

May 2024

Your Worship and Members of Council,

I am writing to provide an update on the ongoing activity regarding Enbridge Gas' rate rebasing application and the Government's introduction of the Keeping Energy Costs Down Act.

Enbridge Gas raised numerous concerns with the Ontario Energy Board's (OEB) decision on Phase 1 of our rate rebasing application. We took action by appealing the decision in Divisional Court and filing a Motion to Review evidence with the OEB. Many municipalities and stakeholders across Ontario passed motions to support access to natural gas and continue to bring the issues that matter to your municipalities forward – your voices matter tremendously in this important conversation.

We commend the Government of Ontario for its definitive action in support of affordable energy and consumer choice with the introduction of Bill 165, the [Keeping Energy Costs Down Act](#). The legislation reinforces the critical role of natural gas in keeping energy costs down for Ontarians and the importance of natural gas and its associated infrastructure in achieving Ontario's energy transition in a measured and practical way. The Standing Committee on the Interior considered Bill 165 in April 2024, where interested parties, including many municipal voices, delivered presentations and provided submissions. Bill 165 received royal assent on May 16, 2024.

This legislation is an important step to addressing energy affordability, resiliency, and reliability. However, there continues to be critical barriers that must be addressed to ensure the remainder of the OEB's decision does not have significant negative impacts on Ontario's growth plans. The reduction in capital continues to put at risk thousands of planned connections in 2024 and will significantly constrain our ability to invest in energy projects that contribute to addressing Ontario's economic development, competitiveness, and emissions reductions. It is imperative that strategic investments in the energy infrastructure are backed by a supportive regulatory environment that ensures the availability of capital to meet Ontario's growing demand for affordable, reliable, and resilient energy. To that end, the Government must send a clear signal in its Natural Gas Policy Statement that for capital investments in energy infrastructure, which are required to meet Government policy goals, the OEB shall ensure cost-recovery mechanisms that provide regulatory certainty for recovery of these capital investments.

In addition, on April 26, Enbridge Gas filed evidence for Phase 2 of our rate rebasing application. Our Phase 2 application was structured to provide our customers with what they have identified is most important to them: the continued safe and dependable delivery of natural gas at a reasonable cost while simultaneously taking measured steps to advance an orderly transition to a sustainable energy future for Ontario. This is an open and public process. Interested groups or individuals can find out more information on the [OEB's website](#) under case number EB-2024-0111.

We have shared information on the role of natural gas in Ontario and facts to correct the record on numerous claims being circulated by activists that are simply untrue. We encourage municipalities and stakeholders to become familiar with the facts before voting or making decisions. You can find information and resources on our website at [Natural Gas Matters | Enbridge Gas](#) and reach out with questions at any time.

As local leaders across the province, your voice on the future of Ontario's energy system matters. Access to affordable energy supports economic development, housing growth and energy reliability. We encourage you to continue to highlight the need for natural gas and its infrastructure for Ontario today and into the future.

As always, we welcome the opportunity to discuss any of these items with you. Please reach out to your municipal advisor or find us at municipalaffairs@enbridge.com.

With thanks,



Heidi Bredenholler-Prasad
Vice President and Chief Customer Officer
Enbridge Gas Inc.