

June 9, 2016

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

RE: EB-2015-0245 –2015-2020 Demand Side Management (“DSM”) Evaluation Process of Program Results – Boiler Baseline Study

This joint letter, on behalf of Enbridge Gas Distribution Inc. (“Enbridge”) and Union Gas Limited (“Union”) (collectively the “Utilities”), is intended to update the Ontario Energy Board (“Board”) on activities related to the Boiler Baseline Study (the “Study”) subsequent to the direction provided in the memorandum issued by Board Staff on March 4, 2016 (“Memorandum”).

The Memorandum mapped out the transition of the current DSM evaluation activities from the joint Technical Evaluation Committee (“TEC”) to the Board. With respect to the Study, the letter stated:

“This study was the result of OEB decisions for both Enbridge and Union Gas and therefore the utilities are expected to complete it. Once the proposals have been evaluated and the consultant selected for the Boiler Baseline Study, in order to transition to the new framework, input on the study will be provided to the utilities by the EAC and OEB Staff instead of the TEC.”

Prior to the March 4, 2016 Memorandum, the Utilities worked extensively with the TEC which culminated in the development of a Request for Proposal (“RFP”) for the selection of the consultant which would undertake the Study. The RFP was posted externally in late 2015 for a competitive bidding process, but due to a limited response, the schedule for the filing of responses to the RFP was extended. Efforts were made by the Utilities to contact an approved list of consultants to solicit further interest.¹

Subsequent to the release of the Memorandum, a TEC meeting was held on March 10, 2016. At this meeting Board Staff advised that the Utilities should assume administrative responsibility and accountability for the Study following the selection of the winning consultant. Further, Board Staff indicated that the Evaluation Advisory Committee (“EAC”) will provide advice to the Utilities on the Study and that while the EAC will endeavor to achieve consensus, final decision-making authority rests with the Utilities.

¹ Enbridge circulated a Consultant list to the TEC and Board Staff for approval before contacting Consultants

A subsequent TEC meeting to select the winning bidder was scheduled for April 13, 2016. However, two intervenor representatives notified the TEC that they would not be participating in the selection process. The Utilities noted this would represent a departure from the quorum that was achieved with all previous TEC projects as per the Joint Terms of Reference.² Board Staff, the remaining intervenor representative and independent representatives agreed the project should proceed absent a quorum. As such, the Utilities have continued to proceed with the selection process with input from the remaining TEC members and Board Staff.

Subsequent to the April 13, 2016 meeting, notification was sent to the firms that were selected to participate in a “Best and Final” presentation. Written responses were provided on May 6, 2016, and oral presentations to the Utilities, remaining TEC members and Board Staff, took place on May 18, 2016 and May 19, 2016. The notification to the winning proponent is anticipated to be communicated by June 10, 2016.

The Utilities are operating under the belief that the consultant selection process is proceeding as contemplated in the Memorandum. If not, the Utilities respectfully request further input from the Board.

If you have any questions concerning this submission please contact me at 519-436-5334.

Yours truly,

[Original Signed by]

Vanessa Innis
Manager, Regulatory Initiatives

c.c.: Takis Plagiannakos, Board Staff
Josh Wasylyk, Board Staff
Alex Smith (Torys)
Dennis O’Leary
TEC Members
EAC Members

² Joint Terms of Reference on Stakeholder Engagement for DSM Activities by Enbridge Gas Distribution Inc. and Union Gas Limited, November 4, 2011