Filed: 2021-11-15 EB-2021-0002 Exhibit I.7.EGI.STAFF.16 Page 1 of 2 Plus Attachments

ENBRIDGE GAS INC.

Answer to Interrogatory from Ontario Energy Board (STAFF)

<u>Interrogatory</u>

Issue 7

Reference:

Exhibit D, Tab 1, Schedule 1, p.2

Question(s):

Enbridge Gas has proposed to continue its annual full cost recovery process related to DSM program amounts incurred in that year, consistent with historical practices.

 a) Please discuss if Enbridge Gas considered any alternative cost recovery approaches for this DSM term, including amortizing some or all DSM costs. In your response, please include any internal analysis and any research conducted.

Response

In its Mid-Term Review report the OEB indicated an interest in exploring amortizing DSM costs as part of the post-2020 DSM framework consultation. The OEB-led consultation (EB-2019-0003) was initiated on May 21, 2019 and concluded on December 1, 2020. At the conclusion of the abridged OEB-led consultation, as was communicated in the DSM Letter of December 1, 2020, the OEB provided some guidance on several DSM related topics including the OEB's overall objectives of natural gas ratepayer funded DSM, expectations for modest budget increases, and expectations for cost-effectiveness considerations, however, the consultation was concluded before most framework elements had been reviewed. For example, no consultation of potential or alternative cost-recovery approaches was undertaken.

The topic of amortization of DSM budgets was brought forward by Environmental Defence and Green Energy Coalition at the 2018 Mid-Term Review as a proposal to smooth rate impacts in support of significant expansion of DSM budgets. Ultimately, once the framework consultation was ended and the OEB provided direction in its December 1, 2020 DSM Letter stated that it "anticipates modest budget increases to be

Filed: 2021-11-15 EB-2021-0002 Exhibit I.7.EGI.STAFF.16 Page 2 of 2 Plus Attachments

proposed by Enbridge Gas",¹ the Company determined it was not necessary to propose an alternative cost-recovery approach aimed at smoothing rate impacts given the expectation of the OEB that proposed increases would be "modest". Furthermore, given the limited time afforded to Enbridge Gas to draft its Application and Proposed Framework by May 1, 2021, such a proposal, reflecting a significantly different approach to cost recovery, was simply not a practical nor possible consideration.

Enbridge Gas had however conducted some informal investigations in 2019 and 2020 regarding capitalizing and amortizing DSM spending in anticipation of consideration of the topic in the framework consultation. An internal presentation and Discussion Paper on the topic are included at Attachment 1 and 2 to this interrogatory response.

Enbridge Gas acknowledges that OEB Staff has indicated they intend to produce expert analysis on energy efficiency cost recovery approaches and has selected Optimal Energy for that work. Enbridge Gas looks forward to reviewing this evidence and the consideration of possible alternative approaches for cost recovery of DSM spending. However, Enbridge Gas would like to remind parties that if the final OEB Decision and Order in this proceeding contemplates a change in cost recovery approach at some point during the term of the multi-year plan, this may result in major changes to the DSM Plan which will require further consideration and approval by the OEB.

¹ EB-2019-0003, OEB Letter Post-2020 Natural Gas Demand Side Management Framework (December 1, 2020).

Energy Conservation Cost Recovery –

A Look at Capitalization of EE spending



DSM Program Cost Recovery



1. Rate Case Recovery – Common (i.e. EGI)

Costs are treated as expense in rate cases (may involve forecast & true-up)

2. Surcharge – Common

- Customers pay an amount (surcharge/rate rider)
- The pooled fund is used to pay for EE programs

3. Capitalization and Amortization – *Uncommon*

- Costs are treated similar to a capital project, amortized over a period of time (ex. 5 years, 10 years, or based on a weighted measure life of the technology portfolio)
- Approved return on equity (e.g. utility's weighted average cost of capital)
- Depreciated costs are passed on to customer at the next rate case
- Approach primarily used to fund electric EE programs (some states exploring this method with gas)



Capitalization/Amortization – ROE approaches

1. Performance Linked

- Return on equity is tied to performance
 - Example: In Illinois Com Ed and Ameren must meet minimum performance targets to earn shareholder incentive
 - Potential to exceed ROE if utility surpasses targets (i.e. additional 2%)
 - Penalties apply where less than 100% target achievement
 - Example 9% +/- 2%

2. Non-Performance Linked

Guaranteed return on equity regardless of performance

Amortization – Jurisdictional Scan



State/Province	Utility	Amortization Directed by Regulator	Performance Linked Rate of Return	Amortization Period (Years)	Electric/Gas
1. Maryland	All EmPower Participating Utilities	Y	Indirect	5	E&G
2. New Jersey	PSE&G SNJG; NJNG	Υ	N	Currently 7 – proposed 15 effective 2020	E&G
3. Utah	Rocky Mountain Power	N	N	10	E
5. Illinois	Com Ed, Ameren	N	Υ	Weighted Average of Measure Life	E
6. BC	FortisBC	N	N	10	E&G

^{*} Con Ed in New York employs a hybrid approach with incentive amounts tied to performance in some regards to achieve EE goals as well as some EE program investments treated as regulatory assets with 10 yr. amortization

Expensing Program Costs



Most jurisdictions employ expensing of energy efficiency program cost recovery.

Pros:

- Expensing is generally consistent with standard utility cost accounting and recovery rules.
- Avoids the creation of potentially large regulatory assets and associated carrying costs.
- Generally should allow for relatively quickly recovery of costs and reduces recovery risk.

Cons:

- If annual EE expenditures are large, lump sum recovery can have measurable short-term impact on rates
- Some argue that expensing creates unequal treatment of demand-side resources compared to supply-side resource cost treatment.

Capitalization/Amortization



Capitalization is not currently a common approach in EE program cost recovery.

Pros:

- Places EE investments on more equal footing with supply-side investments w.r.t. cost recovery
- Enables the utility to earn a financial return on efficiency investments
- Smooths bill impacts for rate payers short term
 - > persuasive argument to regulator/intervenors if budgets are anticipated to be ramped up
- Guaranteed ROE <u>if</u> no performance targets/penalties applied
- Some argue approach more closely aligns benefits and costs from a customer perspective (depending on amortization period)

Capitalization/Amortization



Cons:

- Increases financial risk delays full recovery and boosts recovery risk
 - Recovery of costs are not immediate
 - Risk that Board could disallow the recovery of funds in future year before fully recovered from ratepayers
 - Creates a regulatory asset that can grow substantially over time; can increase financial risk.
- Treats what is arguably an expense as a capital item.
- · Customers could experience significantly higher aggregate bill impacts over time.
 - Capital expense increases over time (amplified with longer amortization period).
 - Raises the overall cost of the efficiency programs.
- Would likely jeopardize current performance incentive for target achievement.

Capitalization/Amortization



Performance- Based Model Risks:

- Performance targets must be achievable to earn ROE or penalty for missing targets
- Energy savings still subject to evaluation challenges by regulator and intervenors may be increased - particularly in confirming persisting savings
- Unique to Illinois (based on significant input from Chris Neme): Utility has annual performance target over the life of the each measure therefore stronger focus on longer term measure lives

Appendix – Illustrative Example



Assumptions:

Total Annual DSM "Capital" Cost	\$105,000,000	
ROE	9%	model assumes consistent ROE <u>not</u> impacted by performance against targets
Cost of Debt	4%	
Amortization	5	years straight line
Operational Expenses	\$25,000,000	per year
Equity thickness	36%	
Debt thickness	64%	
Shareholder Incentive	\$9,000,000	per year (assumes approx. 100% target achievement)
Total annualized Capital Cost	\$105,000,000	per year (no shareholder incentive)

Rate of Return Model

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Capital Base	\$105,000,000	\$189,000,000	\$252,000,000	\$294,000,000	\$315,000,000	\$210,000,000	\$126,000,000	\$63,000,000	\$21,000,000
Equity	\$37,800,000	\$68,040,000	\$90,720,000	\$105,840,000	\$113,400,000	\$75,600,000	\$45,360,000	\$22,680,000	\$7,560,000
Debt	\$67,200,000	\$120,960,000	\$161,280,000	\$188,160,000	\$201,600,000	\$134,400,000	\$80,640,000	\$40,320,000	\$13,440,000
ROE	\$3,402,000	\$6,123,600	\$8,164,800	\$9,525,600	\$10,206,000	\$6,804,000	\$4,082,400	\$2,041,200	\$680,400
Interest Expenses	\$2,688,000	\$4,838,400	\$6,451,200	\$7,526,400	\$8,064,000	\$5,376,000	\$3,225,600	\$1,612,800	\$537,600
Depreciation	\$21,000,000	\$42,000,000	\$63,000,000	\$84,000,000	\$105,000,000	\$84,000,000	\$63,000,000	\$42,000,000	\$21,000,000
Opex	\$25,000,000	\$25,000,000	\$25,000,000	\$25,000,000	\$25,000,000	\$0	\$0	\$0	\$0
Total Revenue Requirement	\$52,090,000	\$77,962,000	\$102,616,000	\$126,052,000	\$148,270,000	\$96,180,000	\$70,308,000	\$45,654,000	\$22,218,000
Cumulative Revenue requirement	\$52,090,000	\$130,052,000	\$232,668,000	\$358,720,000	\$506,990,000	\$603,170,000	\$673,478,000	\$719,132,000	\$741,350,000
Cumulative Shareholder Return	\$3,402,000	\$9,525,600	\$17,690,400	\$27,216,000	\$37,422,000	\$44,226,000	\$48,308,400	\$50,349,600	\$51,030,000

Appendix – Illustrative Example



Assumptions:

Total Annual DSM "Capital" Cost	\$105,000,000	
ROE	9%	model assumes consistent ROE <u>not</u> impacted by performance against targets
Cost of Debt	4%	
Amortization	5	years straight line
Operational Expenses	\$25,000,000	per year
Equity thickness	36%	
Debt thickness	64%	
Shareholder Incentive	\$9,000,000	per year (assumes approx. 100% target achievement)
Total annualized Capital Cost	\$105,000,000	per year (no shareholder incentive)

Current Model

	Year 1	Year 2	Year 3	Year 4	Year 5
Status Quo annual cost	\$130,000,000	\$130,000,000	\$130,000,000	\$130,000,000	\$130,000,000
Status quo cumulative cost	\$130,000,000	\$260,000,000	\$390,000,000	\$520,000,000	\$650,000,000
Shareholder return (incentive)	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000
Cumulative Shareholder return	\$9,000,000	\$18,000,000	\$27,000,000	\$36,000,000	\$45,000,000

Total Cost to Ratepayers after 5 years: \$695,000,000

Total Revenue: \$45,000,000

(assumes 100% target achievement)

Appendix – Illinois Example



- State passed the Future Energy Bills Act, 2016 with increased energy savings targets by year 2030
- Illinois Commerce Commission (ICC) allowed performance incentives for the first time for the utilities
- Due to ramp up in budgets to meet aggressive targets, Commonwealth Edison and Ameren chose to recover costs and incentives through amortization
- Com Ed and Ameren must meet performance targets to ROE or face penalty

Table 2. Return on equity for achievement of energy efficiency goals

Utility	% of goal achieved	ROE	% of goal achieved	ROE
	20	18-25	202	6-30
	≤75%	Minus 200 basis points	≤ 66%	Minus 200 basis points
ComEd	More than 75%, less than 100%	Minus 8 basis points per % below goal	More than 66%, less than 100%	Minus 8 basis points per % below goal
	100% or more, less than 125%	Plus 8 basis points per % above goal	100% or more, less than 134%	Plus 8 basis points per % above goal
	≥125%	Plus 200 basis points	≥ 134%	Plus 200 basis points
	≤ 84.4%	Minus 8 basis points per % below goal	<100%	Minus 6 basis points per % below goal
Ameren	More than 84.4%, but less than 100%	No change in basis points	100%	No change in basis points
	≥100%	Plus 8 basis points per % above goal	>100%	Plus 6 basis points per % above goals

Basis point reductions and increases are capped at 200 in all cases presented above.

Amortizing Demand Side Management Program Costs March 2020

Background

As part of the 2015 – 2020 Demand Side Management (DSM) Plan Mid-Term Review, the concept of capitalizing and amortizing DSM costs was raised by Environmental Defence. Environmental Defence's Submission included the following comments:

- "To the extent that there are concerns about short-term rate impacts of additional spending on efficiency programs, those concerns could be addressed by amortizing efficiency program spending over the life of the savings that they produce. DSM costs are currently incurred immediately even though the benefits accrue for many years. Amortization would match the costs and benefits over time and would allow program participants to pay for energy efficiency programs over time with the savings from reduced gas usage."
- "Currently, the full cost of gas efficiency programs is borne by consumers in year one even though the benefits accrue in the future over many years (e.g. over the 15-year lifespan of energy efficient equipment). This creates a major mismatch in the timing of the costs and the benefits. DSM program costs could be amortized to address this misalignment. The potential benefits include:
 - O Softening rate impacts: If DSM programs are amortized (e.g. over 15 years) the impacts on rates will be spread out over time and participants will be able to pay for the cost of DSM programs via the savings from reduced gas usage.
 - Consistency with supply-side investments: When utilities invest in pipelines the costs are amortized over time. Amortizing DSM costs would be more consistent with how supply-side investments are recovered.
 - Intergenerational fairness: Without amortization, the people investing in DSM may not fully benefit from those investments (e.g. if they move to a different province).
 Amortization decreases the number of people who pay but do not benefit.
 - Allow expansion of cost-effective DSM: To the extent some stakeholders and/or the OEB
 have concerns about the impact on rates of expensing additional DSM spending, paying
 for DSM upfront impedes investment in cost-effective programs. Amortizing would allow
 Ontario to achieve greater savings through expanded gas efficiency.

For 2019 and 2020, if \$2 rate impact cap is held firm, we recommend that a portion of DSM costs be amortized (e.g. rate based) to allow expanded programs within the existing cap. For the next DSM Framework (covering 2021 and beyond) we recommend exploring amortization for all DSM costs."

In response to intervenor comments, as part of its November 2018, Report of the Board – DSM Mid-Term Review, the OEB determined that it would consider the topic of Amortizing DSM costs as part of the development of the post-2020 DSM Framework. The Board also commented that: "DSM budget levels must continue to be balanced with the costs to customers. In considering the appropriateness of future funding, the OEB will assess how costs are recovered from rate payers, potentially including new proposals such as amortizing DSM costs."

For reference, other jurisdictions including Illinois, Maryland, Utah, New Jersey and New York have adopted some mechanism to allow utilities to earn a rate of return on energy efficiency

expenditures up to allowed ROE and to amortize energy expenses for cost recovery. As such the concept of amortizing DSM type expenditures is not entirely new.

It is also worth noting that as part of EGI's November 2019 Integrated Resource Planning (IRP) Proposal, the Company proposed that the costs associated with planning, implementing, administering, measuring and verifying IRP alternatives (IRPAs) to facility investments, be treated in a similar manner to the capital costs that they enable the utility and ratepayers to avoid. This would allow EGI to earn a rate of return on investments in IRPAs consistent with its allowed rate of return on avoided capital investments in facility expansion/reinforcement projects (assuming IRPAs prove to be successful). This treatment could potentially be analogous to capitalizing and amortizing DSM costs.

Given this context, below is a summary of thoughts to be considered as part of the discussion as to whether to capitalize (which the Company interprets to be similar to rate basing) and amortize DSM costs, and whether the Company would be supportive of such a plan.

Advantages of Capitalizing DSM Costs

- Capitalizing, or rate basing, DSM costs could lead to significantly higher absolute \$
 returns (earnings), as compared to current annual incentives, due to the ability to earn a
 return on a single year's expenditures over the entire amortization period (subject to
 time value of money considerations), and as a result of charging a return on the
 cumulative unamortized total of annual amounts capitalized.
- If it is becoming more difficult to achieve DSM incentives under the current DSM structure (due to increasing difficulty to meeting targets), capitalization could provide an opportunity to ensure some level of return going forward, depending on plan parameters (i.e. assuming the ability to retain the associated ROE is not entirely based on meeting similar metrics.

Disadvantages of Capitalizing DSM Cost

- Under capitalization, generating a return/incentive requires a shareholder investment and risk (i.e. the amount financed by equity), whereas currently the DSM incentive requires no shareholder investment or risk.
- Under capitalization, the overall cost to ratepayers is significantly greater due to carrying charges. As a result, eventually, due to the cumulative nature of capitalizing, the yearly revenue requirement amount will exceed the cost that otherwise would have been included in rates as a period charge.
- Removing the current DSM O&M budgets from rates and replacing them with the
 revenue requirement of capitalized amounts, would cause a large rate decrease in year
 1, followed by steady increases as the capitalized amount grows, and then steady
 decreases after DSM ends but the amortization of prior costs continues.

- Does the capitalization and amortization of DSM expenditures potentially include the risk of having a stranded asset (i.e. collectability of unamortized amounts due to discontinuance of utility DSM programming, increased competition from other emissions focused programs, change in government)?
- Capitalizing DSM expenditures could require the Company to defend amounts included in rates for an extended period of time (i.e. after the DSM program ends as amounts continue to be amortized).
- Moving to capitalization would likely mean that the ROE/incentive earned in the first few years would be lower than traditional yearly incentives recognized, but in future years the annual return could be greater (changes your yearly earning profile, from potentially flat under the current methodology, to a bell shaped curve under the capitalization methodology).
- Risk is the entire return on equity component, related to financing cumulative amounts in rate base, subject to DSM program results in the current year? If so, each year the return on spending that was justified in prior years is at risk.

Other Considerations

- What is the appropriate estimated useful life (amortization period) of EGI's DSM measures? 15 years? 20 years? Could be tied to the DSM program term, or the estimated useful life of the efficiency assets (i.e. that we wouldn't own). The assumed life affects the financial implications of capitalizing (i.e. the expected return, how fast the revenue requirement to be put in rates grows each year, etc.).
- Would all DSM costs be capitalized (i.e. administration and program incentives/costs)? Financial implications (i.e. earnings) and risk are impacted by the answer.
- Would the Company have any financing constraints (to raise debt or equity) if \$50 million, \$100 million, \$150 million...in annual program expenditures were approved to be capitalized?
- How would capitalized DSM expenditures be treated for income tax purposes, amortized or immediately deducted? The treatment impacts the annual revenue requirement.
- How would capitalized DSM costs and the associated revenue requirement be included into rates (annual adjustment based on forecast cumulative revenue requirement)? Is the ROE/incentive built into rates prospectively before results are achieved?
- Are you required to true-up (i.e. through a variance account) actual vs. forecast DSM capital revenue requirement amounts built into rates (i.e. are you now looking at the variance in actual vs. forecast spending, the timing of spend (impacts rate base), financing costs, tax impacts, etc. all <u>cumulative</u> revenue requirement components which adds complexity and tracking requirements)?
- When would you capitalize amounts (when incentives are earned vs. paid out)? When
 do you retire capitalized amounts (i.e. does each monthly addition get retired at the end
 of its amortization period, requiring detailed tracking (i.e. each add is theoretically
 tracked separately), or are capitalized DSM costs put into a large pool, the gross value of

which attracts depreciation, and when the pool is fully depreciated, depreciation stops and the asset is retired)? These details affect the financial impacts of capitalizing DSM costs, and impact the administrative complexity.

- ROE achieved could fluctuate based Board formula ROE which is tied to interest rates.
- Does the capitalization / rate basing of DSM expenditures and the associated return impact utility return and earnings sharing calculations (is there a need to eliminate return amounts from utility results)? Would amounts capitalized shield more earnings from earnings sharing (i.e. a higher rate base = a higher equity component = a higher absolute (\$) level of earnings under the deadband before earnings sharing is triggered).
- If we capitalize DSM costs, for the purposes of dramatically increasing DSM budgets, could we operationally actually ramp up DSM programs to that magnitude?
- Is there any change in the level of weather-related risk that EGI is taking on by capitalizing vs. expensing DSM program costs (currently the recovery of O&M amounts is subject to weather risk, whereas under capitalization the rev. req. (dep., tax impacts, and carrying charges, incl. return) would be subject to weather risk)?
- If DSM costs were to be capitalized, we would have to ensure that the impacts of doing so are appropriately included or excluded from other regulatory mechanisms (i.e. Average Use/NAC variance account calculations, Incremental Capital Module (ICM) calculations, etc.).
- EGI's IRP Proposal likens IRPAs to the capital/facility alternatives that they defer. Should DSM expenditures be treated the same or differently? Why?

Company Position on Capitalization

Enbridge is open to exploring the possibility of capitalizing DSM costs, and potentially adopting such an approach, if any such program included assurances that the Company would not be at risk for unamortized amounts. Further, the development of any firm Company position would require greater clarity on specific program design details (amortization period, parameters for recovery of the required ROE, etc.).

Filed: 2021-11-15 EB-2021-0002 Exhibit I.7.EGI.STAFF.17 Page 1 of 2 Plus Attachments

ENBRIDGE GAS INC.

Answer to Interrogatory from Ontario Energy Board (STAFF)

<u>Interrogatory</u>

Issue 7

Reference:

Exhibit F, Tab 1, Schedule 1, p.3

Question(s):

Enbridge Gas has provided the cost an average residential customer in each of its three rate zones will pay for DSM in 2023. For EGD rate zone, annual costs will be \$21.15 (or \$1.76/month – or 2.0% of the bill), Union South \$19.14 annually (or \$1.60/month – or 2.2% of the bill), and Union North \$12.96 annual (or \$1.08/month – 1.1% of the bill).

- a) Please provide an updated version of the average cost to a typical residential customer in each of the three rate zones that consider all cost elements (DSMVA, LRAMVA and DSMSI). In your response, please use the following assumptions: that Enbridge Gas meets 150% of its 2023 targets across all programs, achieves the maximum net benefits incentive (resulting in the maximum proposed shareholder incentive), lost revenues consistent with recent verified program results, and the maximum 15% DSMVA overspend allowance.
- b) Please confirm that the amounts allocated to residential customers in each rate zone corresponds to the level of program activity in that rate zone. If not, please discuss how overall residential DSM costs are allocated to each of the rate zones.
- c) Please confirm that increases to commercial, industrial, large volume or energy performance programs would not have an impact on total cost of DSM to residential customers.

Response:

a) Please see Attachment 1 for Total DSM Costs by Rate Class based on actual costs for 2015-2020 and forecasted values for 2021-2027. Forecasted values were prepared consistent with the assumptions provided in part a of the question.

Filed: 2021-11-15 EB-2021-0002 Exhibit I.7.EGI.STAFF.17 Page 2 of 2 Plus Attachments

Enbridge Gas notes that the achievement of the maximum proposed shareholder incentive is not realistic. Further information on reasonable achievable results given various spending levels can be found in the response to Exhibit I.6.EGI.STAFF.13c.

Please see Attachment 2 for the average monthly bill amount of all rate classes using the total DSM costs provided in Attachment 1 for the years 2023-2027.

- b) Confirmed.
- c) Not confirmed. In the Union rate zones, the Rate M1 and Rate 01 rate classes contain all customers with annual consumption equal to or less than 50,000 m³/year. Therefore, the total DSM cost allocation to these rate classes is impacted by the DSM participation of all residential, commercial, and industrial customers within the Rate M1 and Rate 01 rate classes. Additionally, the allocation of DSM portfolio costs to rate classes would be impacted, as described in Exhibit I.6.EGI.CCC.13.

Total DSM Costs by Rate Class - 2015-2027

				20	15				20	16				2017					2018					2019			2	2020 ²				2/	021 ³			2	022 ⁵	
																																		Total DSM				Total DSM
Gen	al Service Rate	Class DS	SM Costs ¹	LRAM	DSMIDA	Total DSM Cost	s DSM Co	sts ¹	LRAM	DSMIDA	Total DSM Costs	DSM Costs ¹	LRAM	DSN	AIDA Tot	al DSM Costs	DSM Costs ¹	LRAM	DSM	MIDA Total	DSM Costs	DSM Costs ¹	LRAM	DSMIDA	Total DSM Costs	DSM Costs ¹	LRAM	DSMIDA	Total	DSM Costs	DSM Costs ¹	LRAM ⁴	DSMIDA	Costs	DSM Costs ¹	LRAM ⁴	DSMIDA	Costs
			A	В	c	D = A+B+C	A		В	c	D = A+B+C	Α	В		c I	D = A+B+C	Α	В		C D	= A+B+C	Α	В	c	D = A+B+C	Α	В	c	D =	A+B+C	Α	В	С	D = A+B+C	A	В	С	D = A+B+C
EGD	Rate	1 \$ 2	20,954,097	N/A	\$ 5,901,87	\$ 26,855,974	\$ 38,03	9,480	N/A	\$ 4,351,43	4 \$ 42,390,914	\$ 42,752,501	N/A	\$ 1,	453,433 \$	44,205,934 \$	47,205,761	N/A	\$ 2,8	842,053 \$	50,047,814 \$	50,335,534	N/A	\$ 4,641,77	0 \$ 54,977,304	\$ 45,470,316	N/A	\$ 2,526,	454 \$ 4	7,996,769	\$ 50,545,469	N/A	\$ 2,988,215	5 \$ 53,533,684	\$ 39,405,864	N/A	\$ 2,944,56	60 \$ 42,350,4
EGE	Rate	6 \$:	12,207,912	N/A	\$ 3,438,44	\$ 15,646,361	\$ 15,25	5,925	N/A	\$ 1,745,16	5 \$ 17,001,090	\$ 16,889,095	N/A	\$	574,160 \$	17,463,255 \$	16,615,780	N/A	\$ 1,0	000,364 \$	17,616,144 \$	19,743,557	N/A	\$ 1,820,68	3 \$ 21,564,240	\$ 16,295,553	N/A	\$ 905,	425 \$ 1	7,200,978	\$ 18,114,376	N/A	\$ 1,070,910	J \$ 19,185,28F	\$ 21,074,060	N/A	\$ 1,055,26	65 \$ 22,129,3
Unic	South M1	\$:	13,186,370	N/A	\$ 3,565,99	\$ 16,752,360	\$ 22,57	4,194	N/A	\$ 2,020,57	4 \$ 24,594,768	\$ 34,094,527	N/A	\$ 3,	,109,031 \$	37,203,558 \$	38,116,865	N/A	\$ 3,8	831,473 \$	41,948,338 \$	34,435,959	N/A	\$ 3,412,97	6 \$ 37,848,934	\$ 27,556,384	N/A	\$ 1,393,	908 \$ 2	8,950,292	\$ 31,993,545	N/A	\$ 1,912,284	4 \$ 33,905,830	\$ 27,446,431	N/A	\$ 2,029,48	84 \$ 29,475,9
Unic	South M2	\$	3,728,023	N/A	\$ 1,230,08	\$ 4,958,106	\$ 6,14	0,753	N/A	\$ 706,00	6 \$ 6,846,759	\$ 7,393,524	N/A	\$	772,700 \$	8,166,224 \$	7,129,898	N/A	\$ 7	721,482 \$	7,851,380 \$	7,566,654	N/A	\$ 730,76	2 \$ 8,297,416	\$ 5,738,806	N/A	\$ 315,	712 \$	6,054,518	\$ 6,662,875	N/A	\$ 386,058	3 \$ 7,048,933	\$ 10,658,120	N/A	\$ 518,06	62 \$ 11,176,1
Unic	North R01	\$	2,779,747	N/A	\$ 775,32	\$ 3,555,073	\$ 4,35	2,659	N/A	\$ 336,43	5 \$ 4,689,094	\$ 5,777,036	N/A	\$	432,147 \$	6,209,183 \$	6,855,310	N/A	\$ 5	548,003 \$	7,403,314 \$	6,010,726	N/A	\$ 684,78	4 \$ 6,695,510	\$ 4,210,937	N/A	\$ 110,	555 \$	4,321,492	\$ 4,888,987	N/A	\$ 234,104	4 \$ 5,123,091	\$ 6,624,724	N/A	\$ 418,80	03 \$ 7,043,5
Unic	North R10	\$	773,824	N/A	\$ 179,06	\$ 952,890	\$ 1,29	7,489	N/A	\$ 96,30	5 \$ 1,393,794	\$ 1,979,183	N/A	\$	164,337 \$	2,143,521 \$	1,685,783	N/A	\$ 1	143,696 \$	1,829,479 \$	1,651,804	N/A	\$ 167,76	3 \$ 1,819,567	\$ 1,195,422	N/A	\$ 54,	234 \$	1,249,655	\$ 1,387,910	N/A	\$ 75,595	8 \$ 1,463,507	\$ 3,126,779	N/A	\$ 103,16	66 \$ 3,229,9
Tota		\$!	53,629,973 \$		\$ 15,090,79	\$ 68,720,763	\$ 87,66	0,500 \$	-	\$ 9,255,91	9 \$ 96,916,419	\$ 108,885,867 \$		- \$ 6	,505,809 \$	115,391,675 \$	117,609,398 \$		- \$ 9,0	087,071 \$ 1	26,696,469 \$	119,744,234 \$		- \$ 11,458,73	9 \$ 131,202,973	\$ 100,467,417	\$	- \$ 5,306,	287 \$ 10	5,773,705	\$ 113,593,162 \$	/ -	- \$ 6,667,168	8 \$ 120,260,331	\$ 108,335,978	\$.	\$ 7,069,34	40 \$ 115,405,3

			2015				2016				2017				2018			2019				2020 ²				2021 3				2022 5	
																												Total DSM			Total DSM
Contract Marke	Rate Class	DSM Costs ¹	LRAM	OSMIDA To	otal DSM Costs	DSM Costs ¹	LRAM	DSMIDA To	otal DSM Costs	DSM Costs ¹	LRAM	DSMIDA To	al DSM Costs	DSM Costs ¹	LRAM	DSMIDA Total DSM Costs	DSM Costs ¹	LRAM	DSMIDA Tota	al DSM Costs	DSM Costs ¹	LRAM	DSMIDA To	otal DSM Costs	DSM Costs ¹	LRAM ⁴	DSMIDA	Costs	DSM Costs ¹	RAM ⁴ I	OSMIDA Costs
		A	В	c	D = A+B+C	A	В	С	D = A+B+C	A	В	С	D = A+B+C	A	В	C D = A+B+C	A	В	С [D = A+B+C	Α	В	c	D = A+B+C	A	В	C I	D = A+B+C	A	В	C D = A+B+C
EGD	Rate 9	\$ 1,435 \$	- \$	404 \$	1,839 \$	1,822 \$	- \$	208 \$	2,030	\$ 2,207 \$	- \$	75 \$	2,282 \$	2,776 \$	- \$	167 \$ 2,943	\$ 2,429 \$	- \$	224 \$	2,652 \$	2,206 \$	- \$	123 \$	2,329	\$ 2,452 \$	- \$	145 \$	2,597	2,935 \$	- \$	143 \$ 3,078
EGD	Rate 100	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	÷	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$ -	\$ 339,027 \$	- \$	31,264 \$	370,291 \$	68,078 \$	- \$	3,783 \$	71,860	\$ 75,676 \$	- \$	4,474 \$	80,150 \$	- \$	- \$	4,409 \$ 4,409
EGD	Rate 110	\$ 1,497,220 \$	18,536 \$	421,703 \$	1,937,459 \$	1,113,881 \$	9,230 \$	127,420 \$	1,250,531	\$ 1,410,964 \$	3,035 \$	47,962 \$	1,461,961 \$	863,910 \$	2,073 \$	52,012 \$ 917,995	\$ 847,906 \$	10,945 \$	78,191 \$	937,042 \$	1,313,420 \$	11,463 \$	72,977 \$	1,397,860	\$ 1,460,017 \$	11,463 \$	86,315 \$	1,557,795	2,207,541 \$	11,463 \$	85,054 \$ 2,304,058
EGD	Rate 115	\$ 519,150 \$	6,246 \$	146,222 \$	671,618 \$	476,401 \$	1,196 \$	54,497 \$	532,093	\$ 568,175 \$	97 \$	19,315 \$	587,586 \$	258,002 \$	219 \$	15,533 \$ 273,754	\$ 843,596 \$	8,912 \$	77,794 \$	930,301 \$	423,678 \$	1,832 \$	23,541 \$	449,051	\$ 470,967 \$	1,832 \$	27,843 \$	500,642	1,319,025 \$	1,832 \$	27,436 \$ 1,348,293
EGD	Rate 125	\$ 53,811 \$	- \$	15,156 \$	68,967 \$	68,317 \$	- \$	7,815 \$	76,131	\$ 82,773 \$	- \$	2,819 \$	85,592 \$	104,091 \$	- \$	6,267 \$ 110,358	\$ 91,070 \$	- \$	8,398 \$	99,468 \$	82,728 \$	- \$	4,597 \$	87,324	\$ 91,961 \$	- \$	5,437 \$	97,398	110,076 \$	- \$	5,357 \$ 115,434
EGD	Rate 135	\$ 45,741 \$	329 \$	12,883 \$	58,953	76,514 \$	298 \$	8,753 \$	85,564	\$ 366,917 \$	4,700 \$	12,471 \$	384,088 \$	381,017 \$	2,902 \$	22,939 \$ 406,859	\$ 265,562 \$	10,798 \$	24,489 \$	300,849 \$	536,485 \$	16,455 \$	29,809 \$	582,748	\$ 596,365 \$	16,455 \$	35,257 \$	648,076	255,246 \$	16,455 \$	34,742 \$ 306,442
EGD	Rate 145	\$ 146,935 \$	2,167 \$	41,385 \$	190,487 \$	75,515 \$	325 \$	8,638 \$	84,478	\$ 86,692 \$	14 \$	2,951 \$	89,657 \$	514,299 \$	5,678 \$	30,964 \$ 550,941	\$ 76,499 \$	- \$	7,054 \$	83,553 \$	69,491 \$	- \$	3,861 \$	73,352	\$ 77,247 \$	- \$	4,567 \$	81,814	1,147,384 \$	- \$	4,500 \$ 1,151,884
EGD	Rate 170	\$ 331,431 \$	939 \$	93,350 \$	425,719 \$	512,194 \$	3,607 \$	58,591 \$	574,392	\$ 169,902 \$	219 \$	5,778 \$	175,899 \$	165,805 \$	173 \$	9,982 \$ 175,961	\$ 260,617 \$	315 \$	24,033 \$	284,965 \$	252,005 \$	777 \$	14,002 \$	266,784	\$ 280,133 \$	777 \$	16,561 \$	297,471	2,195,251 \$	777 \$	16,319 \$ 2,212,348
EGD	Rate 200	\$ 18,655 \$	- \$	5,254 \$	23,909 \$	23,683 \$	- \$	2,709 \$	26,392	\$ 28,695 \$	- \$	977 \$	29,672 \$	36,085 \$	- \$	2,173 \$ 38,257	\$ 31,571 \$	- \$	2,911 \$	34,482 \$	28,679 \$	- \$	1,593 \$	30,272	\$ 31,880 \$	- \$	1,885 \$	33,765	38,160 \$	- \$	1,857 \$ 40,017
EGD	Rate 300	\$ 3,587 \$	- \$	1,010 \$	4,598 \$	4,554 \$	- \$	521 \$	5,075	\$ 5,518 \$	- \$	188 \$	5,706 \$	6,939 \$	- \$	418 \$ 7,357	\$ 6,071 \$	- \$	560 \$	6,631 \$	5,515 \$	- \$	306 \$	5,822	\$ 6,131 \$	- \$	362 \$	6,493	1,835 \$	- \$	357 \$ 2,192
Union North	R20	\$ 838,501 \$	44,900 \$	159,824 \$	1,043,226 \$	798,316 \$	19,180 \$	48,887 \$	866,382	\$ 1,430,636 \$	6,769 \$	120,772 \$	1,558,177 \$	293,574 \$	9,190 \$	8,489 \$ 311,252	\$ 1,101,630 \$	27,449 \$	81,308 \$	1,210,388 \$	726,388 \$	32,605 \$	30,724 \$	789,717	\$ 843,352 \$	16,068 \$	40,725 \$	900,145	1,753,140 \$	5,198 \$	34,947 \$ 1,793,286
Union North	R25	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	-	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$ -	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	-	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$ -
Union North	R100	\$ 796,631 \$	59,082 \$	- \$	855,713 \$	5 572,450 \$	4,093 \$	- \$	576,543	\$ 807,133 \$	(5,032) \$	- \$	802,100 \$	819,365 \$	(5,012) \$	- \$ 814,353	\$ 706,172 \$	5,947 \$	- \$	712,119 \$	1,196,554 \$	18,949 \$	58,579 \$	1,274,083	\$ 1,389,225 \$	15,835 \$	81,619 \$	1,486,679	1,147,290 \$	26,678 \$	72,459 \$ 1,246,427
Union South	M4	\$ 2,876,612 \$	178,227 \$	694,078 \$	3,748,917 \$	3,660,302 \$	179,499 \$	306,562 \$	4,146,364	\$ 5,278,690 \$	208,838 \$	497,709 \$	5,985,237 \$	5,991,549 \$	381,014 \$	656,186 \$ 7,028,749	\$ 5,022,808 \$	711,124 \$	428,949 \$	6,162,881 \$	4,379,962 \$	858,863 \$	245,277 \$	5,484,102	\$ 5,085,228 \$	371,022 \$	349,266 \$	5,805,516	4,765,453 \$	366,316 \$	398,276 \$ 5,530,045
Union South	M5	\$ 1,147,287 \$	252,096 \$	236,532 \$	1,635,915 \$	2,274,358 \$	214,241 \$	187,060 \$	2,675,659	\$ 1,317,497 \$	208,373 \$	97,464 \$	1,623,335 \$	621,172 \$	2,010 \$	27,578 \$ 650,760	\$ 527,741 \$	119,468 \$	28,061 \$	675,270 \$	268,421 \$	130,770 \$	7,962 \$	407,153	\$ 311,642 \$	19,295 \$	10,553 \$	341,490 \$	498,937 \$	4,618 \$	9,056 \$ 512,611
Union South	M7	\$ 2,706,203 \$	59,503 \$	631,583 \$	3,397,289 \$	3,635,740 \$	66,240 \$	313,361 \$	4,015,341	\$ 1,143,215 \$	50,079 \$	106,852 \$	1,300,147 \$	2,446,479 \$	19,524 \$	258,078 \$ 2,724,080	\$ 3,797,378 \$	51,332 \$	361,550 \$	4,210,260 \$	4,827,535 \$	73,350 \$	300,345 \$	5,201,230	\$ 5,604,870 \$	64,491 \$	398,110 \$	6,067,471	2,034,347 \$	73,497 \$	341,627 \$ 2,449,471
Union South	M9	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	÷	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$ -	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	-	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$ -
Union South	M10	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	-	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$ -	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	-	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$ -
Union South	T1	\$ 887,143 \$	4,562 \$	- \$	891,705 \$	1,379,641 \$	3,011 \$	105,541 \$	1,488,193	\$ 2,356,129 \$	4,626 \$	218,127 \$	2,578,882 \$	1,789,310 \$	4,687 \$	171,241 \$ 1,965,239	\$ 778,967 \$	9,357 \$	54,210 \$	842,534 \$	852,427 \$	10,352 \$	42,968 \$	905,746	\$ 989,685 \$	1,984 \$	56,954 \$	1,048,623	1,568,951 \$	2,589 \$	48,874 \$ 1,620,413
Union South	T2	\$ 2,672,302 \$	3,598 \$	- \$	2,675,900 \$	3,979,749 \$	1,295 \$	- \$	3,981,044	\$ 3,003,539 \$	(5,301) \$	- \$	2,998,238 \$	3,373,617 \$	(9,316) \$	- \$ 3,364,301	\$ 4,004,466 \$	3,762 \$	- \$	4,008,228 \$	3,535,748 \$	5,137 \$	165,933 \$	3,706,818	\$ 4,105,078 \$	2,658 \$	231,196 \$	4,338,931	4,725,369 \$	2,881 \$	205,247 \$ 4,933,498
Union South	T3	\$ - \$	- \$	- \$	- \$	\$ - \$	- \$	- \$	-	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$ -	\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	-	\$ - \$	- \$	- \$	- \$	\$ - \$	- \$	- \$ -
Total		\$ 14,542,644 \$	630,184 \$	2,459,386 \$	17,632,214 \$	18,653,436 \$	502,215 \$	1,230,563 \$	20,386,214	\$ 18,058,683 \$	476,416 \$	1,133,461 \$	19,668,560 \$	17,667,990 \$	413,143 \$	1,262,027 \$ 19,343,160	\$ 18,703,511 \$	959,409 \$	1,208,996 \$	20,871,916 \$	18,569,318 \$	1,160,553 \$	1,006,379 \$	20,736,251	\$ 21,421,909 \$	521,878 \$	1,351,269 \$	23,295,056	23,770,939 \$	512,304 \$	1,290,660 \$ 25,573,904
Grand Total		\$ 68,172,617 \$	630,184 \$	17,550,176 \$	86,352,977 \$	\$ 106,313,936 \$	502,215 \$	10,486,482 \$	117,302,632	\$ 126,944,549 \$	476,416 \$	7,639,270 \$	135,060,235 \$	135,277,388 \$	413,143 \$	10,349,098 \$ 146,039,629	\$ 138,447,745 \$	959,409 \$	12,667,735 \$	152,074,889 \$	119,036,736 \$	1,160,553 \$	6,312,667 \$	126,509,956	\$ 135,015,071 \$	521,878 \$	8,018,438 \$	143,555,387	132,106,917 \$	512,304 \$	8,360,000 \$ 140,979,221

			2023					2024 9					2025 9					2026 9					2027°		
General Service Rate Class	Class DSM Costs ⁶	DSMVA 15%7	LRAM ⁴	DSMIDA ⁸	Total DSM Costs	DSM Costs ⁶	DSMVA 15%7	LRAM ⁴	DSMIDA ⁸	Total DSM Costs	DSM Costs ⁶	DSMVA 15%7	LRAM⁴	DSMIDA*	Total DSM Costs	DSM Costs ⁶	DSMVA 15%7	LRAM ⁴	DSMIDA ⁸	Total DSM Costs	DSM Costs ⁶	DSMVA 15%7	LRAM⁴	DSMIDA ⁸	Total DSM Costs
	A	В	c	D	E = A+B+C+D	A	В	c	D	E = A+B+C+D	A	В	c	D	E = A+B+C+D	Α	В	С	D	E = A+B+C+D	A	В	c	D	E = A+B+C+D
EGD Rate 1	\$ 45,111,512	2 \$ 6,766,727	N/A S	\$ 5,410,201	\$ 57,288,440	\$ 47,130,363	\$ 7,069,554	N/A	\$ 5,924,751	\$ 60,124,668	\$ 49,373,892	\$ 7,406,084	N/A	\$ 5,719,546	\$ 62,499,522	\$ 51,660,868	7,749,130	N/A	\$ 5,855,56	\$ 65,265,563	\$ 54,058,559	\$ 8,108,784	N/A	\$ 8,093,744	\$ 70,261,087
EGD Rate 6	\$ 23,822,648	8 \$ 3,573,397	N/A S	\$ 4,887,791	\$ 32,283,837	\$ 24,924,972	\$ 3,738,746	N/A	\$ 5,070,549	\$ 33,734,266	\$ 26,073,541	\$ 3,911,031	N/A	\$ 5,021,233	\$ 35,005,805	\$ 27,281,256	4,092,188	N/A	\$ 5,111,36	\$ 36,484,810	\$ 28,547,437	\$ 4,282,116	N/A	\$ 6,515,366	\$ 39,344,919
Union South M1	\$ 27,345,592	2 \$ 4,101,839	N/A S	\$ 3,798,697	\$ 35,246,128	\$ 28,595,016	\$ 4,289,252	N/A	\$ 4,120,701	\$ 37,004,969	\$ 29,929,352	\$ 4,489,403	N/A	\$ 3,996,202	\$ 38,414,956	\$ 31,315,666	4,697,350	N/A	\$ 4,084,74	\$ 40,097,760	\$ 32,769,093	\$ 4,915,364	N/A	\$ 5,588,531	\$ 43,272,987
Union South M2	\$ 11,256,649	9 \$ 1,688,497	N/A S	\$ 1,242,210	\$ 14,187,356	\$ 11,811,915	\$ 1,771,787	N/A	\$ 1,325,698	\$ 14,909,400	\$ 12,320,238	\$ 1,848,036	N/A	\$ 1,293,196	\$ 15,461,470	\$ 12,890,906	1,933,636	N/A	\$ 1,326,04	\$ 16,150,583	\$ 13,489,200	\$ 2,023,380	N/A	\$ 1,714,880	\$ 17,227,460
Union North R01	\$ 6,030,058	8 \$ 904,509	N/A	\$ 830,284	\$ 7,764,851	\$ 6,273,738	\$ 941,061	N/A	\$ 863,645	\$ 8,078,444	\$ 6,599,811	\$ 989,972	N/A	\$ 846,973	\$ 8,436,755	\$ 6,905,511	1,035,827	N/A	\$ 860,67	\$ 8,802,008	\$ 7,226,011	\$ 1,083,902	N/A	\$ 1,118,517	\$ 9,428,429
Union North R10	\$ 3,263,585	5 \$ 489,538	N/A	\$ 267,746	\$ 4,020,869	\$ 3,421,392	\$ 513,209	N/A	\$ 287,311	\$ 4,221,912	\$ 3,571,946	\$ 535,792	N/A	\$ 278,533	\$ 4,386,271	\$ 3,737,397	560,610	N/A	\$ 285,90	\$ 4,583,912	\$ 3,910,858	\$ 586,629	N/A	\$ 375,423	\$ 4,872,910
Total	\$ 116,830,045	5 \$ 17,524,507	\$ - \$	\$ 16,436,929	\$ 150,791,481	\$ 122,157,396	\$ 18,323,609 \$		\$ 17,592,654	\$ 158,073,660	\$ 127,868,780	\$ 19,180,317 \$	-	\$ 17,155,683	\$ 164,204,779	\$ 133,791,604	20,068,741 \$	-	\$ 17,524,29	\$ 171,384,637	\$ 140,001,157	\$ 21,000,174 \$	- :	\$ 23,406,462	\$ 184,407,792
			2023					2024 9					2025 2					2026 9					2027 2		
Contract Market Rate Class	Class DSM Costs ⁶	DSMVA 15% ⁷	LRAM ⁴	DSMIDA ⁸	Total DSM Costs	DSM Costs ⁶	DSMVA 15% ⁷	LRAM ⁴	DSMIDA	Total DSM Costs	DSM Costs ⁶	DSMVA 15% ⁷	LRAM ⁴	DSMIDA ⁸	Total DSM Costs	DSM Costs ⁶	DSMVA 15% ⁷	LRAM⁴	DSMIDA ⁸	Total DSM Costs	DSM Costs ⁶	DSMVA 15% ⁷	LRAM⁴	DSMIDA ⁸	Total DSM Costs
	A	В	c	D	E = A+B+C+D	A	В	c	D	E = A+B+C+D	A	В	c	D	E = A+B+C+D	A	В	С	D	E = A+B+C+D	A	В	c	D	E = A+B+C+D
									*	ŕ	^			^	^	ć.			ć	e	ć			<u>^</u>	ć
EGD Rate 9	\$	- 5 -	> - :	Ş -	· \$ -	-	> - ;	-	÷ -	ə -	- ·	> - >	-	> -	ş -							· ;		ə -	
Contract Market Rate Class	A	DSMVA 15% ⁷	LRAM⁴ C	DSMIDA ⁸		DSM Costs ⁶	DSMVA 15% ⁷	LRAM ⁴ C	DSMIDA ⁸		DSM Costs ⁶	DSMVA 15% ⁷	LRAM⁴ C	DSMIDA ⁸		DSM Costs ⁶	DSMVA 15% ⁷	LRAM ⁴ C	DSMIDA ⁸		DSM Costs ⁶	DSMVA 15% ⁷	LRAM ⁴ C	DSMI	DA ⁸

Contract Market	Rate Class	DSM Costs ⁶	DSMVA 15%7	LRAM⁴	DSMIDA ⁸	Total DSM Costs	DSM Costs ⁶	DSMVA 15% ⁷	LRAM ⁴	DSMIDA ⁸ To	otal DSM Costs	DSM Costs ⁶	DSMVA 15% ⁷	LRAM⁴	DSMIDA ⁸	Total DSM Costs	DSM Costs ⁶	DSMVA 15% ⁷	LRAM ⁴	DSMIDA ⁸	Total DSM Costs	DSM Costs ⁶	DSMVA 15% ⁷	LRAM ⁴	DSMIDA ⁸ Tot	tal DSM Costs
		A	В	С	D	E = A+B+C+D	A	В	С	D	E = A+B+C+D	A	В	С	D	E = A+B+C+D	A	В	С	D	E = A+B+C+D	A	В	с	D E	= A+B+C+D
EGD	Rate 9	\$ -	\$ -	\$ - :	\$ - :	\$ -	\$ - \$	- \$	- \$	- \$	- 3	- 9	\$ - \$	- \$	-	\$ -	\$ - !	- \$	- \$	-	\$ -	\$ -	\$ - \$	- \$	- \$	-
EGD	Rate 100	\$ -	\$ -	\$ - :	\$ 47,491	\$ 47,491	\$ - \$	- \$	- \$	48,087 \$	48,087	- 9	\$ - \$	- \$	48,711	\$ 48,711	\$ - !	- \$	- \$	49,351	\$ 49,351	\$ - :	\$ - \$	- \$	59,081 \$	59,081
EGD	Rate 110	\$ 2,530,707	\$ 379,606	\$ 11,463	\$ 367,125	\$ 3,288,902	\$ 2,654,245 \$	398,137 \$	11,463 \$	371,637 \$	3,435,482	2,769,822	\$ 415,473 \$	11,463 \$	376,387	\$ 3,573,145	\$ 2,898,119	434,718 \$	11,463 \$	381,271	\$ 3,725,571	\$ 3,032,627	\$ 454,894 \$	11,463 \$	458,191 \$	3,957,175
EGD	Rate 115	\$ 1,450,408	\$ 217,561	\$ 1,832	\$ 171,794	\$ 1,841,595	\$ 1,522,824 \$	228,424 \$	1,832 \$	173,988 \$	1,927,067	1,587,450	\$ 238,118 \$	1,832 \$	176,267	\$ 2,003,667	\$ 1,660,980	249,147 \$	1,832 \$	178,609	\$ 2,090,568	\$ 1,738,070	\$ 260,711 \$	1,832 \$	213,191 \$	2,213,803
EGD	Rate 125	\$ 166,426	\$ 24,964	\$ - :	\$ - :	\$ 191,390	\$ 170,878 \$	25,632 \$	- \$	- \$	196,510	182,151	\$ 27,323 \$	- \$	-	\$ 209,473	\$ 190,588	28,588 \$	- \$	-	\$ 219,176	\$ 199,433	\$ 29,915 \$	- \$	- \$	229,348
EGD	Rate 135	\$ 286,778	\$ 43,017	\$ 16,455	\$ 171,521	\$ 517,771	\$ 301,099 \$	45,165 \$	16,455 \$	173,724 \$	536,443	313,875	\$ 47,081 \$	16,455 \$	176,009	\$ 553,420	\$ 328,413	49,262 \$	16,455 \$	178,357	\$ 572,487	\$ 343,656	\$ 51,548 \$	16,455 \$	212,652 \$	624,311
EGD	Rate 145	\$ 1,177,730	\$ 176,660	\$ - :	\$ 44,737	\$ 1,399,127	\$ 1,237,941 \$	185,691 \$	- \$	45,136 \$	1,468,769	1,289,008	\$ 193,351 \$	- \$	45,611	\$ 1,527,971	\$ 1,348,715	202,307 \$	- \$	46,102	\$ 1,597,124	\$ 1,411,311	\$ 211,697 \$	- \$	58,071 \$	1,681,079
EGD	Rate 170	\$ 2,361,897	\$ 354,285	\$ 777	\$ 55,611	\$ 2,772,570	\$ 2,482,647 \$	372,397 \$	777 \$	56,185 \$	2,912,006	2,585,061	\$ 387,759 \$	777 \$	56,828	\$ 3,030,426	\$ 2,704,800	405,720 \$	777 \$	57,492	\$ 3,168,789	\$ 2,830,336	\$ 424,550 \$	777 \$	71,040 \$	3,326,703
EGD	Rate 200	\$ 40,265	\$ 6,040	\$ - :	\$ - :	\$ 46,305	\$ 41,342 \$	6,201 \$	- \$	- \$	47,543	44,069	6,610 \$	- \$	-	\$ 50,680	\$ 46,111	6,917 \$	- \$	-	\$ 53,027	\$ 48,251	\$ 7,238 \$	- \$	- \$	55,488
EGD	Rate 300	\$ 755	\$ 113	\$ - :	\$ - :	\$ 868	\$ 775 \$	116 \$	- \$	- \$	892	827 9	\$ 124 \$	- \$	-	\$ 951	\$ 865	130 \$	- \$	-	\$ 995	\$ 905	\$ 136 \$	- \$	- \$	1,041
Union North	R20	\$ 1,852,029	\$ 277,804	\$ 5,198	\$ 183,662	\$ 2,318,693	\$ 1,940,860 \$	291,129 \$	5,198 \$	185,925 \$	2,423,112	2,027,018	\$ 304,053 \$	5,198 \$	188,306	\$ 2,524,575	\$ 2,120,909	318,136 \$	5,198 \$	190,754	\$ 2,634,997	\$ 2,219,345	\$ 332,902 \$	5,198 \$	229,122 \$	2,786,567
Union North	R25	\$ 75,273	\$ 11,291	\$ - :	\$ - :	\$ 86,564	\$ 77,287 \$	11,593 \$	- \$	- \$	88,880	82,385	\$ 12,358 \$	- \$	-	\$ 94,743	\$ 86,201	12,930 \$	- \$	-	\$ 99,131	\$ 90,202	\$ 13,530 \$	- \$	- \$	103,732
Union North	R100	\$ 1,184,370	\$ 177,655	\$ 26,678	\$ 107,283	\$ 1,495,987	\$ 1,238,846 \$	185,827 \$	26,678 \$	108,468 \$	1,559,819	1,296,276	\$ 194,441 \$	26,678 \$	109,705	\$ 1,627,100	\$ 1,356,318	203,448 \$	26,678 \$	110,981	\$ 1,697,425	\$ 1,419,268	\$ 212,890 \$	26,678 \$	137,271 \$	1,796,107
Union South	M4	\$ 5,144,780	\$ 771,717	\$ 366,316	\$ 970,490	\$ 7,253,303	\$ 5,402,547 \$	810,382 \$	366,316 \$	982,726 \$	7,561,972	5,630,887	\$ 844,633 \$	366,316 \$	994,097	\$ 7,835,933	\$ 5,891,707	883,756 \$	366,316 \$	1,007,095	\$ 8,148,874	\$ 6,165,153	\$ 924,773 \$	366,316 \$	1,207,667 \$	8,663,909
Union South	M5	\$ 404,777	\$ 60,717	\$ 4,618	\$ 43,025	\$ 513,136	\$ 421,805 \$	63,271 \$	4,618 \$	43,567 \$	533,261	443,022	66,453 \$	4,618 \$	44,133	\$ 558,226	\$ 463,543	69,531 \$	4,618 \$	44,714	\$ 582,407	\$ 485,057	\$ 72,759 \$	4,618 \$	53,498 \$	615,932
Union South	M7	\$ 2,214,023	\$ 332,103	\$ 73,497	\$ 716,027	\$ 3,335,650	\$ 2,325,418 \$	348,813 \$	73,497 \$	724,933 \$	3,472,660	2,423,216	\$ 363,482 \$	73,497 \$	734,269	\$ 3,594,464	\$ 2,535,458	\$ 380,319 \$	73,497 \$	743,868	\$ 3,733,141	\$ 2,653,134	\$ 397,970 \$	73,497 \$	892,069 \$	4,016,670
Union South	M9	\$ 16,885	\$ 2,533	\$ - :	\$ -	\$ 19,418	\$ 17,337 \$	2,601 \$	- \$	- \$	19,937	18,481	\$ 2,772 \$	- \$	-	\$ 21,253	\$ 19,337	\$ 2,900 \$	- \$	-	\$ 22,237	\$ 20,234	\$ 3,035 \$	- \$	- \$	23,269
Union South	M10	\$ 166	\$ 25	\$ - :	\$ - :	\$ 190	\$ 170 \$	26 \$	- \$	- \$	196	181 5	\$ 27 \$	- \$	-	\$ 208	\$ 190	28 \$	- \$	-	\$ 218	\$ 198	\$ 30 \$	- \$	- \$	228
Union South	T1	\$ 1,633,734	\$ 245,060	\$ 2,589	\$ 132,970	\$ 2,014,354	\$ 1,713,113 \$	256,967 \$	2,589 \$	134,563 \$	2,107,233	1,788,098	\$ 268,215 \$	2,589 \$	136,255	\$ 2,195,157	\$ 1,870,922	280,638 \$	2,589 \$	137,996	\$ 2,292,145	\$ 1,957,755	\$ 293,663 \$	2,589 \$	166,564 \$	2,420,572
Union South	T2	\$ 4,782,706	\$ 717,406	\$ 2,881	\$ 441,334	\$ 5,944,327	\$ 5,006,578 \$	750,987 \$	2,881 \$	446,206 \$	6,206,652	5,234,602	785,190 \$	2,881 \$	451,296	\$ 6,473,970	\$ 5,477,067	821,560 \$	2,881 \$	456,544	\$ 6,758,052	\$ 5,731,269	\$ 859,690 \$	2,881 \$	564,695 \$	7,158,536
Union South	T3	\$ 106,247	\$ 15,937	\$ -	\$ -	\$ 122,184	\$ 109,089 \$	16,363 \$	- \$	- \$	125,453	116,286	\$ 17,443 \$	- \$	-	\$ 133,728	\$ 121,672	18,251 \$	- \$	-	\$ 139,923	\$ 127,319	\$ 19,098 \$	- \$	- \$	146,417
Total		\$ 25,429,955	\$ 3,814,493	\$ 512,304	\$ 3,453,071	\$ 33,209,823	\$ 26,664,804 \$	3,999,721 \$	512,304 \$	3,495,146 \$	34,671,975	27,832,714	\$ 4,174,907 \$	512,304 \$	3,537,873	\$ 36,057,799	\$ 29,121,913	4,368,287 \$	512,304 \$	3,583,135	\$ 37,585,639	\$ 30,473,523	\$ 4,571,028 \$	512,304 \$	4,323,114 \$	39,879,970
Grand Total		\$ 142,260,000	\$ 21,339,000	\$ 512.304 5	\$ 19,890,000	\$ 184,001,304	\$ 148 822 200 \$	22,323,330 \$	512 304 \$	21 087 800 \$	192 745 634	5 155,701,494 5	\$ 23,355,224 \$	512,304 \$	20 693 556	\$ 200 262 578	\$ 162,913,517	24,437,028 \$	512 304 \$	21 107 427	\$ 208 970 276	\$ 170,474,680	\$ 25,571,202 \$	512 304 S	27,729,576 \$	224 287 762
Granu (Otal		3 142,200,000	\$ 21,339,000	3 312,304 ;	2 13,030,000	2 104,001,304	\$ 140,022,200 \$	22,323,330 \$	312,304 \$	21,007,000 \$	132,743,034	, 133,701,494 ;	23,333,224 \$	312,304 \$	20,033,330	\$ 200,202,578	3 102,313,317	24,437,028 \$	312,304 \$	21,107,427	\$ 200,970,270	3 1/0,4/4,080	23,311,202 \$	312,304 \$	21,123,370 \$	224,207,702

¹Total DSM costs includes amounts embedded in base rates, and amounts recovered/refunded through the DSMVA, for 2015-2022

Total DSM costs includes amounts embedded in base rates, and amounts recovered/reunded through the DSM/A, for 2015-2022

2020 costs allocated by rate class a beade on preliminary post-audit, pre-deferral clearance values

2021 forecast of results and spend are as detailed in interrogatory response in Exhibit L6.EGLSTAFF.13a, Attachment 1 (amounts may vary due to rounding adjustments). See Exhibit L5.EGLFRPO.4 Attachment 1 and 2 for detailed calculation of forecasted DSMI

**ABAM forecast consistent with recent verified program results

**See Exhibit L5.EGLFRPO.4 Attachment 1 and 2 for detailed calculation of forecasted DSMI

**See Exhibit L5.EGLFRPO.4 Attachment 2 and 2 for detailed calculation of forecasted DSMI

**See Exhibit L5.EGLFRPO.4 Attachment 2 and 2 for detailed calculation of forecasted DSMI

⁶Exhibit F Tab 1 Schedule 2 Page 1

⁷Maximum 15% DSMVA overspend allocated to rate classes consistent with the Proposed Allocation to Rate of DSM Costs at Exhibit F Tab 1 Schedule 2 Page 1

BOSMI Achievement - assuming Enbridge Gas achieves 150% on all annual and long term scorecards, and achieves the maximum net benefits incentive - is allocated by rate class consistent with the description in Exhibit I.8.EGI.CCC.21

⁹2024-2027 cost allocations by rate class assume no changes in rate classes as part of Enbridge Gas's future rebasing proceeding

Exhibit I.7.EGI.STAFF.17

Attachment 2 Page 1 of 5

ENBRIDGE GAS INC. 2022 - 2027 DSM Plan 2023 DSM Total Cost Bill Impacts - Updated for Exhibit I.7.EGI.STAFF.17

		STAFF.17 (a) 2023 DSM	2021 Billing	2023 DSM Total Cost	Representative Annual	2023 DSM T In Tota	
Line		Total Cost (1)	Units	Unit Rate (2)	Billing Units	Annual	Monthly
No.	Rate Class	(\$000s)	(10^3m^3)	(cents/m³)	(m³)	(\$)	(\$)
		(a)	(b)	(c)=(a/b)*100	(d)	(e)=(c*d)/100	(f)=(e/12)
	EGD Rate Zone						
1	Rate 1	57,288	5,118,240	1.1193	2,400	26.86	2.24
2	Rate 6	32,284	4,923,001	0.6558	22,606	148	12
3	Rate 9	-	-	-	-	-	-
4	Rate 100	47	34,607	0.1372	339,188	465	39
5	Rate 110	3,289	990,703	0.3320	598,568	1,987	166
6	Rate 115	1,842	486,459	0.3786	4,471,609	16,928	1,411
7	Rate 125 (3)	191	111,124	0.1722	-	47,847	3,987
8	Rate 135	518	63,812	0.8114	598,567	4,857	405
9	Rate 145	1,399	28,113	4.9768	598,568	29,790	2,482
10	Rate 170	2,773	276,738	1.0019	9,976,120	99,948	8,329
11	Rate 200 (3)	46	181,849	0.0255	-	46,305	3,859
12	Rate 300 (3)	1	187	0.4639	-	868	72
13	Total EGD	99,678					
	Union South Rate Zone						
14	Rate M1	35,246	3,142,868	1.1215	2,200	24.67	2.06
15	Rate M2	14,187	1,340,433	1.0584	250,000	2,646	221
16	Rate M4 (4)	7,253	707,951	1.0103	875,000	8,840	737
17	Rate M5 (4)	513	68,930	0.8906	6,500,000	57,889	4,824
18	Rate M7	3,336	595,232	0.5604	36,000,000	201,742	16,812
19	Rate M9	19	103,990	0.0187	6,950,000	1,298	108
20	Rate M10	0	391	0.0487	94,500	46	4
21	Rate T1	2,014	444,974	0.4527	11,565,938	52,358	4,363
22	Rate T2	5,944	4,571,591	0.1300	197,789,850	257,181	21,432
23	Rate T3	122	283,374	0.0431	272,712,000	117,587	9,799
24	Total Union South	# 68,636					
	Union North Rate Zone						
25	Rate 01	7,765	1,023,451	0.7587	2,200	16.69	1.39
26	Rate 10	4,021	359,134	1.1196	250,000	2,799	233
27	Rate 20	2,319	686,307	0.3379	15,000,000	50,678	4,223
28	Rate 25	87	80,723	0.1072	2,275,000	2,440	203
29	Rate 100	1,496	1,089,225	0.1373	240,000,000	329,626	27,469
30	Total Union North	15,687					
31	Total Company	184,001					

- (1) Exhibit I.7.EGI.STAFF.17, Attachment 1.
- (2) 2023 DSM unit rates calculated based on 2021 billing units.
- (3) Annual bill impact amounts for EGD Rate 125, Rate 200, and Rate 300 are for average customers in each rate class.
- (4) Rate M4 and Rate M5 DSM costs are pooled to calculate a common DSMVA unit rate.

Exhibit I.7.EGI.STAFF.17

Attachment 2
Page 2 of 5

ENBRIDGE GAS INC. 2022 - 2027 DSM Plan 2024 DSM Total Cost Bill Impacts - Updated for Exhibit I.7.EGI.STAFF.17

		STAFF.17 (a) 2024 DSM	2021 Billing	2024 DSM Total Cost	Representative Annual	2024 DSM 1 In Tota	
Line No.	Rate Class	Total Cost (1) (\$000s)	Units (10³m³)	Unit Rate (2) (cents/m³)	Billing Units (m³)	Annual (\$)	Monthly (\$)
		(a)	(b)	(c)=(a/b)*100	(d)	(e)=(c*d)/100	(f)=(e/12)
	EGD Rate Zone						
1	Rate 1	60,125	5,118,240	1.1747	2,400	28.19	2.35
2	Rate 6	33,734	4,923,001	0.6852	22,606	155	13
3	Rate 9	-	-	-	-	-	-
4	Rate 100	48	34,607	0.1390	339,188	471	39
5	Rate 110	3,435	990,703	0.3468	598,568	2,076	173
6	Rate 115	1,927	486,459	0.3961	4,471,609	17,714	1,476
7	Rate 125 (3)	197	111,124	0.1768	<u>-</u>	49,128	4,094
8	Rate 135	536	63,812	0.8407	598,567	5,032	419
9	Rate 145	1,469	28,113	5.2246	598,568	31,273	2,606
10	Rate 170	2,912	276,738	1.0523	9,976,120	104,975	8,748
11	Rate 200 (3)	48	181,849	0.0261	-	47,543	3,962
12	Rate 300 (3)	1	187	0.4763	-	892	74
13	Total EGD	104,432					
	Union South Rate Zone						
14	Rate M1	37,005	3,142,868	1.1774	2,200	25.90	2.16
15	Rate M2	14,909	1,340,433	1.1123	250,000	2,781	232
16	Rate M4 (4)	7,562	707,951	1.0527	875,000	9,211	768
17	Rate M5 (4)	533	68,930	0.9321	6,500,000	60,585	5,049
18	Rate M7	3,473	595,232	0.5834	36,000,000	210,029	17,502
19	Rate M9	20	103,990	0.0192	6,950,000	1,332	111
20	Rate M10	0	391	0.0500	94,500	47	4
21	Rate T1	2,107	444,974	0.4736	11,565,938	54,772	4,564
22	Rate T2	6,207	4,571,591	0.1358	197,789,850	268,531	22,378
23	Rate T3	125	283,374	0.0443	272,712,000	120,733	10,061
24	Total Union South	71,942					
	Union North Rate Zone						
25	Rate 01	8,078	1,023,451	0.7893	2,200	17.37	1.45
26	Rate 10	4,222	359,134	1.1756	250,000	2,939	245
27	Rate 20	2,423	686,307	0.3531	15,000,000	52,960	4,413
28	Rate 25	89	80,723	0.1101	2,275,000	2,505	209
29	Rate 100	1,560	1,089,225	0.1432	240,000,000	343,691	28,641
30	Total Union North	16,372					
31	Total Company	192,746					

- (1) Exhibit I.7.EGI.STAFF.17, Attachment 1.
- (2) 2024 DSM unit rates calculated based on 2021 billing units.
- (3) Annual bill impact amounts for EGD Rate 125, Rate 200, and Rate 300 are for average customers in each rate class.
- (4) Rate M4 and Rate M5 DSM costs are pooled to calculate a common DSMVA unit rate.

Exhibit I.7.EGI.STAFF.17

Attachment 2 Page 3 of 5

ENBRIDGE GAS INC. 2022 - 2027 DSM Plan 2025 DSM Total Cost Bill Impacts - Updated for Exhibit I.7.EGI.STAFF.17

		STAFF.17 (a) 2025 DSM	2021 Billing	2025 DSM Total Cost	Representative Annual	2025 DSM T In Tota	
Line No.	Rate Class	Total Cost (1) (\$000s)	Units (10³m³)	Unit Rate (2) (cents/m³)	Billing Units (m³)	Annual (\$)	Monthly (\$)
	Nate Class	(a)	(b)	(c)=(a/b)*100	(d)	(e)=(c*d)/100	(f)=(e/12)
		(4)	(2)	(5) (2/2) 100	(-)	(5) (5 4)/ 155	(.) (3/.2)
	EGD Rate Zone						
1	Rate 1	62,500	5,118,240	1.2211	2,400	29.31	2.44
2	Rate 6	35,006	4,923,001	0.7111	22,606	161	13
3	Rate 9	-	-	-	-	-	-
4	Rate 100	49	34,607	0.1408	339,188	477	40
5	Rate 110	3,573	990,703	0.3607	598,568	2,159	180
6	Rate 115	2,004	486,459	0.4119	4,471,609	18,418	1,535
7	Rate 125 (3)	209	111,124	0.1885	-	52,368	4,364
8	Rate 135	553	63,812	0.8673	598,567	5,191	433
9	Rate 145	1,528	28,113	5.4352	598,568	32,533	2,711
10	Rate 170	3,030	276,738	1.0951	9,976,120	109,244	9,104
11	Rate 200 (3)	51	181,849	0.0279	-	50,680	4,223
12	Rate 300 (3)	1	187	0.5078	-	951	79
13	Total EGD	108,504					
	Union South Rate Zone						
14	Rate M1	38,415	3,142,868	1.2223	2,200	26.89	2.24
15	Rate M2	15,461	1,340,433	1.1535	250,000	2,884	240
16	Rate M4 (4)	7,836	707,951	1.0913	875,000	9,549	796
17	Rate M5 (4)	558	68,930	0.9698	6,500,000	63,039	5,253
18	Rate M7	3,594	595,232	0.6039	36,000,000	217,395	18,116
19	Rate M9	21	103,990	0.0204	6,950,000	1,420	118
20	Rate M10	0	391	0.0533	94,500	50	4
21	Rate T1	2,195	444,974	0.4933	11,565,938	57,057	4,755
22	Rate T2	6,474	4,571,591	0.1416	197,789,850	280,096	23,341
23	Rate T3	134	283,374	0.0472	272,712,000	128,697	10,725
24	Total Union South	74,689					
	Union North Rate Zone						
25	Rate 01	8,437	1,023,451	0.8243	2,200	18.14	1.51
26	Rate 10	4,386	359,134	1.2213	250,000	3,053	254
27	Rate 20	2,525	686,307	0.3678	15,000,000	55,177	4,598
28	Rate 25	95	80,723	0.1174	2,275,000	2,670	223
29	Rate 100	1,627	1,089,225	0.1494	240,000,000	358,515	29,876
30	Total Union North	17,069					
31	Total Company	200,263					

- (1) Exhibit I.7.EGI.STAFF.17, Attachment 1.
- (2) 2025 DSM unit rates calculated based on 2021 billing units.
- (3) Annual bill impact amounts for EGD Rate 125, Rate 200, and Rate 300 are for average customers in each rate class.
- (4) Rate M4 and Rate M5 DSM costs are pooled to calculate a common DSMVA unit rate.

Exhibit I.7.EGI.STAFF.17

Attachment 2 Page 4 of 5

ENBRIDGE GAS INC. 2022 - 2027 DSM Plan 2026 DSM Total Cost Bill Impacts - Updated for Exhibit I.7.EGI.STAFF.17

		STAFF.17 (a) 2026 DSM	2021 Billing	2026 DSM Total Cost	Representative Annual	2026 DSM T In Tota	
Line No.	Rate Class	Total Cost (1) (\$000s)	Units (10³m³)	Unit Rate (2) (cents/m³)	Billing Units (m³)	Annual (\$)	Monthly (\$)
<u></u>	Nate Class	(a)	(b)	(c)=(a/b)*100	(d)	$\frac{(\Phi)}{(e)=(c^*d)/100}$	(f)=(e/12)
		(4)	(2)	(5) (2,2) :55	(-)	(5) (5 4)/ 155	(') (0/ 12)
	EGD Rate Zone						
1	Rate 1	65,266	5,118,240	1.2752	2,400	30.60	2.55
2	Rate 6	36,485	4,923,001	0.7411	22,606	168	14
3	Rate 9	-	-	-	-	-	-
4	Rate 100	49	34,607	0.1426	339,188	484	40
5	Rate 110	3,726	990,703	0.3761	598,568	2,251	188
6	Rate 115	2,091	486,459	0.4298	4,471,609	19,217	1,601
7	Rate 125 (3)	219	111,124	0.1972	-	54,794	4,566
8	Rate 135	572	63,812	0.8971	598,567	5,370	447
9	Rate 145	1,597	28,113	5.6811	598,568	34,005	2,834
10	Rate 170	3,169	276,738	1.1450	9,976,120	114,231	9,519
11	Rate 200 (3)	53	181,849	0.0292	-	53,027	4,419
12	Rate 300 (3)	1	187	0.5313	-	995	83
13	Total EGD	113,227					
	Union South Rate Zone						
14	Rate M1	40,098	3,142,868	1.2758	2,200	28.07	2.34
15	Rate M2	16,151	1,340,433	1.2049	250,000	3,012	251
16	Rate M4 (4)	8,149	707,951	1.1348	875,000	9,929	827
17	Rate M5 (4)	582	68,930	1.0123	6,500,000	65,801	5,483
18	Rate M7	3,733	595,232	0.6272	36,000,000	225,783	18,815
19	Rate M9	22	103,990	0.0214	6,950,000	1,486	124
20	Rate M10	0	391	0.0557	94,500	53	4
21	Rate T1	2,292	444,974	0.5151	11,565,938	59,578	4,965
22	Rate T2	6,758	4,571,591	0.1478	197,789,850	292,387	24,366
23	Rate T3	140	283,374	0.0494	272,712,000	134,658	11,222
24	Total Union South	77,925					
	Union North Rate Zone						
25	Rate 01	8,802	1,023,451	0.8600	2,200	18.92	1.58
26	Rate 10	4,584	359,134	1.2764	250,000	3,191	266
27	Rate 20	2,635	686,307	0.3839	15,000,000	57,591	4,799
28	Rate 25	99	80,723	0.1228	2,275,000	2,794	233
29	Rate 100	1,697	1,089,225	0.1558	240,000,000	374,011	31,168
30	Total Union North	17,817					
31	Total Company	208,970					

- (1) Exhibit I.7.EGI.STAFF.17, Attachment 1.
- (2) 2026 DSM unit rates calculated based on 2021 billing units.
- (3) Annual bill impact amounts for EGD Rate 125, Rate 200, and Rate 300 are for average customers in each rate class.
- (4) Rate M4 and Rate M5 DSM costs are pooled to calculate a common DSMVA unit rate.

Filed: 2021-11-15

EB-2021-0002

Exhibit I.7.EGI.STAFF.17

Attachment 2 Page 5 of 5

ENBRIDGE GAS INC. 2022 - 2027 DSM Plan 2027 DSM Total Cost Bill Impacts - Updated for Exhibit I.7.EGI.STAFF.17

		STAFF.17 (a) 2027 DSM	2021 Billing	2027 DSM Total Cost	Representative Annual	2027 DSM T In Tota	
Line No.	Rate Class	Total Cost (1) (\$000s)	Units (10³m³)	Unit Rate (2) (cents/m³)	Billing Units (m³)	Annual (\$)	Monthly (\$)
	Nate Class	(a)	(b)	(c)=(a/b)*100	(d)	$\frac{(\Phi)}{(e)=(c^*d)/100}$	(f)=(e/12)
		(4)	(2)	(5) (2,2) :55	(=)	(5) (5 4)/ 155	(') (5/ 12)
	EGD Rate Zone						
1	Rate 1	70,261	5,118,240	1.3728	2,400	32.95	2.75
2	Rate 6	39,345	4,923,001	0.7992	22,606	181	15
3	Rate 9	-	-	-	-	-	-
4	Rate 100	59	34,607	0.1707	339,188	579	48
5	Rate 110	3,957	990,703	0.3994	598,568	2,391	199
6	Rate 115	2,214	486,459	0.4551	4,471,609	20,350	1,696
7	Rate 125 (3)	229 624	111,124	0.2064	- 598,567	57,337 5,856	4,778
8 9	Rate 135 Rate 145	1,681	63,812 28,113	0.9784 5.9798	598,568	35,793	488 2,983
10	Rate 170	3,327	276,738	1.2021	9,976,120	119,924	9,994
11	Rate 200 (3)	55	181,849	0.0305	9,970,120	55,488	4,624
12	Rate 300 (3)	1	187	0.5559	_	1,041	87
12	Nate 500 (5)	'	107	0.0000		1,041	O1
13	Total EGD	121,754					
	Union South Rate Zone						
14	Rate M1	43,273	3,142,868	1.3769	2,200	30.29	2.52
15	Rate M2	17,227	1,340,433	1.2852	250,000	3,213	268
16	Rate M4 (4)	8,664	707,951	1.2067	875,000	10,559	880
17	Rate M5 (4)	616	68,930	1.0687	6,500,000	69,467	5,789
18	Rate M7	4,017	595,232	0.6748	36,000,000	242,931	20,244
19	Rate M9	23	103,990	0.0224	6,950,000	1,555	130
20	Rate M10	0	391	0.0583	94,500	55	5
21	Rate T1	2,421	444,974	0.5440	11,565,938	62,916	5,243
22	Rate T2	7,159	4,571,591	0.1566	197,789,850	309,714	25,809
23	Rate T3	146	283,374	0.0517	272,712,000	140,908	11,742
24	Total Union South	83,546					
	Union North Rate Zone						
25	Rate 01	9,428	1,023,451	0.9212	2,200	20.27	1.69
26	Rate 10	4,873	359,134	1.3569	250,000	3,392	283
27	Rate 20	2,787	686,307	0.4060	15,000,000	60,904	5,075
28	Rate 25	104	80,723	0.1285	2,275,000	2,923	244
29	Rate 100	1,796	1,089,225	0.1649	240,000,000	395,754	32,980
30	Total Union North	18,988					
31	Total Company	224,288					

- (1) Exhibit I.7.EGI.STAFF.17, Attachment 1.
- (2) 2027 DSM unit rates calculated based on 2021 billing units.
- (3) Annual bill impact amounts for EGD Rate 125, Rate 200, and Rate 300 are for average customers in each rate class.
- (4) Rate M4 and Rate M5 DSM costs are pooled to calculate a common DSMVA unit rate.

Filed: 2021-11-15 EB-2021-0002 Exhibit I.7.EGI.FRPO.7 Plus Attachment Page 1 of 1

ENBRIDGE GAS INC.

Answer to Interrogatory from Federation of Rental-Housing Providers of Ontario (FRPO)

Interrogatory

Issue 7

Reference:

Exhibit C, Tab 1, Schedule 1, page 37-38 And 47

Preamble:

EGI evidence states: "For the purposes of determining LRAM amounts, all input assumptions and adjustment factor changes will be applied retroactively to the year being evaluated, regardless of the approach used for the purposes of determining shareholder incentive amounts and cost-effectiveness described in Section 9.3."

And

"Further, lost revenues will not act as a disincentive to Enbridge Gas's delivery of DSM programs."

We would like to understand better the impact of LRAM on ratepayer costs and the efficacy of those investments by ratepayers

Question(s):

For each year of 2015-2020, for each rate class, please provide the LRAM rate impacts (quantum and percentage) at start of each year for the respective legacy utilities/rate zones.

Response

Please see Attachment 1 which provides the LRAM adjustment and impact included in the 2015 to 2020 annual rate applications. Note, the EGD rate zone operated under Custom Incentive Regulation from 2015 to 2018. The billing units used in the annual rates application during that time were net of the LRAM adjustments shown in Attachment 1.

Filed: 2021-11-15 EB-2021-0002 Exhibit I.7.EGI.FRPO.7 Attachment 1 Page 1 of 3

ENBRIDGE GAS INC. 2015 Rates Application LRAM Impacts

Line No.	Particulars (10 ³ m ³)	Pre-LRAM Billing Units (1)	2015 Rates LRAM Adjustment	Post-LRAM Billing Units (1)	% Impact
	EGD Rate Zone				
1	Rate 100	-	-	-	-
2	Rate 110	497,366	(2,066)	495,300	-0.4%
3	Rate 115	533,258	(1,315)	531,943	-0.2%
4	Rate 135	57,913	-	57,913	0.0%
5	Rate 145	141,289	(2,428)	138,861	-1.7%
6	Rate 170	497,829	(4,943)	492,886	-1.0%
	Union South Rate Zone				
7	Rate M4	391,630	(10,037)	381,593	-2.6%
8	Rate M5	526,543	(14,773)	511,770	-2.8%
9	Rate M7	144,407	(4,762)	139,645	-3.3%
10	Rate T1	540,042	(10,489)	529,553	-1.9%
11	Rate T2	4,824,529	(91,909)	4,732,620	-1.9%
	Union North Rate Zone				
12	Rate 20	622,853	(4,393)	618,460	-0.7%
13	Rate 100	1,877,394	(20,021)	1,857,374	-1.1%

ENBRIDGE GAS INC. 2016 Rates Application LRAM Impacts

Line No.	Particulars (10 ³ m ³)	Pre-LRAM Billing Units (1)	2016 Rates LRAM Adjustment	Post-LRAM Billing Units (1)	% Impact
	EGD Rate Zone				
14	Rate 100	-	-	-	-
15	Rate 110	705,124	(1,776)	703,348	-0.3%
16	Rate 115	518,208	(1,130)	517,078	-0.2%
17	Rate 135	59,278	-	59,278	0.0%
18	Rate 145	90,487	(1,921)	88,566	-2.1%
19	Rate 170	329,613	(3,956)	325,657	-1.2%
	Union South Rate Zone				
20	Rate M4	381,593	(19,323)	362,270	-5.1%
21	Rate M5	511,770	(29,491)	482,279	-5.8%
22	Rate M7	139,645	(13,294)	126,351	-9.5%
23	Rate T1	529,553	(12,588)	516,965	-2.4%
24	Rate T2	4,732,620	(97,083)	4,635,537	-2.1%
	Union North Rate Zone				
25	Rate 20	618,460	(9,414)	609,046	-1.5%
26	Rate 100	1,857,374	(37,375)	1,819,999	-2.0%

⁽¹⁾ Billing units used to derive rates in the annual rates application.

Filed: 2021-11-15 EB-2021-0002 Exhibit I.7.EGI.FRPO.7 Attachment 1 Page 2 of 3

ENBRIDGE GAS INC. 2017 Rates Application LRAM Impacts

Line No.	Particulars (10 ³ m ³)	Pre-LRAM Billing Units (1)	2017 Rates LRAM Adjustment	Post-LRAM Billing Units (1)	% Impact
	500 D 4 7				
	EGD Rate Zone				
1	Rate 100	-	-	-	-
2	Rate 110	864,133	(2,698)	861,435	-0.3%
3	Rate 115	492,450	(2,158)	490,292	-0.4%
4	Rate 135	60,984	(85)	60,899	-0.1%
5	Rate 145	63,703	(385)	63,318	-0.6%
6	Rate 170	296,888	(575)	296,313	-0.2%
	Union South Rate Zone				
7	Rate M4	362,270	(13,007)	349,263	-3.6%
8	Rate M5	482,279	(16,829)	465,451	-3.5%
9	Rate M7	126,351	(1,523)	124,828	-1.2%
10	Rate T1	516,965	(5,730)	511,234	-1.1%
11	Rate T2	4,635,537	(38,269)	4,597,268	-0.8%
	Union North Rate Zone				
12	Rate 20	609,046	(2,870)	606,176	-0.5%
13	Rate 100	1,819,999	(5,132)	1,814,867	-0.3%

ENBRIDGE GAS INC. 2018 Rates Application LRAM Impacts

Line No.	Particulars (10 ³ m³)	Pre-LRAM Billing Units (1)	2018 Rates LRAM Adjustment	Post-LRAM Billing Units (1)	% Impact
	EGD Rate Zone				
14	Rate 100	_	_	_	_
15	Rate 110	791,896	(2,860)	789,036	-0.4%
16	Rate 115	545,115	(2,283)	542,831	-0.4%
17	Rate 135	64,592	(91)	64,501	-0.1%
18	Rate 145	50,543	(407)	50,136	-0.8%
19	Rate 170	291,762	(609)	291,152	-0.2%
	Union South Rate Zone				
20	Rate M4	349,263	(10,047)	339,216	-2.9%
21	Rate M5	465,451	(15,362)	450,088	-3.3%
22	Rate M7	124,828	(5,587)	119,242	-4.5%
23	Rate T1	511,234	(3,895)	507,339	-0.8%
24	Rate T2	4,597,268	(30,384)	4,566,884	-0.7%
	Union North Rate Zone				
25	Rate 20	606,176	(1,621)	604,555	-0.3%
26	Rate 100	1,814,867	(762)	1,814,105	0.0%

⁽¹⁾ Billing units used to derive rates in the annual rates application.

Filed: 2021-11-15 EB-2021-0002 Exhibit I.7.EGI.FRPO.7 Attachment 1 Page 3 of 3

ENBRIDGE GAS INC. 2019 Rates Application LRAM Impacts

Line No.	Particulars (10 ³ m ³)	Pre-LRAM Billing Units (1)	2019 Rates LRAM Adjustment	Post-LRAM Billing Units (1)	% Impact
	EGD Rate Zone				
1	Rate 100	_	_	_	_
2	Rate 110	789,036	(4,870)	784,166	-0.6%
3	Rate 115	542,831	(2,768)	540,063	-0.5%
4	Rate 135	64,501	(156)	64,345	-0.2%
5	Rate 145	50,136	(442)	49,694	-0.9%
6	Rate 170	291,152	(2,488)	288,665	-0.9%
	Union South Rate Zone				
7	Rate M4 (2)	339,216	2,980	342,196	0.9%
8	Rate M5 (2)	450,088	3,813	453,901	0.8%
9	Rate M7 (2)	119,242	1,056	120,298	0.9%
10	Rate T1 (2)	507,339	3,390	510,729	0.7%
11	Rate T2 (2)	4,566,884	48,967	4,615,851	1.1%
	Union North Rate Zone				
12	Rate 20 (2)	604,555	784	605,338	0.1%
13	Rate 100 (2)	1,814,105	3,937	1,818,042	0.2%

ENBRIDGE GAS INC. 2020 Rates Application LRAM Impacts

Line No.	Particulars (10 ³ m ³)	Pre-LRAM Billing Units (1)	2020 Rates LRAM Adjustment	Post-LRAM Billing Units (1)	% Impact
	EGD Rate Zone				
14	Rate 100	-	-	-	-
15	Rate 110	784,166	(3,945)	780,221	-0.5%
16	Rate 115	540,063	(1,390)	538,673	-0.3%
17	Rate 135	64,345	(452)	63,893	-0.7%
18	Rate 145	49,694	(102)	49,592	-0.2%
19	Rate 170	288,665	(1,970)	286,695	-0.7%
	Union South Rate Zone				
20	Rate M4	342,196	-	342,196	0.0%
21	Rate M5	453,901	-	453,901	0.0%
22	Rate M7	120,298	-	120,298	0.0%
23	Rate T1	510,729	-	510,729	0.0%
24	Rate T2	4,615,851	-	4,615,851	0.0%
	Union North Rate Zone				
25	Rate 20	605,338	_	605,338	0.0%
26	Rate 100	1,818,042		1,818,042	0.0%
20	Tale 100	1,010,042	-	1,010,042	0.070

⁽¹⁾ Billing units used to derive rates in the annual rates application.

⁽²⁾ Union rate zone LRAM adjustments are positive as a result of differences between the 2015 and 2016 post-audit volumes and pre-audit volumes included in previous year's rates.

Filed: 2021-11-15 EB-2021-0002 Exhibit I.7.EGI.FRPO.8 Page 1 of 1

ENBRIDGE GAS INC.

Answer to Interrogatory from Federation of Rental-Housing Providers of Ontario (FRPO)

Interrogatory

Issue 7

Reference:

Exhibit C, Tab 1, Schedule 1, page 37-38 And 47

Preamble:

EGI evidence states: "For the purposes of determining LRAM amounts, all input assumptions and adjustment factor changes will be applied retroactively to the year being evaluated, regardless of the approach used for the purposes of determining shareholder incentive amounts and cost-effectiveness described in Section 9.3."

And

"Further, lost revenues will not act as a disincentive to Enbridge Gas's delivery of DSM programs."

We would like to understand better the impact of LRAM on ratepayer costs and the efficacy of those investments by ratepayers

Question(s):

Please provide any analysis performed by EGI (or the respective legacy utilities) to reconcile LRAM implications and NAC for a utility rate zone.

Response

Enbridge Gas does not have any analysis related to LRAM and NAC. NAC is only applicable to the General Service market and LRAM is only applicable to the Contract Market.

Filed: 2021-11-15 EB-2021-0002 Exhibit I.7.EGI.FRPO.9 Page 1 of 1

ENBRIDGE GAS INC.

Answer to Interrogatory from <u>Federation of Rental-Housing Providers of Ontario (FRPO)</u>

Interrogatory

Issue 7

Reference:

Exhibit C, Tab 1, Schedule 1, page 49 And 54

Preamble:

EGI evidence states: "Capital assets (property, plant and equipment) associated with the multi-year DSM Plan will be included in rate base and will be treated in the same manner as distribution assets."

And

"Any assets purchased with funds from third parties (i.e. not funded through distribution rates) will not be eligible for inclusion in rate base, nor will there be any distribution rate recovery of ongoing operating costs associated with the asset, or income taxes payable in relation to third-party funded activities."

We would like to understand EGI's proposed practices relative to DSM capital assets.

Question(s):

Is the practical effect of the practice in the first excerpt result in assets completely funded through DSM allocations to rates (i.e., fully ratepayer funded as part of DSM increment) would then move to rate base for further recovery? Please explain fully.

Response

The "practical effect" statement in the question asked is not correct. Capital assets associated with DSM and/or the DSM multi-year plan, are not over or double recovered as the question suggests. Capital assets associated with the multi-year DSM Plan are reflected in the Company's rate base and are not funded through the DSM budget recovered through rates. For additional information see response to Exhibit I.5.EGI.SEC.24.

Filed: 2021-11-15 EB-2021-0002 Exhibit I.7.EGI.FRPO.10 Page 1 of 1

ENBRIDGE GAS INC.

Answer to Interrogatory from Federation of Rental-Housing Providers of Ontario (FRPO)

<u>Interrogatory</u>

Issue 7

Reference:

Exhibit C, Tab 1, Schedule 1, page 49 And 54

Preamble:

EGI evidence states: "Capital assets (property, plant and equipment) associated with the multi-year DSM Plan will be included in rate base and will be treated in the same manner as distribution assets."

And

"Any assets purchased with funds from third parties (i.e. not funded through distribution rates) will not be eligible for inclusion in rate base, nor will there be any distribution rate recovery of ongoing operating costs associated with the asset, or income taxes payable in relation to third-party funded activities."

We would like to understand EGI's proposed practices relative to DSM capital assets.

Question(s):

Please reconcile the above practice with the handling of third party funded assets in the second excerpt. Please compare and contrast fully.

Response

The second excerpt is intended to clarify treatment of assets that are purchased with funds from third parties. For example, if Enbridge received government funding to codeliver a program and purchased assets with those funds as part of the agreement. In such a scenario, these assets would not be included in rate base or be eligible for distribution rate recovery of ongoing operating costs associated with the asset, or income taxes payable in relation to third-party funded activities.