount included in the PGVA (Transportation Service Rider A). This amount would be credited to a sub-account of the PGVA. In the event the Company incurs unforecast UDC costs as a result of having to purchase Banked Gas Account Balances then the amount in such sub-account will be used to offset corresponding UDC costs. All amounts remaining in this sub-account, after offsetting these UDC costs, will be rolled up into the PGVA.

The commodity sale price on the disposition of Banked Gas Account Balances, the incentive sale price, is set at 120% of an average Empress price over the 12 months of the contractual year. Any amount in excess of 100% of the gas supply charge stated in the applicable rate schedule, net of the commodity related bad debt, will be included in the PGVA for each fiscal year.

Simple interest is to be calculated on the opening monthly balance of the 2017 PGVA using the Board Approved EB-2006-0117 interest rate methodology. The balance of the 2017 PGVA, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the monthly gas purchase variance:

Debit:	2017 PGVA	(Account 179.707)
Credit:	Gas in Storage	(Account 152.000)
	or	
Debit:	Gas in Storage	(Account 152.000)
Credit:	2017 PGVA	(Account 179.707)

To record the total rate variance on the current month's gas purchases.

2. TransCanada Toll changes related to forecast unutilized transportation capacity:

Debit:	2017 PGVA	(Account 179. 707)
Credit:	Accounts Payable	(Account 259. 000)
	or	
Debit:	Gas in Storage	(Account 152. 000)
Credit:	2017 PGVA	(Account 179. 707)

To record the amounts related to TransCanada toll changes on forecast unutilized transportation capacity.

3. TransCanada Toll changes related to Western Canada Bundled T-Service transportation capacity:

Debit:	2017 PGVA	(Account 179. 707)
Credit:	Accounts Payable	(Account 259. 000)
	or	
Debit:	Gas in Storage	(Account 152. 000)
Credit:	2017 PGVA	(Account 179. 707)

To record the amounts related to TransCanada toll changes on Western Canada Bundled T-Service transportation capacity.

4. Transactional services activities:

Debit/Credit:	2017 TSDA	(Account 179. 807)
Debit/Credit:	Various accounts	(Account ___. ___)
Credit/Debit:	2017 PGVA	(Account 179. 707)

To record adjustments for direct and avoided costs related to Transactional Services activities between the 2017 PGVA and 2017 TSDA, and other accounts such as Gas Costs, Gas Stored Underground and Storage Demand Charges.

5. Electronic bulletin boards:

Debit:	2017 PGVA	(Account 179. 707)
Credit:	Accounts Payable	(Account 259. 000)

To record the amounts related to the Company's use of electronic bulletin boards.

6. Unforecast penalty revenues:

Debit:	Accounts Receivable	(Account 140. 010)
Credit:	2017 PGVA	(Account 179. 707)

To record unforecast penalty revenues received from interruptible customers who do not comply with the Company's curtailment requirements.

7. Voluntary UDC:

Debit:	2017 PGVA	(Account 179. 707)
Credit:	Accounts Payable	(Account 259. 000)

To record voluntary UDC as a result of purchasing lower priced unforecast discretionary delivered supplies.

8. Inventory valuation adjustment:

Credit/Debit:	Gas In Storage	(Account 152. 000)
Debit/Credit:	2017 PGVA	(Account 179. 707)

To record the adjustment necessary to value actual inventory volumes at a rate equal to the 2017 PGVA reference price.

9. Refund or collection of the Gas Cost Adjustment Rider:

Debit/Credit:	2017 PGVA	(Account 179. 707)
Credit/Debit:	Accounts Receivable	(Account 140. 010)

To record the amounts refunded or collected from customers through the Gas Cost Adjustment Rider.

10. Purchase of banked gas account balance:

Debit:	Gas In Storage	(Account 152. 000)
Credit:	2017 PGVA	(Account 179. 707)

To record the purchase of the Banked Gas Account Balance less the Transportation Service Rider A.

11. Unforecast UDC:

Debit:	2017 PGVA	(Account 179. 707)
Credit:	Accounts Payable	(Account 259. 000)

To record unforecast UDC costs resulting from the purchase of Banked Gas Account Balances from T-Service customers.

12. Sales in excess of 100% of the applicable gas supply charge:

Debit:	Other Income	(Account 319. 010)
Credit:	2017 PGVA	(Account 179. 707)

To record the amount of sales in excess of 100% of the gas supply charge stated in the applicable rate schedule, net of the commodity related bad debt amount.

13. Interest accrual:

Debit:	2017 PGVA - Interest Receivable	(Account 179. 717)
Credit:	Interest Expense	(Account 323. 000)
	or	
Debit:	Interest Expense	(Account 323. 000)
Credit:	2017 PGVA - Interest Payable	(Account 179. 717)

To record simple interest on the opening monthly balance of the 2017 PGVA using the Board Approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A TRANSACTIONAL SERVICES DEFERRAL ACCOUNT ("2017 TSDA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 TSDA is to record the incremental ratepayer share of net revenue from transportation and storage related transactional services, to be shared 90/10 between EGD's ratepayers and shareholders.

In the event that the ratepayer share of 2017 TS net revenues exceeds $12 million, then such amounts over $12 million will be credited to the TSDA. In the event that the ratepayer share of 2017 TS net revenues is less than $12 million, then Enbridge will be credited with the difference between the actual ratepayer share of 2017 TS net revenues and $12 million, which would be reflected as a debit in the TSDA.

Net revenue is defined as gross revenues for providing these services less any direct incremental costs incurred, plus, any avoided costs. Direct incremental costs represent those direct costs incurred as a result of a transactional service activity and avoided costs are those costs that have been avoided as a result of a transactional service activity. Typical direct incremental costs and avoided costs would include transportation costs, fuel costs, charges for name changes, re-direct charges, etc.

Simple interest is to be calculated on the opening monthly balance of the 2017 TSDA using the Board Approved EB-2006-0117 interest rate methodology. The balance of the 2017 TSDA, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record incremental Transactional Services revenues and costs:

Debit:	Other Income	(Account 319. 010)
Credit:	Operating Revenue	(Account 300. 000)
Debit/Credit:	2017 TSDA	(Account 179. 807)

To record either the incremental ratepayer portion of net revenues generated from transactional services activities in excess of the $12 million included in rates or the recognition of amounts recoverable by EGD where net TS revenue is less than $12 million.

2. Allocation of costs and benefits to Transactional Services activities:

Debit/Credit:	2017 TSDA	(Account 179. 807)
Debit/Credit:	Various accounts	(Account ___. ___)
Credit/Debit:	2017 PGVA	(Account 179. 707)

To record adjustments for direct and avoided costs related to transactional services activities between the 2017 PGVA and 2017 TSDA, and other accounts such as Gas Costs, Gas Stored Underground and Storage Demand Charges.

3. Interest accrual:

Debit/Credit:	Interest Expense	(Account 323. 000)
Credit/Debit:	2017 TSDA - Interest Payable	(Account 179. 817)

To record simple interest on the opening monthly balance of the 2017 TSDA using the Board Approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR AN
UNACCOUNTED FOR GAS VARIANCE ACCOUNT
("2017 UAFVA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 UAFVA is to record the cost of gas that is associated with volumetric variances between the actual volume of unaccounted for gas ("UAF") and the 2017 Board approved UAF volumetric forecast.

The gas costs associated with the UAF variance account will be calculated at the end of calendar 2017 based on the estimated volumetric variance between the 2017 Board approved level and the estimate of the 2017 actual UAF. An adjustment will be made to the UAFVA in the subsequent year to record any differences between the estimated UAF and actual UAF.

The UAF annual variance will be allocated on a monthly basis in proportion to actual sales and costed at the monthly PGVA reference price.

Where there are recoveries of gas loss amounts invoiced as part of 3rd party damages, the gas loss amounts will be removed from the UAFVA balance.

Carrying costs for the UAFVA will be calculated using the Board Approved EB-2006-0117 interest rate methodology. The balance of the UAFVA, together with the carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the estimated volumetric variance between the December 31, 2017 actual UAF and the Board Approved level:

Debit/Credit:	2017 UAFVA	(Account 179. 867)
Credit/Debit:	Gas Costs	(Account 623. 010)

To record the costs associated with the volumetric variance related to unaccounted for gas.

2. To record the recovery of gas loss amounts:

Debit:	Accounts Receivable	(Account 142. 010)
Credit:	2017 UAFVA	(Account 179. 867)

To record the recovery of gas loss amounts invoiced as part of 3rd party damages.

3. Interest accrual:

Debit/Credit:	Interest on 2017 UAFVA	(Account 179. 877)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 UAFVA using the Board Approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A STORAGE AND TRANSPORTATION DEFERRAL ACCOUNT (“2017 S&TDA”)

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 S&TDA is to record the difference between the forecast of Storage and Transportation rates (both cost of service and market based pricing) included in the Company’s approved rates and the final Storage and Transportation rates (both cost of service and market based pricing) incurred by the company. It will also be used to record variances between the forecast Storage and Transportation rebate programs and the final rebates received by the company. The accounting treatment for the S&TDA is in line with that established for the 2008 S&TDA, which recognized that storage and transportation services may be provided to the Company by suppliers other than Union Gas and at market based rates.

The 2017 S&TDA will also record the variance between the forecast Storage and Transportation demand levels and the actual Storage and Transportation demand levels. In addition, this account will be used to record amounts related to deferral account dispositions received or invoiced from Storage and Transportation suppliers.

The 2017 S&TDA will also record the variance between the forecasted commodity cost for fuel and the updated QRAM Reference Price.

Simple interest is to be calculated on the opening monthly balance of the 2017 S&TDA using the Board Approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. Storage and Transportation rate variance:

[(Final Storage and Transportation rates) – (Storage and Transportation rates underpinning the Company’s 2017 rates)] X Actual storage and/or transportation volumes

Debit/Credit:	2017 S&TDA	(Account 179. 887)
Credit/Debit:	Gas in Storage	(Account 152. 000)
	or	
Credit/Debit:	Gas Costs	(Account 623. 010)

To record the difference between the Storage and Transportation rates included in the Company’s 2017 rates and the final Storage and Transportation rates.

2. To record variances in the Storage and Transportation rebate programs:

Debit:	Sundry Accounts Receivable	(Account 141. 030)
Credit:	2017 S&TDA	(Account 179. 887)
	or	
Debit:	2017 S&TDA	(Account 179. 887)
Credit:	Accounts Payable	(Account 259. 000)

To record the difference between the Storage and Transportation rebate programs included in the Company's 2017 rates and the final rebates received by the Company.

3. To record Storage and Transportation deferral account dispositions:

Debit:	Sundry Accounts Receivable	(Account 141. 030)
Credit:	2017 S&TDA	(Account 179. 887)
	or	
Debit:	2017 S&TDA	(Account 179. 887)
Credit:	Accounts Payable	(Account 259. 000)

To record amounts related to deferral account dispositions received or invoiced from Storage and Transportation.

4. Inventory valuation adjustment:

Debit/Credit:	2017 S&TDA	(Account 179. 887)
Credit/Debit:	Gas In Storage	(Account 152. 000)

To record adjustments to storage and transmission fuel costs associated with quarterly price changes.

5. Interest accrual:

Debit/Credit:	Interest on 2017 S&TDA	(Account 179. 897)
Credit/Debit:	Interest Expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 S&TDA using the Board Approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
GREENHOUSE GAS EMISSIONS IMPACT DEFERRAL ACCOUNT
("2017 GGEIDA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 GGEIDA is to record any impacts to EGD resulting from federal and or provincial regulations related to greenhouse gas emission requirements, along with the impacts resulting from the sale of, or other dealings in earned carbon dioxide offset credits.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the impact of any greenhouse gas emission requirements, and or from the sale or other dealings in earned carbon dioxide offset credits:

Debit/Credit:	Various accounts	(Account ___. ___)
Credit/Debit:	2017 GGEIDA	(Account 179. 327)

Costs/proceeds arising from greenhouse gas emission requirements, or carbon dioxide offset credits dealings.

2. Interest accrual:

Debit/Credit:	Interest expense	(Account 323. 000)
Credit/Debit:	Interest on 2017 GGEIDA	(Account 179. 337)

To record simple interest on the opening monthly balance of the 2017 GGEIDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
CUSTOMER CARE CIS RATE SMOOTHING DEFERRAL ACCOUNT
("2017 CCCISRSDA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 CCCISRSDA is to capture the difference between the Board approved forecast customer care and CIS costs versus the smoothed amount to be collected in revenues as approved by the Board in the EB-2011-0226 CIS Customer Care Settlement Agreement and proceeding. The amount to be debited or credited to the deferral account, for each of the 2013 through 2018 years, will be calculated by multiplying the difference in Board approved cost per customer and smoothed cost per customer by the updated customer forecast for that year. The balances in the account will not be cleared during the 2013 through 2018 period. The cumulative balance will build up during the years 2013 to 2015 when the Board approved cost per customer exceeds the smoothed cost per customer being collected in rates, and then will be drawn down during the years 2016 to 2018 when the Board approved cost per customer is lower than the smoothed cost per customer being collected in rates. After 2018, any remaining balance in the account it is to be cleared along with the clearance of other deferral and variance accounts.

As determined in the EB-2011-0226 Settlement Agreement, interest is to be calculated on the opening monthly balance of this account at a fixed annual rate of 1.47%, and will not change during the period the deferral account is allowed to continue through 2018. The interest carrying charges will be disposed of annually at the same time of clearance of all other deferral and variance accounts.

Accounting Entries

1. To record the approved 2017 treatment of revenue and costs associated with customer care and CIS costs:

Debit:	Various accounts	(Account ___. ___)
Credit:	2017 CCCISRSDA	(Account 179. 167)

To record the variance between customer care and CIS costs versus the amount to be collected in revenues as approved by the Board in the EB-2011-0226 for CCCISRSDA.

2. Interest accrual:

Debit:	Interest expense	(Account 323. 000)
Credit:	Interest on 2017 CCCISRSDA	(Account 179. 177)

To record simple interest on the opening monthly balance of the 2017 CCCISRSDA using a fixed annual rate of 1.47%, as approved by the Board in the EB-2011-0226.

ACCOUNTING TREATMENT FOR A
DEFERRED REBATE ACCOUNT
("2017 DRA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 DRA is to record any amounts payable to, or receivable from, customers of Enbridge Gas Distribution as a result of the clearing of deferral and variance accounts authorized by the Board which remain outstanding due to the Company's inability to locate such customers.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. Disposition of deferral and variance accounts:

Debit/Credit:	D/VA's approved for clearance	(Account 179. ___)
Debit/Credit:	Interest on D/VA's – various	(Account 179. ___)
Credit/Debit:	2017 DRA	(Account 179. 007)

2. Refund or collection:

Debit/Credit:	2017 DRA	(Account 179. 007)
Credit/Debit:	Accounts Receivable	(Account 140. 010)

To record the actual amounts refunded to / recovered from customers.

3. Interest accrual:

Debit/Credit:	Interest expense	(Account 323. 000)
Credit/Debit:	Interest on the 2017 DRA	(Account 179. 017)

To record simple interest on the opening monthly balance of the 2017 DRA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
GAS DISTRIBUTION ACCESS RULE IMPACT DEFERRAL ACCOUNT
(“2017 GDARIDA”)

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 GDARIDA is to record all incremental unbudgeted capital and operating impacts associated with the development, implementation, and operation of the Gas Distribution Access Rule and any ongoing amendments to the rule. Such costs would include, but not be limited to, market restructuring oriented customer education and communication programs, legal or expert advice required, operating cost or revenue changes in relation to the establishment of contractual agreements, and developing revised business processes and related computer hardware and software required to meet the requirements of the GDAR.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record costs related to Gas Distribution Access Rule requirements:

Debit:	2017 GDARIDA	(Account 179. 207)
Credit:	Accounts payable	(Account 251. 010)

To record the unbudgeted costs associated with GDAR development, implementation, and operation.

2. Interest accrual:

Debit:	Interest on 2017 GDARIDA	(Account 179. 217)
Credit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 GDARIDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
MANUFACTURED GAS PLANT DEFERRAL ACCOUNT
("2017 MGPDA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 MGPDA is to capture all costs incurred in managing and resolving issues related to the Company's manufactured gas plant ("MGP") legacy operations. Costs charged to the account could include, but are not limited to:

- Responding to all enquiries, demands and court actions relating to former MGP sites;
- All oral and written communications with existing and former third party liability and property insurers of the Company;
- Conducting all necessary historical research and reviews to facilitate the Company's responses to all enquiries, demands, court actions and communications with claimants, third parties and insurers;
- Engaging appropriate experts (for example, environmental, insurance archivists, engineers, etc.) for the purposes of evaluating any alleged contamination that may have resulted from former MGP operations and providing advice regarding the appropriate steps to remediate/contain/monitor such contamination, if any;
- Engaging legal counsel to respond to all demands and court actions by claimants, and to take appropriate steps in relation to the Company's existing and former third party liability and property insurers; and
- Undertaking appropriate research into the regulatory treatment of costs resulting from former MGP operations in the United States.

The MGPDA would also be used to record any amounts which are payable to any claimant following settlement or trial, including any damages, interest, costs and disbursements and any recoveries from insurers or third parties.

In the event that Enbridge does not request clearance of amounts recorded in the 2016 MGPDA at the same time as other 2016 accounts are requested for clearance, then the balance in the account will be transferred to the 2017 MGPDA.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record costs:

Debit:	2017 MGPDA	(Account 179. 307)
Credit:	Accounts Payable	(Account 251. 010)
Credit:	2016 MGPDA	(Account 179. 306)

To record the unbudgeted costs incurred in managing and resolving manufactured gas plants legal proceedings and litigation and to roll forward any un-cleared 2016 MGPDA amounts.

2. Interest accrual:

Debit:	Interest on 2017 MGPDA	(Account 179. 317)
Credit:	Interest expense	(Account 323. 000)
Credit:	Interest on 2016 MGPDA	(Account 179. 316)

To record simple interest on the opening monthly balance of the 2017 MGPDA using the Board approved EB-2006-0117 interest rate methodology and to roll forward any un-cleared interest amounts on the 2016 MGPDA.

ACCOUNTING TREATMENT FOR A
CUSTOMER CARE SERVICES PROCUREMENT DEFERRAL ACCOUNT
(“2017 CCSPDA”)

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 CCSPDA is to capture the costs associated with the benchmarking, tendering and potential transition of customer care services to a new service provider(s). The majority of EGD’s 2013 through 2018 customer care costs were established and approved for recovery in the EB-2011-0226 proceeding, including services provided by two major outsourced customer care agreements which were originally set to expire on December 31, 2017 (subject to extension rights) and are now set to expire on December 31, 2019. However, the costs related to the process of benchmarking and tendering for services provided by these agreements, to confirm the validity of pricing and quality for such services, and where appropriate identify new service provider(s), were not included, nor were any potential transition costs to new providers. The Ontario Energy Board’s EB-2012-0459 Decision approved the establishment of the CCSPDA for 2014 to 2016 to record benchmarking, tendering and transition costs, but limits the total amount recordable in the account to $5 million. No amounts have been recorded in the CCSPDA for 2014 to 2016. Given the extension of Enbridge’s customer care agreements to the end of 2019, the timing for any new customer care agreements has also been extended. To reflect this change, the CCSPDA is being extended to apply for the years 2017 to 2019, on the same terms as previously approved.

Simple interest is to be calculated on the opening monthly balance of the 2017 CCSPDA using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the customer care services procurement costs:

Debit:	2017 CCSPDA	(Account 179. 187)
Credit:	Accounts payable	(Account 251. 010)

To record benchmarking, tendering and transition costs in relation to customer care service providers.

2. Interest accrual:

Debit:	Interest on 2017 CCSPDA	(Account 179. 197)
Credit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 CCSPDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR AN
AVERAGE USE TRUE-UP VARIANCE ACCOUNT
("2017 AUTUVA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 AUTUVA is to record ("true-up") the revenue impact, exclusive of gas costs, of the difference between the forecast of average use per customer, for general service rate classes (Rate 1 and Rate 6), embedded in the volume forecast that underpins Rates 1 and 6 and the actual weather normalized average use experienced during the year. The calculation of the volume variance between forecast average use and actual normalized average use will exclude the volumetric impact of Demand Side Management programs in that year. The revenue impact will be calculated using a unit rate determined in the same manner as for the derivation of the Lost Revenue Adjustment Mechanism (LRAM), extended by the average use volume variance per customer and the number of customers.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record the revenue impact of forecast versus actual normalized average use:

Debit/Credit:	2017 AUTUVA	(Account 179. 667)
Credit/Debit:	Operating revenue	(Account 300. 000)

To record the revenue impact associated with the variance in forecast average use per customer versus actual normalized average use per customer.

2. Interest accrual:

Debit/Credit:	Interest on 2017 AUTUVA	(Account 179. 677)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 AUTUVA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
POST-RETIREMENT TRUE-UP VARIANCE ACCOUNT
("2017 PTUVA")

For the 2017 Fiscal Year
January 1, 2017 to December 31, 2017)

The purpose of the Post-Retirement True-Up Variance Account (PTUVA) is to record the differences between the 2017 forecast pension and post-employment benefit expenses of $24.7 million and the actual 2017 pension and post-employment benefit expenses (both determined on an accrual basis). The 2017 PTUVA will be cleared in a manner that will allow for all variances between $24.7 million and actual pension and OPEBs expenses to be recorded and cleared, subject to the condition that any amounts in excess of $5 million (credit or debit) will be transferred into a next year's account, so that large variances can be cleared over time (smoothed). Under this approach, the maximum amount (debit or credit) that will be cleared from the 2017 PTUVA will be $5 million, and any remaining amounts will be transferred to the 2018 PTUVA for future clearance.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the pension and post-employment benefit true-up amounts:

Debit:	2017 PTUVA	(Account 179. 247)
Credit:	Accounts payable	(Account 251. 010)
	Or	
Debit:	Operating revenue	(Account 300.000)
Credit:	2017 PTUVA	(Account 179.247)

To record variances between actual pension and post-employment benefits, on an accrual basis, and amounts embedded in rates.

2. To transfer amounts from the 2016 PTUVA to the 2017 PTUVA:

Debit/Credit:	2017 PTUVA	(Account 179. 247)
Credit/Debit:	2016 PTUVA	(Account 179. 246)

To transfer any amount in excess of $5 million (debit or credit) recorded in the 2016 PTUVA to the 2017 PTUVA.

3. Interest accrual:

Debit/Credit:	Interest on 2017 PTUVA	(Account 179. 257)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 PTUVA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
TRANSITION IMPACT OF ACCOUNTING CHANGE DEFERRAL ACCOUNT
("2017 TIACDA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 Transition Impact Accounting Change Deferral Account (TIACDA) is to track and roll forward un-cleared amounts recorded in the 2016 TIACDA. In EB-2011-0354, the Board approved the recovery of Other Post Employment Benefit (OPEB) costs, forecast to be $90 million at the end of 2012, over a 20 year period, commencing in 2013. The OPEB costs needed to be recognized as a result of Enbridge having to account for post-employment expenses on an accrual basis, upon transition to USGAAP for corporate reporting purposes in 2012. The use of USGAAP for regulatory purposes was approved within the 2013 rate proceeding, EB-2011-0354. The final estimate of OPEB costs to be recovered over 20 years, which was recorded in the TIACDA at the end of 2012, was $88.7 million. The first, second, third, and fourth installments of $4.4 million each (1/20 of $88.7 million), were approved for recovery in EB-2013-0046, EB-2014-0195, EB-2015-0122, and EB-2016-0142. The balance in the account will continue to be drawn down and cleared to ratepayers by $4.4 million annually, with the un-cleared balance to be rolled forward to the subsequent year's TIACDA until clearance is complete.

Interest is not applicable to the balance of this account.

Accounting Entries

1. To track and record the accounting changes transition amounts as approved:

Debit:	2017 TIACDA	(Account 179. 027)
Credit:	2016 TIACDA	(Account 179. 026)

To roll forward un-cleared amounts recorded in the 2016 TIACDA.

ACCOUNTING TREATMENT FOR AN
OPEN BILL REVENUE VARIANCE ACCOUNT
("2017 OBRVA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 OBRVA is to track and record the ratepayer share of net revenue for Open Bill Services. The account allows for net annual revenue amounts in excess of $7.389 million to be shared 50/50 with ratepayers, and allows for a credit to Enbridge in the event that net annual revenues are less than $4.889 million, equal to the shortfall between actual net revenues and $4.889 million. The net revenue amounts will be determined in accordance with the EB-2009-0043 Board Approved Open Bill Access Settlement Proposal dated October 15, 2009, with updated Fees and Costs as determined in the EB-2013-0099 proceeding.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To track and record Open Bill services net revenue:

Debit:	Other income	(Account 319. 010)
Credit:	2017 OBRVA	(Account 179. 487)
	Or	
Debit:	2017 OBRVA	(Account 179. 487)
Credit:	Operating revenue	(Account 300. 000)

To record the variance in the ratepayer porting of net revenue associated with Open Bill Service programs in excess of $7.389 million or below $4.889 million.

2. Interest accrual:

Debit/Credit:	Interest on 2017 OBRVA	(Account 179. 497)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 OBRVA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR AN
EX-FRANCHISE THIRD PARTY BILLING SERVICES DEFERRAL ACCOUNT
("2017 EFTPBSDA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 EFTPBSDA is to record and track the ratepayer portion of revenues, net of incremental costs, generated from third party billing services provided to ex-franchise parties. The net revenue is to be shared on a 50/50 basis with ratepayers. The net revenue amounts will be determined in accordance with the EB-2009-0043 Board Approved Open Bill Access Settlement Proposal dated October 15, 2009, with updated Fees and Costs as determined in the EB-2013-0099 proceeding.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To track and record the ratepayer portion of net revenue:

Debit/Credit:	2017 EFTPBSDA	(Account 179. 087)
Credit/Debit:	Various accounts	(Account ___. ___)

To record net revenue associated with Ex-Franchise third party Billing Services.

2. Interest accrual:

Debit/Credit:	Interest on 2017 EFTPBSDA	(Account 179. 097)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 EFTPBSDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR AN
EARNINGS SHARING MECHANISM DEFERRAL ACCOUNT
("2017 ESMDA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 ESMDA is to record the ratepayer share of utility earnings that result from the application of the earnings sharing mechanism. If the 2017 actual utility return on equity (ROE), calculated on a weather normalized basis, exceeds the Board's approved formula ROE, which was utilized in determining 2017 allowed revenues, the resultant amount will be shared equally (i.e., 50/50) between the Company's ratepayers and shareholders. The calculation of a utility return for earnings sharing determination purposes, will include all revenues that would otherwise be included in earnings and only those expenses (whether operating or capital) that would otherwise be allowable deductions from earnings as within a cost of service application. In addition, the following are examples of shareholder incentives and other amounts which are outside of the ambit of the earnings sharing mechanism: amounts related to Demand Side Management incentives ("DSMIDA") and Lost Revenue Adjustment Mechanism ("LRAM"), amounts related to Transactional Services incentives, amounts related to Open Bill program incentives, and amounts related to Electric Program Earnings Sharing incentives ("EPESDA").

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record the ratepayers' share of earnings as a result of the earning sharing mechanism:

Debit:	Operating revenue	(Account 300. 000)
Credit:	2017 ESMDA	(Account 179. 587)

To record the ratepayers' 50% share of utility earnings when the actual weather normalized ROE is greater than the Board approved formula ROE.

2. Interest accrual:

Debit:	Interest expense	(Account 323. 000)
Credit:	Interest on 2017 ESMDA	(Account 179. 597)

To record simple interest on the opening monthly balance of the 2017 ESMDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
CONSTANT DOLLAR NET SALVAGE ADJUSTMENT DEFERRAL ACCOUNT
("2017 CDNSADA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 CDNSADA is to record and clear the 2017 credit to ratepayers that results from the adoption of the Constant Dollar Net Salvage (CDNS) approach for determining the net salvage percentages to be included within EGD's depreciation rates. As a result of the adoption of the CDNS approach, the Company has an estimated excess net salvage reserve when compared to the reserve which accumulated while the Company employed the Traditional Method for determining net salvage percentages. The net salvage reserve is recorded within a liability account which, for utility rate base determination purposes, is accounted for as an offset against specific property, plant and equipment asset category balances as part of accumulated depreciation. Within EGD's EB-2012-0459 decision (2014 – 2018 Rate Application), the Board ordered the refund to ratepayers of $379.8 million in net salvage reserve over the 2014 – 2018 period, through rate rider D. The annual refund amounts are: 2014 - $96.8 million, 2015 - $90.4 million, 2016 - $83.9 million, 2017 - $77.5 million, and 2018 - $31.1 million.

On a monthly basis each year, the net salvage liability (or accumulated depreciation for utility rate base purposes) will be debited by the forecast monthly rider amount, with a corresponding credit recorded in the CDNSADA. Within the same month, the CDNSADA will be debited, with a corresponding credit to accounts receivable, for the actual amount refunded to customers through rate rider D.

In each year, the final balance in the account will be the cumulative variance between the amounts proposed for clearance and the actual amounts cleared. The balance will be transferred to the following year's CDNSADA, and at the end of 2018 any residual balance will be cleared in a post 2018 true up, ensuring the actual amount cleared is equivalent to the required $379.8 million.

No interest is to be calculated on the balance in this account.

Accounting Entries

1. To record the forecast monthly net salvage refund:

Debit:	Other LT Liabilities (Accum. Dep.)	(Account 279. 000)
Credit:	2017 CDNSADA	(Account 179. 347)

To record the forecast monthly net salvage refund amount to be returned to ratepayers through rate rider D.

2. To record the actual monthly net salvage refund:

Debit:	2017 CDNSADA	(Account 179. 347)
Credit:	Accounts Receivable	(Account 140. 010)

To record the actual monthly net salvage refund amount returned to ratepayers through rate rider D.

3. To transfer the 2016 CDNSADA balance to the 2017 CDNSADA:

Debit/Credit:	2017 CDNSADA	(Account 179. 347)
Credit/Debit:	2016 CDNSADA	(Account 179. 346)

To transfer the closing 2016 CDNSADA balance to the 2017 CDNSADA.

ACCOUNTING TREATMENT FOR AN
ELECTRIC PROGRAM EARNINGS SHARING DEFERRAL ACCOUNT
("2017 EPESDA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 EPESDA is to track and account for the ratepayer share of all net revenues generated by DSM services provided for electric CDM activities. The ratepayer share is 50% of net revenues, using fully allocated costs, as was determined in DSM guidelines proceeding EB-2008-0346.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record the ratepayer share of net revenues from electric DSM/CDM:

Debit:	Other income	(Account 319. 010)
Credit:	Operating & Maintenance	(Various accounts)
Credit:	2017 EPESDA	(Account 179. 607)

To record the ratepayer share of net revenues generated by providing DSM/CDM services.

2. Interest accrual:

Debit:	Interest expense	(Account 323. 000)
Credit:	Interest on 2017 EPESDA	(Account 179. 617)

To record simple interest on the opening monthly balance of the 2017 EPESDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
DEMAND SIDE MANAGEMENT VARIANCE ACCOUNT
("2017 DSMVA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 DSMVA is to record the difference between the actual 2017 DSM spending and the budgeted $62.9 million included within 2017 rates. Amounts determined to be over or under the budget included within Allowed Revenue will be recorded in the DSMVA, subject to the DSMCEIDA. In addition, any further variance in 2017 DSM spending and results, beyond the budget included within rates, which occurs as a result of Board decisions in ongoing or upcoming DSM proceedings, will be included within the DSMVA.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record variances in relation to appropriate DSM program costs only:

Debit/Credit:	2017 DSMVA	(Account 179. 067)
Credit/Debit:	Operating & Maintenance	(Various accounts)

To record the difference between actual and approved Demand Side Management operating expenditures.

2. Interest accrual:

Debit/Credit:	Interest on 2017 DSMVA	(Account 179. 077)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 DSMVA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
LOST REVENUE ADJUSTMENT MECHANISM
("2017 LRAM")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 LRAM is to record the amount of distribution margin gained or lost when the Company's DSM programs are less or more successful than budgeted, for the period January 1, 2017 to December 31, 2017.

When the utility's DSM programs are less successful in the fiscal year than budgeted, the utility gains distribution margin. Similarly, the utility loses distribution margin in the fiscal year when its DSM programs are more successful than budgeted.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. To record LRAM amounts:

Debit/Credit:	Operating revenue	(Account 623. 010)
Credit/Debit:	2017 LRAM	(Account 179. 107)

To record in the LRAM, the distribution margin impact of differences between actual and budgeted gas savings forecast in the Company's DSM programs.

2. Interest accrual:

Debit/Credit:	Interest expense	(Account 323. 000)
Credit/Debit:	Interest on 2017 LRAM	(Account 179. 117)

To record simple interest on the opening monthly balance of the 2017 LRAM using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A DEMAND SIDE MANAGEMENT INCENTIVE DEFERRAL ACCOUNT (“2017 DSMIDA”)

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 DSMIDA is to record the actual amount of the shareholder incentive earned by the Company as a result of its DSM programs. The criteria and formula used to determine the amount of any shareholder incentive, to be recorded in the DSMIDA, will be in accordance with the methodology established in the DSM Framework and Guidelines proceeding, EB-2014-0134, and Enbridge’s 2015-2020 DSM Plan proceeding, EB-2015-0049.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. Shareholder incentive earned by the Company related to DSM programs:

Debit:	2017 DSMIDA	(Account 179. 267)
Credit:	Other income	(Account 319. 010)

To record the shareholder incentive earned by the Company related to its DSM programs.

2. Interest accrual:

Debit:	Interest on 2017 DSMIDA	(Account 179. 277)
Credit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 DSMIDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A DAWN ACCESS COSTS DEFERRAL ACCOUNT (“2017 DACDA”)

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 DACDA, as established in the EB-2014-0323 Settlement Agreement, is to record for recovery the revenue requirement impact of the incremental costs incurred to implement the Dawn Transportation Service (“DTS”), including the costs for required system changes. In addition, in accordance with the 2017 Rate Application Settlement Proposal, EB-2016-0215, the revenue requirement related to additional costs incurred to accommodate the heat value conversion modification, being implemented in conjunction with the Dawn Transportation Service system development process, will also be recorded within this account. Under the terms of the EB-2014-0323 Settlement Agreement, recovery of amounts recorded in the DACDA will be from all bundled customers, regardless of whether they are system or direct purchase and regardless of the service to which they currently subscribe, because all have the option of taking DTS if they so choose. Further details explaining the DACDA, including the recovery method, are included within Section 2.7 of the Settlement Agreement filed at Exhibit B, Tab 2, Schedule 1 of the EB-2014-0323 proceeding.

Simple interest is to be calculated on the opening monthly balance of this account using the Board approved EB-2006-0117 interest rate methodology. The balance of this account, together with carrying charges, will be disposed of in a manner to be designated by the Board in a future rate hearing.

Accounting Entries

1. Dawn Access Costs Deferral Account:

Debit:	2017 DACDA	(Account 179. 407)
Credit:	Operating revenue	(Account 300. 000)

To record the revenue requirement impact of costs associated with the implementation of the DTS, inclusive of heat value conversion modifications.

2. Interest accrual:

Debit:	Interest on 2017 DACDA	(Account 179. 417)
Credit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 DACDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
RELOCATION MAINS VARIANCE ACCOUNT
("2017 RLMVA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The establishment of the RLMVA, for each of 2017 and 2018, was approved by the Board within its Decision With Reasons in Enbridge's 2014 to 2018 Customized Incentive Rate Application, EB-2012-0459.

The purpose of the 2017 RLMVA is to record the revenue requirement impact of capital spending on mains relocation activities which varies from $12.6 million (which is the forecast capital cost for relocations included in the Board approved 2017 capital budget), if the revenue requirement impact is $5 million or greater. Similarly, the purpose of the 2018 RLMVA will be to record the cumulative revenue requirement impact of capital spending on mains relocation activities which varies from $12.6 million in each of 2017 and 2018 (which is the forecast capital cost for relocations included in each of the Board approved 2017 and 2018 capital budgets), if the cumulative revenue requirement impact is $5 million or greater.

The amount to be recorded within the 2017 RLMVA will be determined as follows:

a) If the spending for relocations activities in 2017 is more than the $12.6 million forecast, then Enbridge will eliminate the first $12.6 million to arrive at the remaining capital spend for use within a revenue requirement calculation, to account for the fact that the impact of the $12.6 million is already included within Allowed Revenues for 2017. The revenue requirement for 2017 will be calculated using the remaining capital spending for that year and if the resulting revenue requirement amount is at least $5.0 million, then the resulting amount will be recorded in the 2017 RLMVA for future recovery by Enbridge.
b) If the spending for relocations activities in 2017 is less than the $12.6 million forecast, then Enbridge will determine the revenue requirement that would have resulted had the unspent portion of that amount been spent. If the resulting amount is at least $5.0 million, then the resulting amount will be recorded in the 2017 RLMVA for future credit to ratepayers.

The amount to be recorded within the 2018 RLMVA will be determined as follows:

a) First, an amount (which may be positive or negative) related to the 2017 capital spending on relocations will be determined. That will be done by taking the difference (positive or negative) between actual capital spending and $12.6 million, and then determining the revenue requirement implications of that amount in 2018.
b) Second, the relevant revenue requirement amount related to 2018 capital spending on relocations will be added to the number determined in (a).
    i. If the spending for relocations activities in 2018 is more than the $12.6 million forecast, then Enbridge will eliminate the first $12.6 million to arrive at the remaining capital spend for use within a revenue requirement

calculation, to account for the fact that the impact of the $12.6 million is already included within Allowed Revenue for 2018. The revenue requirement for 2018 will be calculated using the remaining capital spending for that year.

ii. If the spending for relocations activities in 2018 is less than the $12.6 million forecast, then Enbridge will determine the 2018 revenue requirement that would have resulted had the unspent portion of that amount been spent.

c) If the sum of the amounts calculated under (a) and (b) above is more than $5.0 million (positive or negative), then that amount will be recorded in the 2018 RLMVA for future recovery.

Simple interest is to be calculated on the opening monthly balance of this account using the Board Approved EB-2006-0117 interest rate methodology. The balance in this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the revenue requirement impact related to higher or lower than forecasted relocation activity:

Debit/Credit:	2017 RLMVA	(Account 179. 967)
Credit/Debit:	Operating Revenue	(Account 300. 000)

To record the revenue requirement impact related to higher or lower than forecasted relocation activity, if the revenue requirement impact is $5 million or greater.

2. Interest accrual:

Debit/Credit:	Interest on 2017 RLMVA	(Account 179. 977)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 RLMVA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
REPLACEMENT MAINS VARIANCE ACCOUNT
("2017 RPMVA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The establishment of the RPMVA, for each of 2017 and 2018, was approved by the Board within its Decision With Reasons in Enbridge's 2014 to 2018 Customized Incentive Rate Application, EB-2012-0459.

The purpose of the 2017 RPMVA is to record the revenue requirement impact of capital spending on miscellaneous mains replacement activities which varies from $5.1 million (which is the forecast capital cost for miscellaneous replacements included in the Board approved 2017 capital budget), if the revenue requirement impact is $5 million or greater. Similarly, the purpose of the 2018 RPMVA will be to record the cumulative revenue requirement impact of capital spending on miscellaneous mains replacement activities which varies from $5.1 million in each of 2017 and 2018 (which is the forecast capital cost for miscellaneous replacements included in each of the Board approved 2017 and 2018 capital budgets), if the cumulative revenue requirement impact is $5 million or greater.

The amount to be recorded within the 2017 RPMVA will be determined as follows:

a) If the spending for miscellaneous replacement activities in 2017 is more than the $5.1 million forecast, then Enbridge will eliminate the first $5.1 million to arrive at the remaining capital spend for use within a revenue requirement calculation, to account for the fact that the impact of the $5.1 million is already included within Allowed Revenues for 2017. The revenue requirement for 2017 will be calculated using the remaining capital spending for that year and if the resulting revenue requirement amount is at least $5.0 million, then the resulting amount will be recorded in the 2017 RPMVA for future recovery by Enbridge.
b) If the spending for miscellaneous replacement activities in 2017 is less than the $5.1 million forecast, then Enbridge will determine the revenue requirement that would have resulted had the unspent portion of that amount been spent. If the resulting amount is at least $5.0 million, then the resulting amount will be recorded in the 2017 RPMVA for future credit to ratepayers.

The amount to be recorded within the 2018 RPMVA will be determined as follows:

a. First, an amount (which may be positive or negative) related to the 2017 capital spending on miscellaneous replacements will be determined. That will be done by taking the difference (positive or negative) between actual capital spending and $5.1 million, and then determining the revenue requirement implications of that amount in 2018.
b. Second, the relevant revenue requirement amount related to 2018 capital spending on miscellaneous replacements will be added to the number determined in (a).

i. If the spending for miscellaneous replacement activities in 2018 is more than the $5.1 million forecast, then Enbridge will eliminate the first $5.1 million to arrive at the remaining capital spend for use within a revenue requirement calculation, to account for the fact that the impact of the $5.1 million is already included within Allowed Revenues for 2018. The revenue requirement for 2018 will be calculated using the remaining capital spending for that year.
ii. If the spending for miscellaneous replacement activities in 2018 is less than the $5.1 million forecast, then Enbridge will determine the revenue requirement that would have resulted had the unspent portion of that amount been spent.

c. If the sum of the amounts calculated under (a) and (b) above is more than $5.0 million (positive or negative), then that amount will be recorded in the 2018 RPMVA for future recovery.

Simple interest is to be calculated on the opening monthly balance of this account using the Board Approved EB-2006-0117 interest rate methodology. The balance in this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the revenue requirement impact related to higher or lower than forecasted replacement activity:

Debit/Credit:	2017 RPMVA	(Account 179. 987)
Credit/Debit:	Operating Revenue	(Account 300. 000)

To record the revenue requirement impact related to higher or lower than forecasted replacement activity, if the revenue requirement impact is $5 million or greater.

2. Interest accrual:

Debit/Credit:	Interest on 2017 RPMVA	(Account 179. 997)
Credit/Debit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 RPMVA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR A
DEMAND SIDE MANAGEMENT COST-EFFICIENCY INCENTIVE DEFERRAL ACCOUNT
("2017 DSMCEIDA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 DSMCEIDA is to record as a credit, any difference between Enbridge's 2017 approved DSM budget and the actual amount spent to achieve the 2017 total aggregate annual lifetime savings (cumulative cubic metres of natural gas, or CCM) target, made up of all 100% CCM targets across all programs, in accordance with the program evaluation results. Any OEB-approved DSMCEIDA amounts will be available to use in meeting the Company's targets in a subsequent year over the 2015 - 2020 DSM term.

Simple interest is to be calculated on the opening monthly balance of this account using the Board Approved EB-2006-0117 interest rate methodology. The balance in this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record amounts in the DSMCEIDA:

Debit:	Operating & Maintenance	(Various accounts)
Credit:	2017 DSMCEIDA	(Account 179. 047)

To record any remaining unused portion of the approved DSM budget, for use in a subsequent year, where the Company achieved its total aggregate annual lifetime savings targets, made up of all 100% CCM targets across all programs.

2. Interest accrual:

Debit:	Interest expense	(Account 323. 000)
Credit:	Interest on 2017 DSMCEIDA	(Account 179. 057)

To record simple interest on the opening monthly balance of the 2017 DSMCEIDA using the Board approved EB-2006-0117 interest rate methodology.

ACCOUNTING TREATMENT FOR AN
OEB COST ASSESSMENT VARIANCE ACCOUNT
("2017 OEBCAVA")

For the 2017 Fiscal Year
(January 1, 2017 to December 31, 2017)

The purpose of the 2017 OEBCAVA will be to record any variance between the OEB costs assessed to Enbridge under the prior cost assessment model, which are included in rates during the Custom IR term, and the OEB costs assessed to Enbridge under the new OEB cost assessment model. Entries into the variance account will be made on a quarterly basis when the OEB's cost assessment invoice is received.

Simple interest is to be calculated on the opening monthly balance of this account using the Board Approved EB-2006-0117 interest rate methodology. The balance in this account, together with carrying charges, will be disposed of in a manner designated by the Board in a future rate hearing.

Accounting Entries

1. To record the variance in OEB costs:

Debit:	2017 OEBCAVA	(Account 179. 947)
Credit:	Accounts Payable	(Account 251. 010)

To record the variance in OEB costs assessed under the updated cost assessment model and the costs assessed under the prior cost assessment model.

2. Interest accrual:

Debit:	Interest on 2017 OEBCAVA	(Account 179. 957)
Credit:	Interest expense	(Account 323. 000)

To record simple interest on the opening monthly balance of the 2017 OEBCAVA using the Board approved EB-2006-0117 interest rate methodology.