

**OEB STAFF PUBLIC INTERROGATORIES**  
**Intervenor Evidence from Environmental Defence and Green Energy Coalition**  
**on the Enbridge Gas Distribution Inc. and Union Gas Limited**  
**2018 Cap and Trade Compliance Plans**  
**EB-2017- 0224 / EB-2017- 0255**

**March 26, 2018**

**Staff IR ED\_GEC #1**

Topic: Testimony Summary

Ref. p. 8

Preamble: “The Companies’ failure to pursue these additional cost-effective energy savings in 2018 likely means that each Company’s customers will bear an additional \$9 million in energy costs (about half of which is associated with otherwise unnecessary purchases of carbon emission allowances).”

Questions:

- a) Please provide your calculations supporting this conclusion, including how the economic value of the incremental avoided gas cost was calculated, and the net present value of the avoided carbon emission allowance purchases.

**Staff IR ED\_GEC #2**

Topic: Abatement Program Selection Criteria

Ref: pp. 10-12

Preamble:

“Most importantly, the criterion that I would suggest should be the most important – minimizing total costs to ratepayers – is not among the five primary criteria put forward by the Companies”. Further, Mr. Neme argues that cost-effectiveness (however measured) appears to have been relegated to an optional secondary consideration.

Questions:

- a) In addition to cost-effectiveness, please discuss the criteria that Enbridge Gas and Union Gas should use to select abatement opportunities.
  - i. Are all the criteria (discussed above) equally important or are some of the criteria more important than others? Please explain.

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**Staff IR ED\_GEC #3**

Topic: DSM Gas Savings

Ref. pp. 13-23

Questions:

- b) Please provide your calculations of the cumulative cubic meter savings associated with the DSM Plan Savings for 2018-2020 for both Union Gas and Enbridge Gas. Please indicate any assumptions used.
- c) Using the DSM budgets approved in EB-2015-0029 / 49 for 2018-2020, please indicate the cost per cumulative tonne of greenhouse gas of the DSM Plan savings for Union Gas and Enbridge Gas, on an aggregate and per-sector basis.

**Staff IR ED\_GEC #4**

Topic: Adjustments to account for Climate Change Action Plan

Ref: p. 19

Preamble:

“Union argues that it made such NTG adjustments because the CPS only partially adjusted for free ridership, citing a statement in the CPS study that stated it did not account for any initiatives in the provincial Climate Change Action Plan. However, the Company provided no analysis to suggest that the specific NTG adjustments it proposed.”

Questions:

- a) Please provide an indication of what a more appropriate adjustment would have been, if any, to account for Climate Change Action Plan (CCAP) initiatives in the 2018-2020 period. Please indicate whether these adjustments would vary by sector or end-use, based on any CCAP initiatives in place that overlap with approved 2018-2020 DSM programs or measures.

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**Staff IR ED\_GEC #5**

Topic: Abatement program ramp-up period

Ref: p. 27

Preamble:

“In my experience it would be reasonable to plan for that kind of increase to be achieved over a 2-year or 3-year ramp up period. If they had planned for such an increase in late 2017, an increase in savings on the order of 25% would likely have been reasonable for 2018.”

Questions:

- a) Please explain why a 25% increase in savings would be a reasonable target for the gas utilities' 2018 plan if the gas utilities had started planning abatement programs in late 2017, based on your comparison with Consumers Energy in Michigan.
- b) Please explain how the 2-year or 3-year ramp up period for abatement program development (and corresponding percentage savings increase in 2018) would vary if a new abatement program was developed, versus an abatement program that leveraged an existing DSM program (e.g., by providing funding for measures that do not pass the total resource cost test, but are still cost effective in comparison to the purchase of an allowance).