



Reply to the Attention of: Mike Richmond  
Direct Line: 416.865.7832  
Email Address: mike.richmond@mcmillan.ca  
Our File No.: 231915  
Date: July 12, 2019

## EMAIL AND COURIER

Brian Hewson  
Vice President, Consumer Protection & Industry Performance  
Ontario Energy Board  
2300 Yonge Street  
Suite 2700  
Toronto Ontario M4P 1E4  
Canada

Dear Mr. Hewson,

**Re: Complaint/Request for Investigation of Enbridge Expansion Financing and Marketing Claims**

This complaint and request for investigation is submitted on behalf of the Canadian Propane Association ("**CPA**").

The CPA requests that the Board investigate possible non-compliance, submission of misleading information, misrepresentation of rates to customers and/or deceptive marketing practices by Enbridge Gas Inc. ("**Enbridge**") in relation to its Fenelon Falls natural gas expansion project, as approved by the Board in EB-2017-0147 (the "**Order**"), specifically in respect of (I) Enbridge offering potential expansion customers 50 metres of "free" pipe on the customer's property, and (II) Enbridge allegedly failing to disclose the System Expansion Surcharge to prospective customers in an effort to mislead them as to the costs and benefits of converting to natural gas and connecting to the Enbridge system.

### **I. Failure to Disclose Conversion Subsidy**

Attached as Exhibit "A" is a copy of a presentation delivered by Enbridge to HVAC contractors on June 21, 2019. Slides 14-16 of the presentation reveal that Enbridge is not only paying for the cost of a lateral line from the new expansion gas main to the customer's property line, but is also offering to subsidize conversion costs for expansion customers by paying for the first 50 metres of the customer's lateral pipe from the property line to the customer's house (or meter) (the "**50 Metre Conversion Subsidy**"). The actual cost of

lateral line, which expansion customers should normally be paying, is revealed by the presentation to be \$80/metre, meaning this is a significant subsidy of up to \$4,000 per customer.

According to the presentation, the 50 Metre Conversion Subsidy was originally being offered by Enbridge until July 28, 2019, but the offer will now be extended to October 31, 2019.

To the CPA's knowledge, the 50 Metre Conversion Subsidy was not disclosed to the Board or referenced at any time or in any part of Enbridge's application or submissions in EB-2017-0147 (the "**Application**").

A. Misleading Submissions re Enbridge's Capital Cost Recovery from Customers

The primary concern arising from this material concealment by Enbridge relates to how Enbridge plans to fund or recoup its costs incurred to fund this new subsidy being offered to customers to reduce their conversion costs and incent additional conversions and connections (the "**Conversion Subsidy Costs**"). There are three possible scenarios:

1. Enbridge plans to include the Conversion Subsidy Costs as system capital costs and recover them at some point through general system-wide rates.
2. Enbridge plans to, or has already, included the Conversion Subsidy Costs as community expansion system capital costs and recover them over time through the \$0.23/m<sup>3</sup> System Expansion Surcharge ("**SES**").
3. Enbridge does not plan to recover the Conversion Subsidy Costs, which will instead be borne by shareholders through reduced returns.

1. Enbridge plans to include the Conversion Subsidy Costs as system capital costs and recover them at some point through general system-wide rates

If the Conversion Subsidy Costs will be recovered through general rates across all (or various classes of) Enbridge customers, then this is directly contrary to the decision of the Board in EB-2016-0004 (the "**Generic Decision**").

In the Generic Decision, the Board concluded that community expansion costs must not be cross-subsidized by system-wide customers; instead the costs of community expansion projects must be funded exclusively by the local community (through a capital contribution or ICE), by the new expansion customers (through an SES), or by the Government (through a Grant).

Offering a conversion subsidy to expansion customers (whether previously disclosed or undisclosed) and recouping the costs from all customers would be a clear violation of the "no cross-subsidy" principle in the Generic Decision. Enbridge should be prohibited by the Board from offering the 50 Metre Conversion Subsidy if this is its recovery plan.

2. Enbridge plans to, or has already, included the Conversion Subsidy Costs as community expansion system capital costs and recover them over time through the SES

If the Conversion Subsidy Costs will be recovered through the SES, and these subsidy costs formed the basis for Enbridge's determination that \$0.23/m<sup>3</sup> for 40 years would achieve PI of 1.0, then this factor was not disclosed to the Board or Intervenor in the Application. To the contrary, Enbridge represented that the SES, set at \$0.23/m<sup>3</sup> for 40 years, was based on capital costs of \$46,878,981 for "future reinforcement mains, future distribution mains, and future mains and services required to complete the service to Fenelon Falls".<sup>1</sup>

If Enbridge improperly inflated the capital costs (thereby inflating the SES rate and term) by surreptitiously including customer conversion subsidy costs (which are clearly not "future mains" and clearly not "required to complete the service to Fenelon Falls"), then swift action should be taken against Enbridge for misleading the Board.

Had it been disclosed that the SES being proposed by Enbridge was in part funding conversion subsidies, Intervenor would likely have objected (and parties like the CPA, who chose not to intervene, would have intervened in order to object) and taken the position that the SES rate could and should be lower than \$0.23/m<sup>3</sup> or that the SES term could and should be less than 40 years (since, excluding Conversion Subsidy Costs, PI of 1.0 would be achieved sooner than 40 years). The Board should immediately reopen EB-2017-0147 in order to reconsider the appropriate SES rate and term in light of this new revelation.

3. Enbridge does not plan to recover the Conversion Subsidy Costs, which will instead be borne by shareholders through reduced returns

If the Conversion Subsidy Costs are in fact not being recovered through SES and Enbridge does not intend to recover them by way of a prohibited cross-subsidy through general rates, this too should have been made clear to the Board and Intervenor so that they could ensure that these amounts are not inadvertently included as recoverable capital costs in a future rate rebasing. Perhaps a clarification or direction from the Board now, to this effect, would be beneficial so that there is no future misunderstanding that arises from Enbridge's failure to be forthcoming about its planned subsidies in the original Application.

B. Misleading Submissions re Customers' Capital Cost Recovery Through Savings

While Enbridge deceitfully failed to disclose the Conversion Subsidy Costs in its Application, Enbridge did represent to the Board in its Application that typical expansion customers would realize annual savings of \$670 by converting, and that such savings would result in a typical expansion customer who converts to natural gas seeing a 6 year payback for the SES and the conversion costs.<sup>2</sup> This too was misleading.

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<sup>1</sup> See OEB Decision and Order EB-2017-0147, March 1, 2018, Page 4, Footnote #4.

<sup>2</sup> See OEB Decision and Order EB-2017-0147, March 1, 2018, Page 6.

It is entirely unclear now whether or not these figures included, within the calculation of “conversion costs” to be recouped within 6 years, the cost of the first 50 metres of lateral connecting pipe.

If the “conversion costs” used by Enbridge to calculate the 6 year payback period *included* these costs and assumed that the customer was paying these costs, then that assumption was false and the figures are now known to be incorrect, now that we know customers will not be paying for these costs. The payback is now in fact much faster, which calls into question whether the special expansion rate regime was even necessary. The lengthy customer payback period for conversion was the entire impetus for Enbridge and Union approaching the Board in the first place to request special provisions to facilitate and encourage expansion systems.<sup>3</sup>

If on the other hand the “conversion costs” used by Enbridge to calculate the 6 year payback period *excluded* the cost of the first 50 metres of lateral connecting pipe (on the basis that these costs would be subsidized), then this fact was hidden by Enbridge, by falsely asserting that the only capital costs were for “future mains and services required to complete the service to Fenelon Falls” and thereby falsely implying that there were no such Conversion Subsidy Costs included in these calculations. Had this fact not been concealed in the Application, intervenors and the Board would have had the chance to debate and consider whether or not it is appropriate to charge an SES in order to fund a subsidy of customers’ connection costs (where all expansion customers pay the same \$0.23/m<sup>3</sup> but receive different subsidy amounts based on the length of their driveway); or whether it is more appropriate to reduce the SES rate or term and let expansion customers pay for their own conversion and lateral line costs. This was a debate that did not occur because Enbridge provided inaccurate information regarding costs and payback periods. It is surely an issue which the Board should revisit now, given the new revelations.

In short, the Board should demand that Enbridge immediately clarify whether the \$46,878,981 of capital costs claimed by Enbridge in its Application included or excluded the Conversion Subsidy Costs. If included, then the Board was misled as to the actual capital costs of just the expansion system itself (without customer subsidies), which are actually less than \$46,878,981. If excluded, then the Board was misled because the actual total cost to Enbridge is more than \$46,878,981 (now that Enbridge has decided to pay customer subsidies), making the PI disclosed to the Board invalid and incorrect.

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<sup>3</sup> See OEB Decision with Reasons EB-2016-0004, November 17, 2016, Pages 17-18.

C. Disposition Requested

CPA requests that the Board investigate this matter at the earliest possible opportunity (so that the number of customers being improperly offered or given the 50 Metre Conversion Subsidy can be minimized).

If Enbridge's submissions and calculations were found to have been either deliberately or inadvertently misleading, CPA requests that the Board:

- take such disciplinary and corrective action against Enbridge as the Board considers appropriate, if any; and
- re-open EB-2017-0147 for further consideration in light of the more accurate data – not necessarily to reconsider whether the Leave to Construct and Certificate of Public Convenience and Necessity should be revoked (it is likely too late for that now), but at least to:
  - reconsider whether the SES rate and term set out in the Order are still appropriate or should be reduced; and
  - consider and determine, for the Fenelon Falls project and as a precedent for future community expansion projects, whether a 50 Metre Conversion Subsidy is appropriate or permitted; and
  - establish clarity around how any Conversion Subsidy Costs may be recovered by Enbridge (i.e. from system-wide customers, through the SES, or from shareholders).

**Complaint of Deceptive Marketing Practices**

As a separate matter, CPA also formally requests that the Board investigate the allegations made by Carolyn Parker in her letter of March 26, 2019, which was submitted to the Board on April 5, 2019. That letter is posted to the RDS under EB-2017-0147, but a copy is also attached to this letter as Exhibit "B" for your convenience.

Ms. Parker's letter alleges that Fenelon Falls expansion customers were misled by Enbridge regarding rates, as Enbridge withheld disclosure of the SES until after they had converted to natural gas and connected to the Enbridge system (i.e. once they were captive gas customers).

If true, this would represent deceptive marketing practices and misrepresentation of rates by Enbridge, in respect of which the Board must take immediate action (just as it would if the perpetrator were a gas marketer or electricity retailer).

If this complaint has already been investigated, we respectfully request an explanation as to the breadth of that investigation and the Board's conclusions and actions.

Thank you for your prompt attention to these matters.

Yours truly,



Mike Richmond

Encl.

cc: Nathalie St-Pierre, Canadian Propane Association

**Exhibit "A"**

**Fenelon Falls/Cameron/Cambray  
Community Expansion Project  
HVAC Update**



June 21, 2019



**See full presentation attached.**

# Fenelon Falls/Cameron/Cambray Community Expansion Project HVAC Update

June 21, 2019



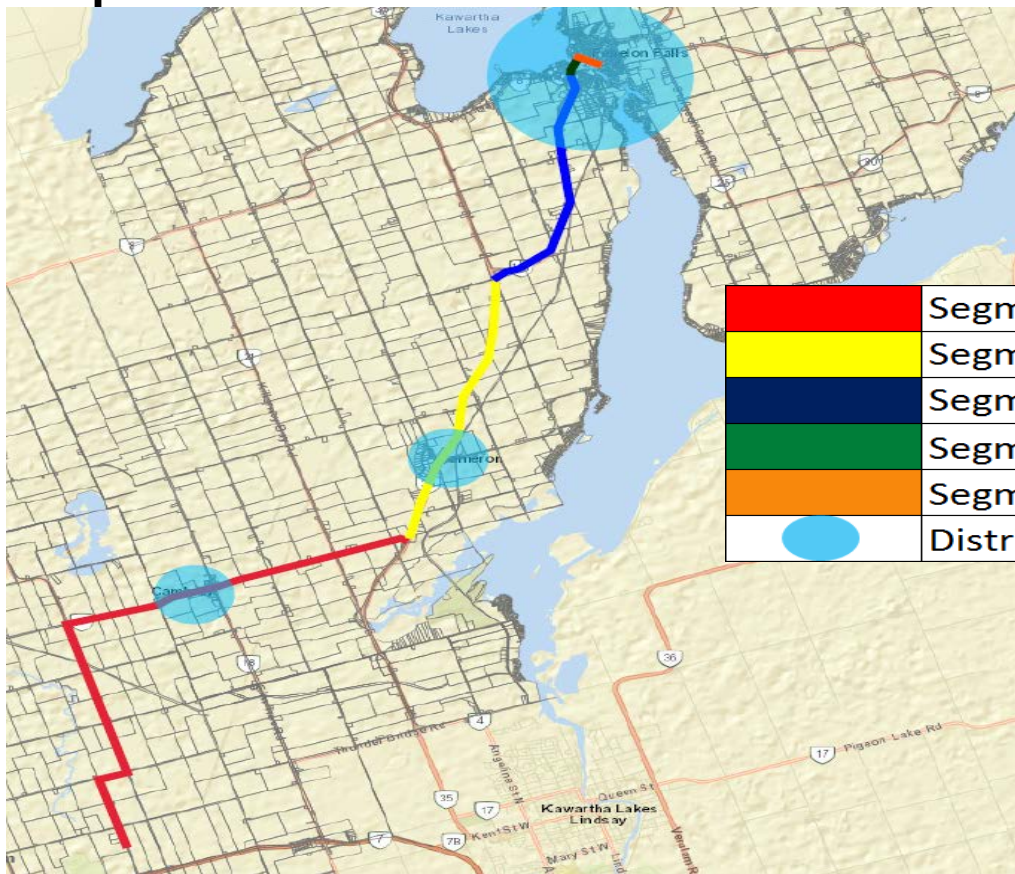


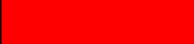





# Construction Update



# Fenelon Falls Community Expansion

## Overall Scope

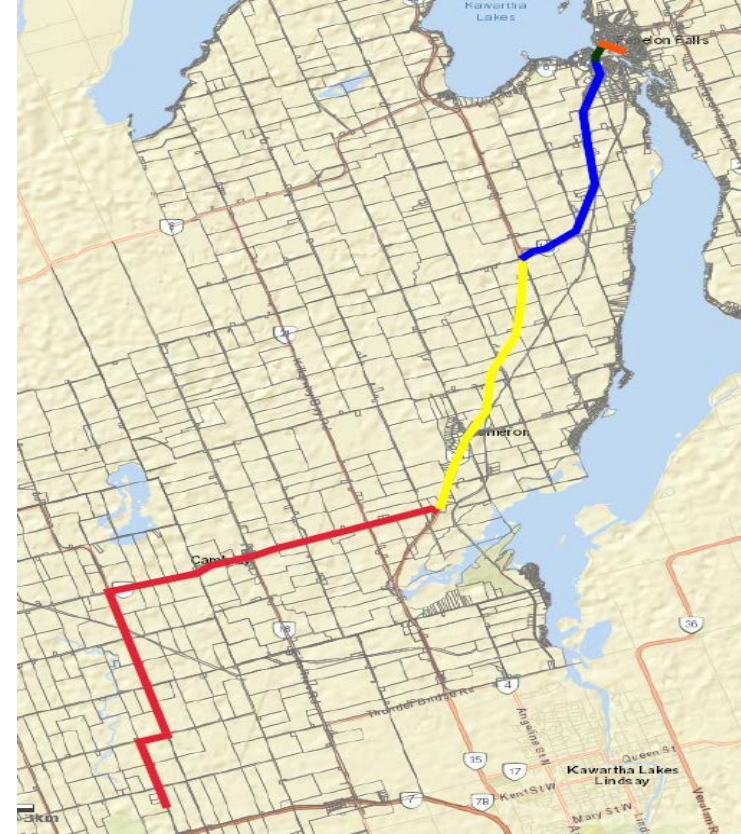


	Segment 1 - Ref Slide 4
	Segment 2 - Ref Slide 5
	Segment 3 - Ref Slide 6
	Segment 4 - Ref Slide 7
	Segment 5 - Ref Slide 8
	Distribution

# Fenelon Falls Community Expansion

## Progress Highlights – Segment 1

Segment	Highlights	Energized Date	Completion Date
1	NPS 6 XHP all installed. Conditioning now complete. Bridal to be left in place at Taylors Road at this point.	Oct 12, 2018 Fully Energized	Dec 11, 2018
2	NPS 4 XHP & NPS 6 HPPE now complete and energized.	Nov 26, 2018 Fully Energized	Nov 26, 2018
3	NPS 6 HPPE now all installed & Energized	Nov 26, 2018 Fully Energized	Dec 4, 2018
4	River Crossing Complete. Approximately 10m remaining for completion.	Feb 26, 2019 Fully Energized	Feb 26, 2019
5	Bond Street.	Feb 26, 2019 Fully Energized	Feb 26, 2019








# Fenelon Falls




## Community Expansion

### Distribution – Fenelon South

#### Energized:

Helen Street  
 Redwing Ave  
 Oriole Rd  
 Bass St  
 West St N  
 King St  
 North St  
 Veterans Way  
 Lindsay St (Hwy 121 to Helen St)  
 West St S

Legend Gas Main	
	Energized
	In Construction
	Proposed

Legend Services	
	Using NG
	Gas App Received
	No Application



# Fenelon Falls




## Community Expansion




### Distribution – Fenelon

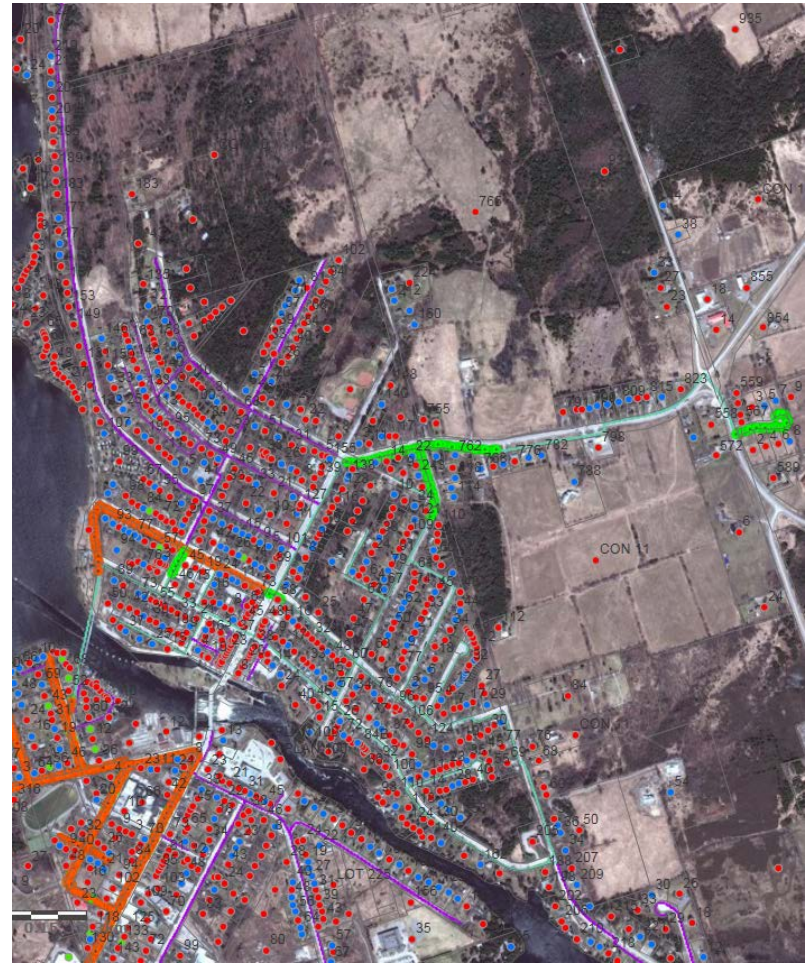
#### Under Construction

Clifton Street Package now OTC

- Clifton St
- Bond St East
- Adam Court
- County Rd 121

Legend Gas Main	
	Energized
	In Construction
	Proposed

Legend Services	
	Using NG
	Gas App Received
	No Application



# Fenelon Falls

## Community Expansion

### Distribution – Cambray

Legend Gas Main	
<div></div>	Energized
<div></div>	In Construction
<div></div>	Proposed

Legend Services	
<div></div>	Using NG
<div></div>	Gas App Received
<div></div>	No Application





# Fenelon Falls

## Community Expansion

### Distribution – Cameron

Legend Gas Main	
<div></div>	Energized
<div></div>	In Construction
<div></div>	Proposed

Legend Services	
<div></div>	Using NG
<div></div>	Gas App Received
<div></div>	No Application



# Fenelon Falls Community Expansion

## Confirmed/Potential Streets

Town	Street	Confirmed/Potential
Oakwood	Taylor Road	Confirmed
Oakwood	Quaker Road (Taylor to Eden Rd)	Confirmed
Oakwood	Eden Road (Quaker to Cambray Road)	Confirmed

Town	Street	Confirmed/Potential
Cameron	Hwy 35 (Killarney Bay Rd to Hwy 121)	Confirmed
Cameron	Cameron Rd (Hwy 35 to Civic 61)	Confirmed
Cameron	Long Beach Rd (Hwy 35 to Civic 51)	Confirmed
Cameron	Westlake Rd	Confirmed
Cameron	Naylor Rd (Hwy 35 to Strawberry St)	Confirmed
Cameron	Strawberry St	Confirmed

Town	Street	Confirmed/Potential
Fenelon Falls	Hwy 121	Confirmed
Fenelon Falls	Ranchers Rd (Hwy 121 to Civic 331)	Confirmed
Fenelon Falls	Johnston Rd (Hwy 121 to Civic 231)	Confirmed
Fenelon Falls	Lindsay St	Confirmed
Fenelon Falls	Veterans Way	Confirmed
Fenelon Falls	North Street	Confirmed
Fenelon Falls	Eva St	Confirmed
Fenelon Falls	Moore Cres	Confirmed
Fenelon Falls	Helen St	Confirmed
Fenelon Falls	Redwing	Confirmed
Fenelon Falls	Oriole Dr	Confirmed
Fenelon Falls	Bass St	Confirmed
Fenelon Falls	West St N	Confirmed
Fenelon Falls	West St S (Lindsay St to Civic 89)	Confirmed
Fenelon Falls	Murray St	Confirmed
Fenelon Falls	Ellice St	Confirmed
Fenelon Falls	Elliot St	Confirmed
Fenelon Falls	Juniper St	Confirmed
Fenelon Falls	Wychwood Cres	Confirmed
Fenelon Falls	Rabys Shore (Ellice St to Civic 252)	Confirmed
Fenelon Falls	Colborne St	Confirmed
Fenelon Falls	Oak St	Confirmed
Fenelon Falls	Francis St W	Confirmed
Fenelon Falls	Francis St E	Confirmed

Town	Street	Confirmed/Potential
Cambray	Cambray Rd	Confirmed
Cambray	North Street	Confirmed
Cambray	Pine Street	Confirmed
Cambray	Elm Tree (Civic 2275 to Civic 2330)	Confirmed

Fenelon Falls	Bond St E	Confirmed
Fenelon Falls	Bond St W	Confirmed
Fenelon Falls	John St	Confirmed
Fenelon Falls	May St	Confirmed
Fenelon Falls	Market St	Confirmed
Fenelon Falls	Louisa St (Colborne St to Civic 219)	Confirmed
Fenelon Falls	Queen St	Confirmed
Fenelon Falls	Dodd St	Confirmed
Fenelon Falls	Jordan St	Confirmed
Fenelon Falls	Princess St W	Confirmed
Fenelon Falls	Albert St	Confirmed
Fenelon Falls	Clifton St	Confirmed
Fenelon Falls	Princess St E	Confirmed
Fenelon Falls	Head St	Confirmed
Fenelon Falls	Church St	Confirmed
Fenelon Falls	Kennedy Dr	Confirmed
Fenelon Falls	Deane St	Confirmed
Fenelon Falls	Janlisda Dr	Confirmed
Fenelon Falls	Elgin St	Confirmed
Fenelon Falls	Concession Rd	Confirmed
Fenelon Falls	Ridgehill Crt	Confirmed
Fenelon Falls	Whychwood Dr E	Confirmed
Fenelon Falls	Lagoon Dr	Confirmed
Fenelon Falls	River Dr	Confirmed
Fenelon Falls	Sturgeon Glen Rd (Francis St E to Civic 45)	Confirmed
Fenelon Falls	Sturgeon Glen Rd (Civic 45 to Dead End)	Potential
Fenelon Falls	Short St	Confirmed
Fenelon Falls	Hwy 121 (Short St to County Rd 8)	Confirmed
Fenelon Falls	County Rd 8 (Hwy 121 to Adam Crt)	Confirmed
Fenelon Falls	Adam Crt	Confirmed



# HVAC Contractor Update

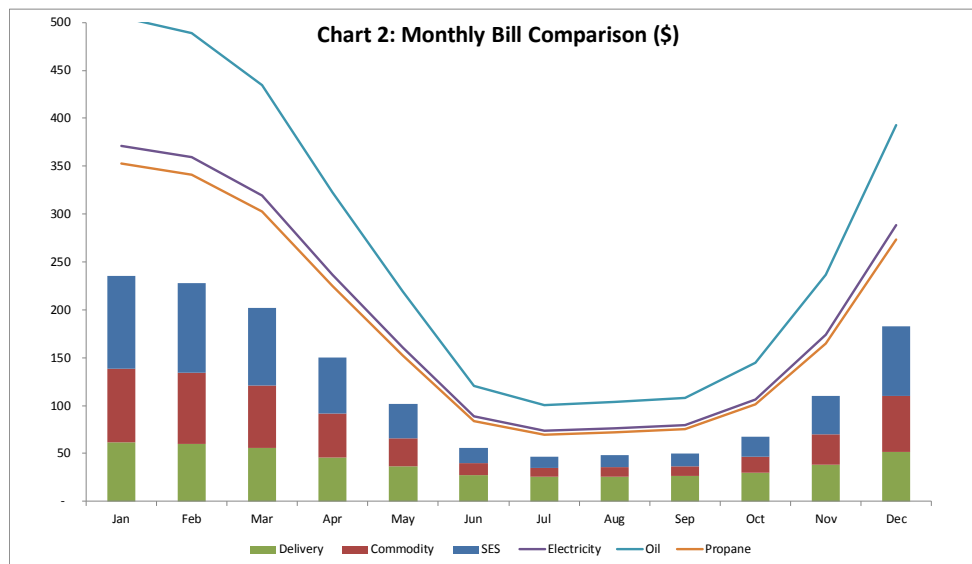
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## System Expansion Surcharge (SES)

- The cost to build and expand the natural gas system to a new system expansion community requires a significant investment and while we have allocated money for this project, the Ontario Energy Board requires that all new communities must also contribute to this cost.
- The fairest way to do this is through a system expansion surcharge (SES) of \$0.23 per cubic meter.
- All new system expansion communities will be paying this charge
  - Other communities within Enbridge franchise area already paying this charge

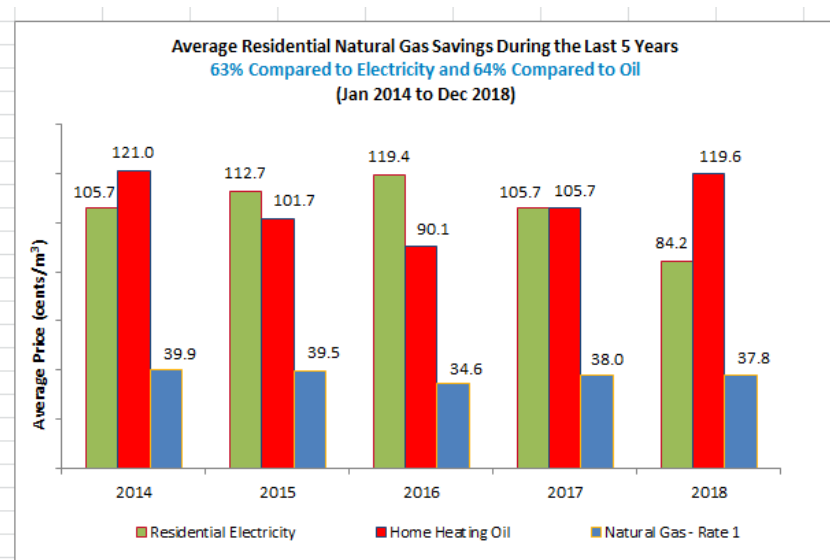
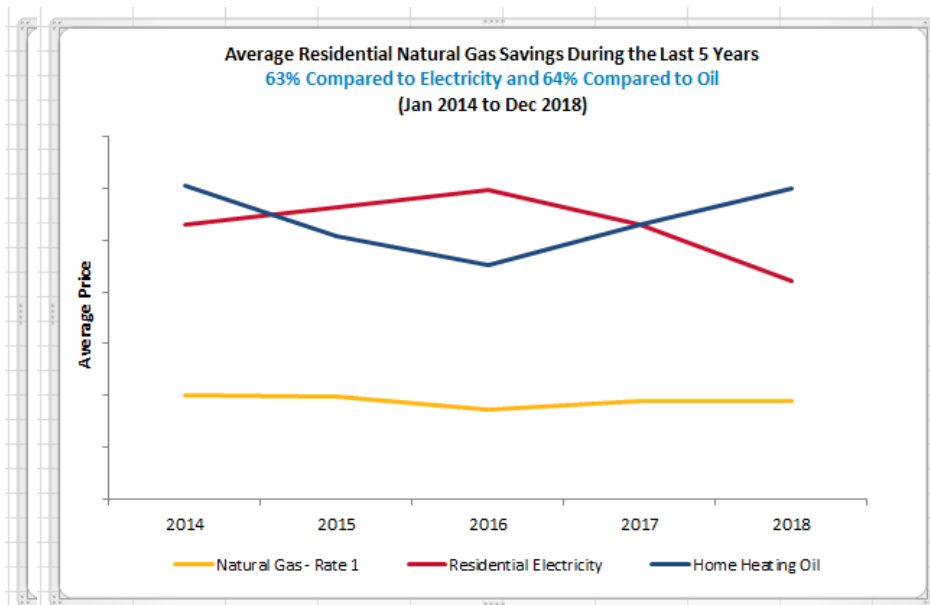
# System Expansion Surcharge (SES)

- This is a volumetric charge, not a fixed charge
  - This is not a \$118 a month charge, it will vary with volumes used.
  - The customers in this system expansion project will not be paying 3 times more for their natural gas



Notes: Commodity includes gas supply charge and transportation charge on the bill. SES represents surcharge. Delivery includes both fixed monthly charge and variable delivery rates.

# 2014 to 2018 Price Comparison



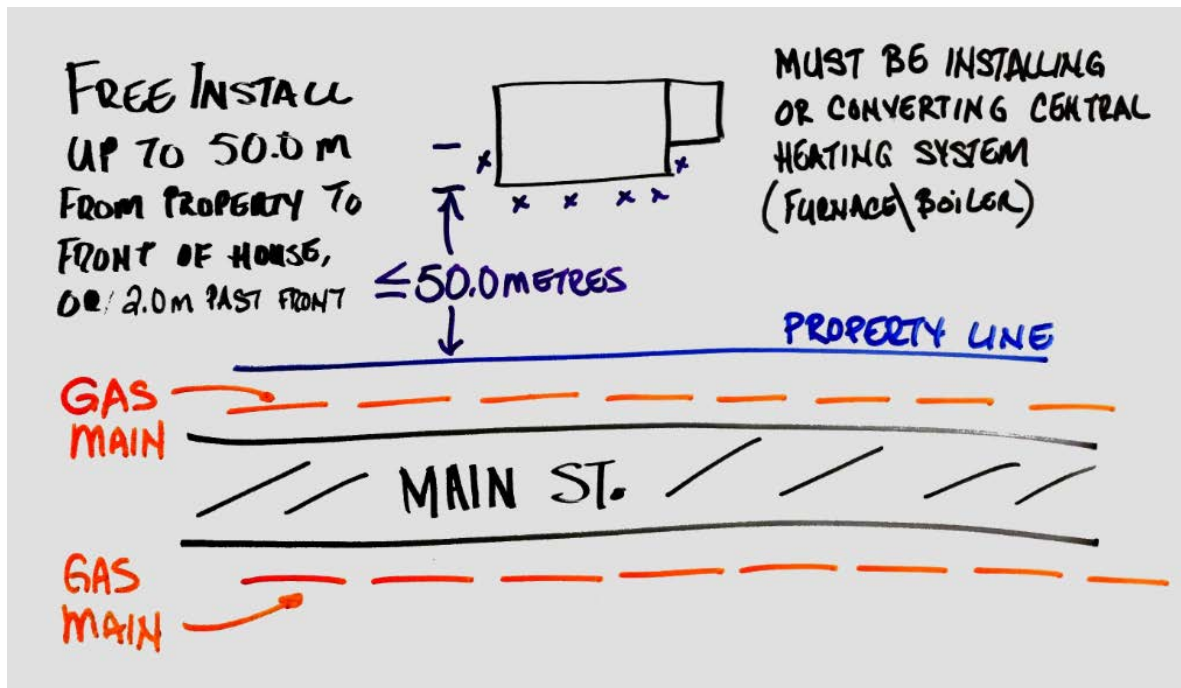
## Extension of the 50.0 metre rule

Our current June 28<sup>th</sup> deadline is being  
extended to:

- October 31, 2019



# No up-front cost install ending June 28, 2019



# Changes to the 50 metre rule to align company wide

## Proposed (For Community Expansion Projects)

- Residential Rule - 50 metre no charge, excess length will be charged at a rate of \$80 per metre
  - No requirement on type of appliance connected
  - Charges based on installed pipe measured from property line to meter
  - Statement to address added costs for extreme construction conditions (to be defined)
- Commercial Rule
  - Small commercial service      -Load less than 425 scfh (ie 400 series meter) - 50 metre rule applies
  - Large commercial service      -Load greater than 425 scfh – economic model applies

## Residential & Commercial Fixed Costs

J F M A M J J A S O N D

\$20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20

\$70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70

RES'D FIXED RATE  $12 \times \$20 = \$240.00/\text{yr}$

Comm FIXED RATE  $12 \times \$70 = \$840.00/\text{yr}$



## Do not remove functioning equipment

**We strongly counsel against removing or disconnecting a customers current heating system till you have been advised by Enbridge that gas is available**

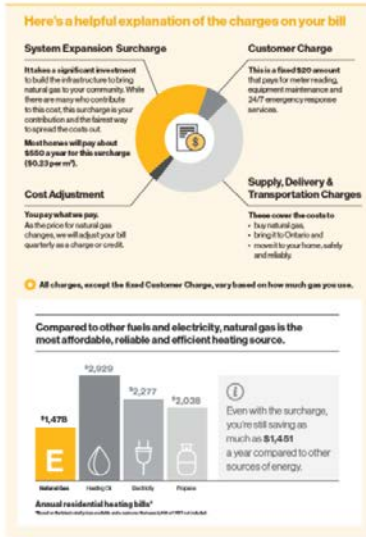
**Only remove old equipment when a gas meter has been installed**

# Explaining natural gas pricing

**What it costs to expand gas to your community**

We're happy to join your community and to make natural gas connections possible for more Ontario homes. Some customers were surprised at some of the charges on their bill, so we're working to improve the way we communicate important information – like where your money goes.

**Here's a helpful explanation of the charges on your bill**



**System Expansion Surcharge**  
It takes a significant investment to build the infrastructure to bring natural gas to your community. While there are many who contribute to this cost, this surcharge is your contribution and the fairest way to spread the costs out. Most homes will pay about \$600 a year for this surcharge (\$0.23 per m<sup>3</sup>).

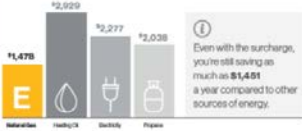
**Customer Charge**  
This is a fixed \$20 amount that pays for meter reading, equipment maintenance and 24/7 emergency response services.

**Cost Adjustment**  
You pay what we pay. As the price for natural gas changes, we will adjust your bill quarterly as a charge or credit.

**Supply, Delivery & Transportation Charges**  
These cover the costs to:  
• buy natural gas,  
• bring it to Ontario and  
• move it to your home, safely and reliably.

**⚡ All charges, except the fixed Customer Charge, vary based on how much gas you use.**

**Compared to other fuels and electricity, natural gas is the most affordable, reliable and efficient heating source.**



Heating Source	Annual Residential Heating Bill*
Natural Gas	\$1,478
Electricity	\$2,029
Propane	\$2,277

\*Based on Ontario residential gas rates and electricity rates (2019) and propane rates (2019).

**ENBRIDGE**  
Life Takes Energy

Questions?  
[www.enbridgegas.com/connect](http://www.enbridgegas.com/connect)

- Customer charge
  - \$20
- Supply, Delivery and Transportation charges
  - variable
- System Expansion Surcharge
  - \$0.23 per m<sup>3</sup>
- Cost adjustment
  - QRAM

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# Community Expansion

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Customer can call 1-888-427-8888 to confirm gas will be available on their street or come into the Fenelon Falls office – 9 Colborne St

## New Store hours

- Store Open Monday, Thursdays and Fridays
  - Monday 9am to 3pm
  - Thursday 11am to 7pm
  - Friday 9am to 12 noon

Store is remaining open until end of October

# Residential On-line Gas Application

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- [www.enbridgegas.com/gasapplication](http://www.enbridgegas.com/gasapplication)
- Only way to submit a residential gas application is on-line.

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# Commercial Application

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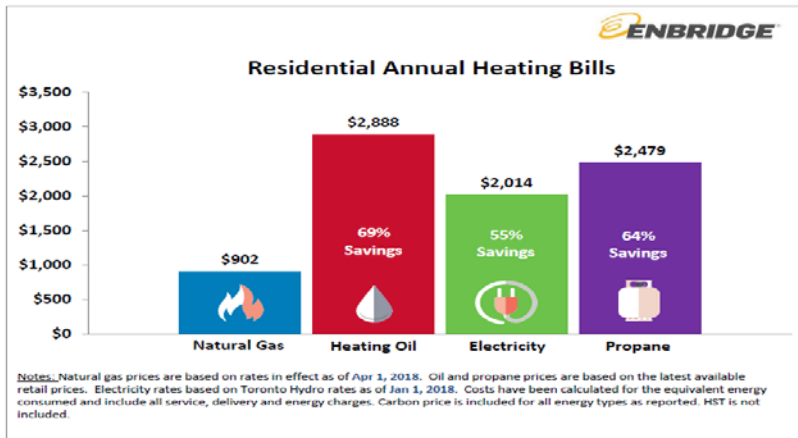


All commercial requests must go through our Customer Connection Call Center 1-888-GAS-8888 or **1-888-427-8888 or salesenquiry@enbridge.com**

- Customer Connections representative will contact and guide you on the process.
- All gas load information will be required.

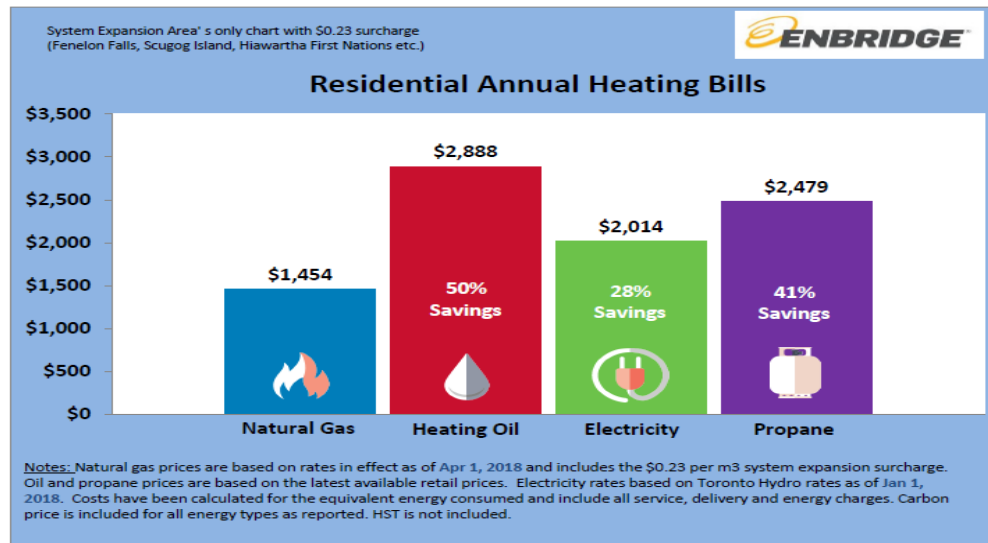
**Paper application is required to complete a commercial conversion to natural gas.**  
**Fax to: 1-905-436-7029**

# Quarterly Price Comparison Chart



New Comparison Chart showing the \$0.23 cent surcharge for expansion area's (SES)

Existing Chart and applicable in all Enbridge areas except new expansion area's.



## Rates for Provinces

The following table presents fuel charge rates that will apply in Ontario, New Brunswick, Manitoba and Saskatchewan. The rates will become effective as of April 2019, with future increases effective as of April of the year noted in the table.

Federal Fuel Charge Rates for Listed Provinces					
Type	Unit (\$ per)	April 2019 (\$20/tonne)	April 2020 (\$30/tonne)	April 2021 (\$40/tonne)	April 2022 (\$50/tonne)
Aviation gasoline	litre	0.0498	0.0747	0.0995	0.1244
Aviation turbo fuel	litre	0.0516	0.0775	0.1033	0.1291
Butane	litre	0.0356	0.0534	0.0712	0.0890
Ethane	litre	0.0204	0.0306	0.0408	0.0509
Gas liquids	litre	0.0333	0.0499	0.0666	0.0832
Gasoline	litre	0.0442	0.0663	0.0884	0.1105
Heavy fuel oil	litre	0.0637	0.0956	0.1275	0.1593
Kerosene	litre	0.0516	0.0775	0.1033	0.1291
Light fuel oil	litre	0.0537	0.0805	0.1073	0.1341
Methanol	litre	0.0220	0.0329	0.0439	0.0549
Naphtha	litre	0.0451	0.0676	0.0902	0.1127
Petroleum coke	litre	0.0767	0.1151	0.1535	0.1919
Pentanes plus	litre	0.0356	0.0534	0.0712	0.0890
Propane	litre	0.0310	0.0464	0.0619	0.0774
Coke oven gas	cubic metre	0.0140	0.0210	0.0280	0.0350
Marketable natural gas	cubic metre	0.0391	0.0587	0.0783	0.0979
Non-marketable natural gas	cubic metre	0.0517	0.0776	0.1034	0.1293
Still gas	cubic metre	0.0540	0.0810	0.1080	0.1350
Coke	tonne	63.59	95.39	127.19	158.99
High heat value coal	tonne	45.03	67.55	90.07	112.58
Low heat value coal	tonne	35.45	53.17	70.90	88.62
Combustible waste	tonne	39.95	59.92	79.89	99.87

[https://www.fin.gc.ca/n18/data/18-097\\_1-eng.asp](https://www.fin.gc.ca/n18/data/18-097_1-eng.asp)

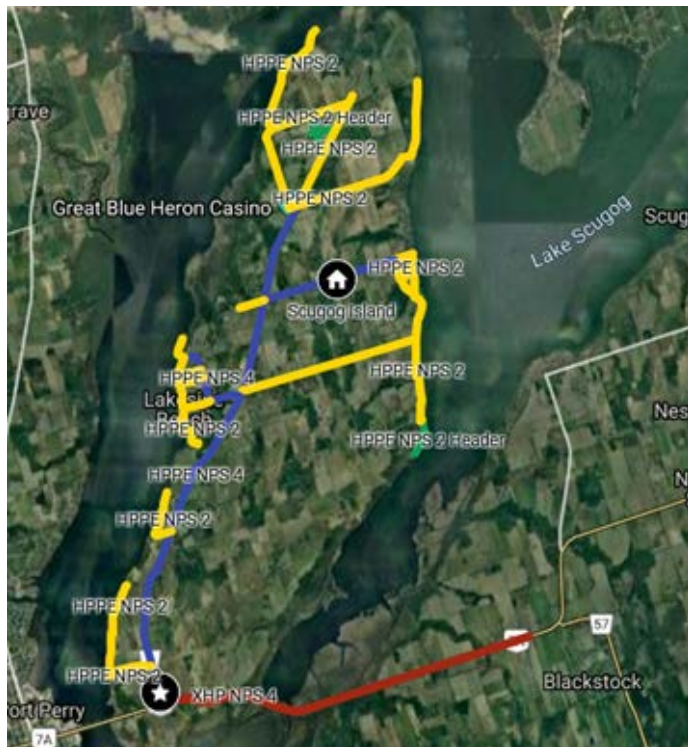
- New federal carbon tax was implemented on April 1, 2019.
- Currently \$20/ton and scheduled increases in \$10/ton increments until April 1, 2022 when it will be \$50/ton.
- Natural gas is the cleanest burning fossil fuel of them all.
- Natural gas has the lowest carbon tax of them all!

# Scugog Island System Expansion coming in 2020!





# Scugog Island and Casino Expansion



Construction on Hwy 7 from Blackstock to the mouth of Scugog Island to begin later this year in the fall of 2019.

Potential 1050 residential, commercial and farming customers. Mostly residential.

Largest customer being Great Blue Huron Casino. Casino is currently adding a hotel.

# Save the Date

Friday September 20, 2019

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Hosting our first HVAC Contractor Update and Launch at the Scugog Island Hall  
2710 Damara Road  
Scugog Island  
1:00 to 3:00pm



**Exhibit "B"****Letter from Carolyn Parker dated March 26, 2019**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

RECEIVED  
APR - 5 2019  
ONTARIO ENERGY BOARD

2017-047

March 26, 2019

Dear Ms Scott, MPP

I reside in the village of Cambray. I am writing to you so that I can be added to the list of people that have contacted you regarding the Enbridge Cambray/Fenelon Falls gas line expansion.

When we were approached by Enbridge to convert to gas, there was never any mention of or on the literature handed to us of the System Expansion Surcharge. What was said, was that if we were to sign up while the project was going through the village of Cambray there would be no charge to bring gas to our home. With this information we decided to go to the expense of removing our oil furnace, wood stove, and electric hot water tank and replace with gas equipment. This cost was prohibitive.

I received my first bill for a 10 day period, \$110.11. \$40.71 of that was SES. I was shocked. I immediately called Enbridge to inquire what is an SES. The Enbridge employee did not know what it was, she had to put me on hold to find out. Returning to our call she read aloud from their literature, in order to explain what it was as she advised that this was something new to her. Following termination of this call and after digesting this new information, I called back with further questions only to get a different representative. Again, this new representative knew nothing of the SES and I was again placed on hold while she investigated. Not only were Enbridge's new customers not advised about it, it seems that their own employees also weren't aware of this new charge.

I have received my first full monthly bill of \$403.07. With the SES being \$151.11, needless to say the initial excitement of now having access to gas has turned into such a disappointment. I believe that the SES charge was a very important piece of information we as consumers had a right to know when making our decision. My hope is that you will step in and help this growing community of uninformed Enbridge customers in the Cambray/Fenelon Falls project. I would like my bill to be on par with other Enbridge customers outside our territory, with no SES charge.

Sincerely,

Carolyn Parker

Cc: Mr. Schmale MP

Mr. Letham CKL Mayor

Gas Distribution Ombudsman's Office

Ontario Energy Board