

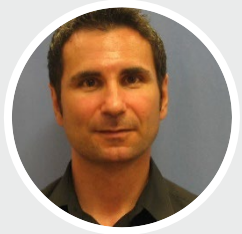
# Contract Harmonization

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# Agenda

- Safety message
- Objective and scope
- Overview of harmonized contracts
- Harmonization activities
- Q&A session

# Introduction of team



**Rob DiMaria**

Manager  
Contracting & Compliance



**Tom Byng**

Specialist  
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**Mary Jaber**

Advisor  
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**Ashley Brown**

Advisor  
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# Safety moment

## Sitting for too long

- Those who sit for prolonged periods have a higher risk of disease than those who move a muscle every now and then in a non-exercise manner, such as walking up the stairs to grab a cup of coffee.
- Even if you exercise nearly every day, those health benefits can be undone if you spend the rest of your day sitting.
- The act of sitting seems to shut off the circulation of a fat-absorbing enzyme called lipase.
- Sitting for long stretches, more than six hours a day, can make someone at least 18 percent more likely to die from diabetes, heart disease and obesity than those sitting less than three hours a day.
- Tips to remember (at work and home):
  - Take regular walking breaks.
  - Set achievable goals and find opportunities to incorporate physical activity in your daily life.
  - Take a few minutes to get up and stretch at your desk.
  - While watching TV or on the phone, stand up and move around.



# Objective

- Harmonization of Enbridge Gas contract structure, terms and conditions for contract rate distribution and direct purchase (DP) services. The harmonized contracts are posted on the Enbridge Gas website.
- Applies to the current approved distribution rate and DP services for all existing rate zones (Union North, Union South and EGD).
- Standardization to eliminate duplication, reduce the number of contract types by region and service (where possible), and to use common wording.
- Consistency across the entire franchise area operating as one integrated utility and for large volume customers and energy marketers using these services.

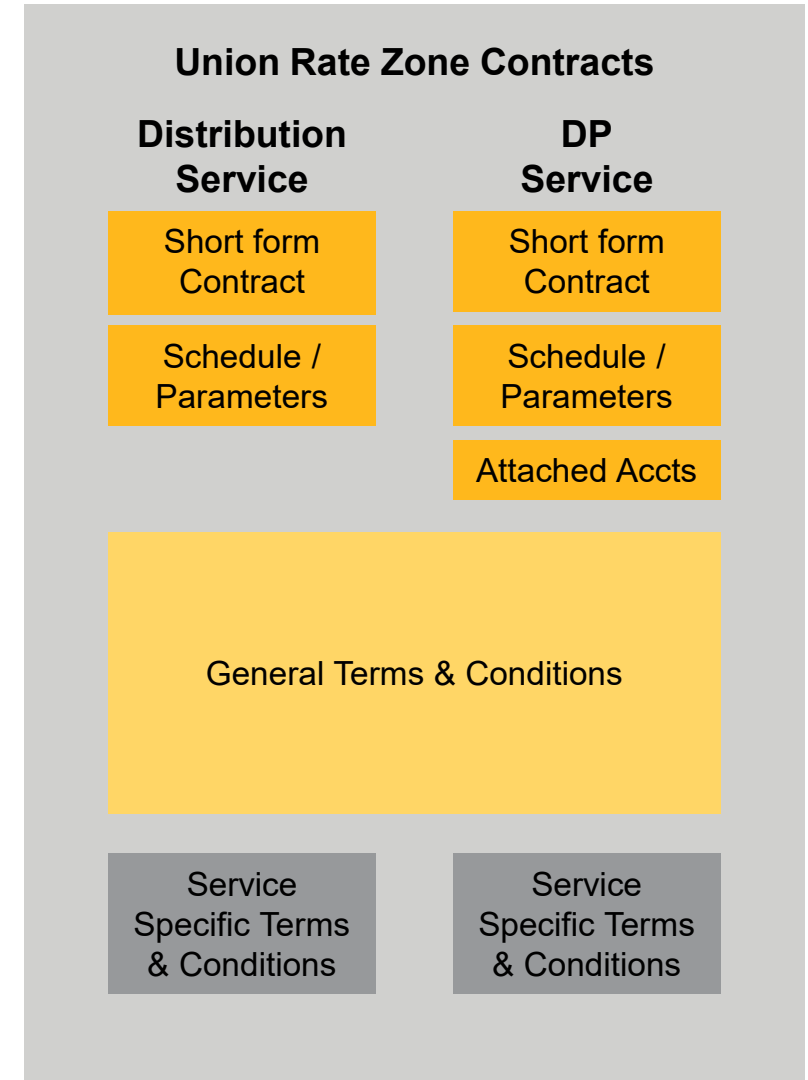
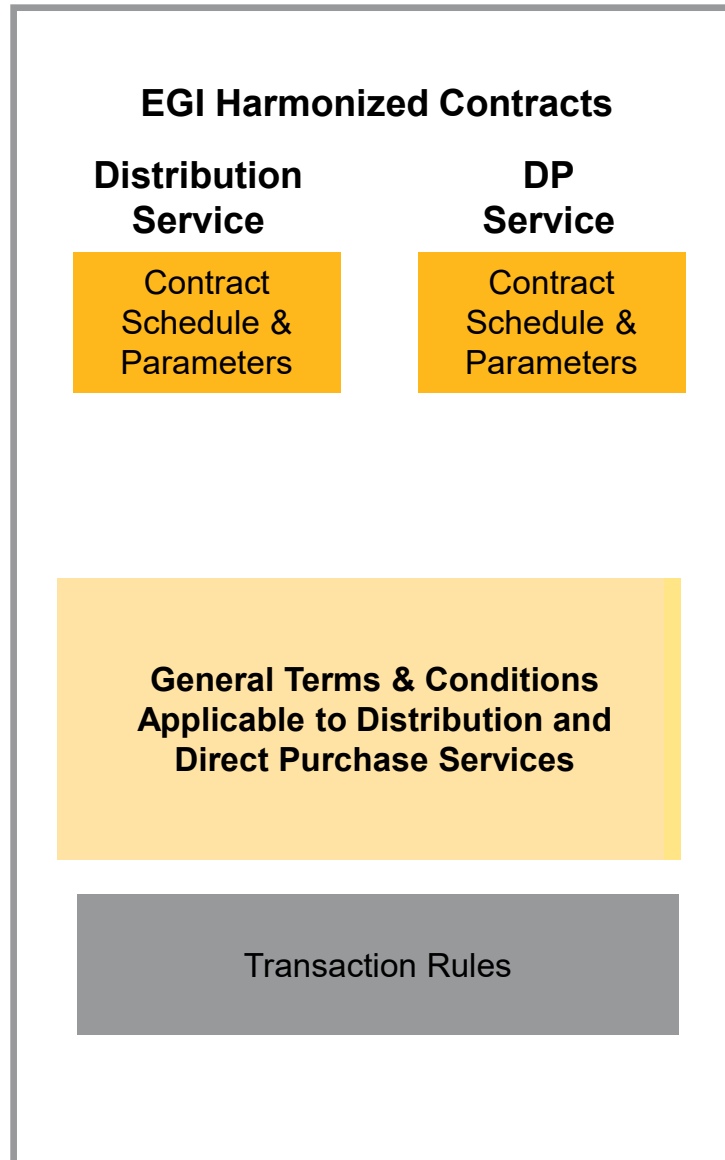
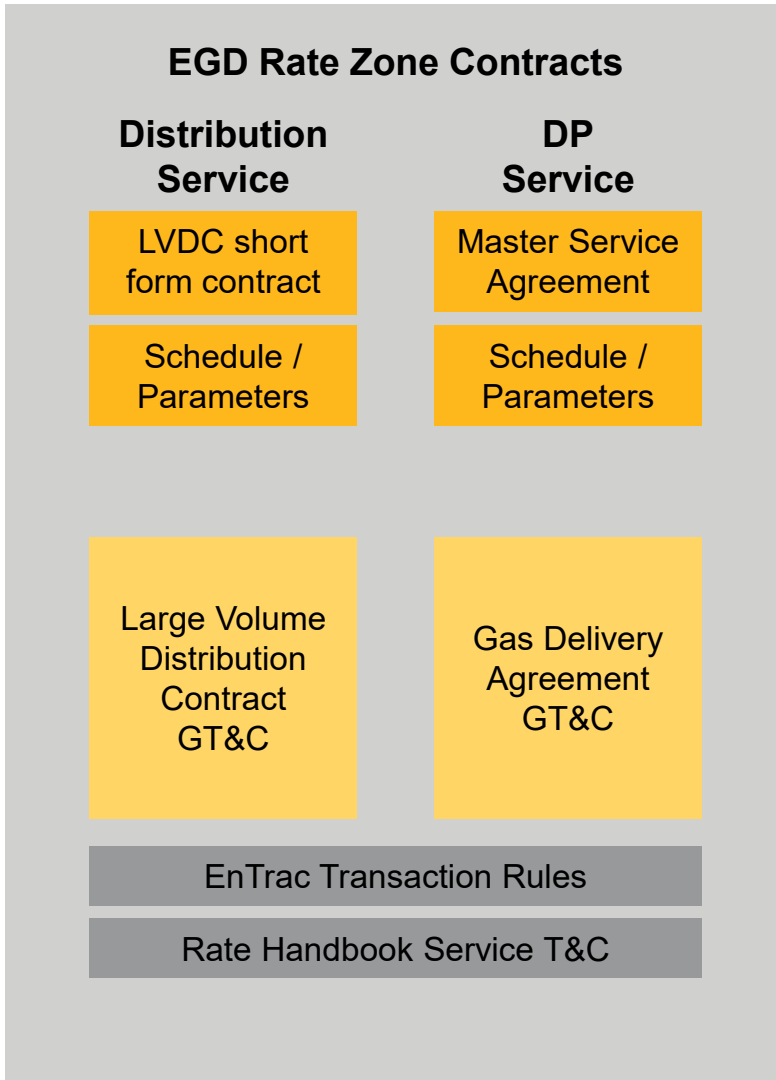
# Scope

- In scope
  - Large volume distribution contracts
  - Direct purchase and gas delivery agreements
- Out of scope
  - GDAR agreements, collection service agreements
  - EGD rate zone long-term unbundled contracts
  - Storage and transportation service contracts

# Harmonized vs. current contracts

- What is changing?
  - Overall structure and wording
- What is staying the same?
  - Rights and obligations (except where noted)
  - Services for each rate zone
  - Processes and transactions
  - Business systems

# Harmonized vs. current contracts





# Schedule sections

- Parties
- Service contracted: direct purchase and/or distribution
- Dates: effective date of schedule, service start date, expiry date
- Contracted service parameters
- Execution: adoption of terms and conditions, signature

# General Terms & Conditions sections

- A. General terms (all large volume distribution and direct purchase services)
  - Covers term, quality of gas, billing/payment, agency
  - Includes references to and prioritization with other contract components
  
- B. Direct purchase (all DP services)
  - Covers generic quantities, nominations, delivery of gas, possession/title to gas, balancing
  
- C. Distribution (all large volume distribution services)
  - Covers generic parameters, measurement/metering, curtailment, interruptible service
  
- D. Other terms (general provisions)
  - Default, survival/indemnification, force majeure, notice, and other miscellaneous provisions
  
- E. Definitions

# A. General terms

- Related documents/order of precedence:
  1. Rate Order / Handbook
  2. Schedule(s)
  3. General Terms and Conditions
  4. Transaction rules
  
- Term:
  - Modified renewal terms
  - Termination without cause
  
- Billing disputes
  - 50 days prior to renewal
  - 60 days prior to expiration/renewal
  
  - Removed Union Gas (UGL) 12-month limit

## B. Direct purchase



- Daily deliveries by customer
- Nominations
- Gas balancing
- Adopted Enbridge Gas Distribution (EGD) approach of auto update where applicable.
- Adopted UGL detail including reference to posted Priority of Service guidelines.
- Adopted EGD deficiency/surplus crystallization clauses.
- All pricing of balancing compliance now in Rider A of rate handbook.

## C. Distribution



- Allocation of gas consumption
- Measurement and metering
- Curtailment and interruption
- Adopted UGL table approach (recognizes EGD primary/secondary are firm/interruptible rates).
- Unauthorized overrun pricing moved to rate handbook.
- Simplified wording with deference to standards.
- Clearer delineation between contingency and maintenance curtailment, and interruption of interruptible service.

## D. Other terms

- Default
  - Except for identified immediate failures, curable obligation failures if not cured within five (5) days.
  - Rights/remedies more detailed.
- Survival
  - More itemized list of provisions that survive termination of the Contract.
- Indemnification
  - More detailed (e.g., indemnity for failure to comply with law added), remains bilateral/mutual.
- Force majeure
  - Harmonized/updated language, consistent with current terms.
- Miscellaneous
  - Reference applicable laws for retention of records.
  - Removed EGD dispute resolution clause.
  - Adopted UGL post/notice process for changes to documents.

# Transaction rules

- Provide service specific rules, policies, and procedures, by rate zone, for each type of direct purchase and distribution service.
- Initially includes Union North and Union South rate zone services.
  - Information is comprised of current Service Terms and Conditions (Schedule 2) and posted policies.
  - Added clarity re: general service balancing provisions at renewal.
  - Added clarity re: application of energy balancing at point of consumption to BGA/storage.
- EGD rate zone services continue to use EnTRAC Transaction Rules document.

# Transaction rules' structure

- Sections for rate zones and subsections for services within each rate zone
  - A. Union North: including switching between services
    - B. Bundled DP
    - C. Unbundled DP T-service
    - D. Distribution
  - E. Union South: including switching between services
    - F. Bundled DP
    - G. Semi-unbundled DP T-Service
    - H. Distribution
  - I. EGD: reference to EnTRAC Transaction Rules
- Common structure across DP subsections—daily gas deliveries, upstream transportation, balancing, and balancing transactions—while continuing to recognize service differences.



# Terminology

Current terminology	Harmonized terminology
EnTRAC Enerline	Business System
Commencement Date Day of First Delivery / Receipt	Service Start Date
Point of Acceptance Receipt Point	Point of Receipt
Terminal Location Consumption Point	Point of Consumption
Bundled Pool Contract (SA)	Pool
[Western/Ontario/Dawn Delivery] T-Service [Northern/Southern] Bundled T (BT)	Bundled DP
Mean Daily Volume (MDV) Daily Contract Quantity (DCQ)	Daily Contract Quantity (DCQ)
Rate T1/T2/T3 – DP component	Semi-Unbundled DP Unbundled DP (if non-obligated deliveries @ Dawn)
Unbundled T-Service T-Service (North T)	Unbundled

# Next steps to implementation

- New contract documents posted at: [Harmonized Contracts](#)
- Customer comments/questions to Enbridge Gas (~30 days): Feb. 23, 2024
- Finalized documents (with changes, if any, identified)
- Notice of effective date (~2 months prior to effective date): April 1, 2024 \*
- Effective date: June 1, 2024 \*

# Enbridge Gas harmonization



2024

2025

2026 \*

## Contract documents

- Current services
- Harmonized services



## Service harmonization

- EB-2022-0200 – Phase 3
- Implementation



## System/process harmonization



\* Timing subject to 2024 Rebasing phase 3 decision.

# Q&A

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Ask questions via chat

# Thank you

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