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BY E-MAIL

November 19, 2018

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
BoardSec@oeb.ca

Dear Ms. Walli:

**Re: OEB Staff Supplemental Interrogatories
Enbridge Gas Distribution Inc.
Bathurst Reinforcement Project
OEB File No. EB-2018-0097**

In accordance with Procedural Order No. 2, please find attached the OEB staff supplemental interrogatories in the above proceeding. Procedural Order No. 2 allowed for an additional round of interrogatories specifically focusing on two items:

- a) The extent to which Enbridge considered the feasibility of using DSM to defer or reduce the need for the Project
- b) The basis for updating the 2016 annual load growth forecast of 153 m³/h to the 2017 forecast of 590 m³/h

This document is being forwarded to the applicant and to all other registered parties to this proceeding.

Yours truly,

Original signed by

Ritchie Murray
Project Advisor

Cc (by email):

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**ENBRIDGE GAS DISTRIBUTION INC.
BATHURST PIPELINE LEAVE TO CONSTRUCT
EB-2018-0097**

OEB STAFF SUPPLEMENTAL INTERROGATORIES

Interrogatory #1

Ref: I.EGDI.SEC.1, Attachment 2

Preamble:

Enbridge Gas Distribution Inc. (Enbridge) provided a copy of an internal briefing it says is from May 2018. The briefing does not include a cover page, title or date.

Questions:

- a) If there is an existing cover page to the briefing, please file it.
- b) If the briefing is an excerpt from a larger report, please file the larger report in full.
- c) What prompted the preparation of the briefing? Who requested it?

Interrogatory #2

Ref: Exhibit D, Tab 2, Schedule 1, page 1
I.EGDI.SEC.1, Attachment 1, page 1
I.EGDI.SEC.1, Attachment 2, pages 1 and 3

Preamble:

In its application, filed August 1, 2018, Enbridge estimated the total project cost to be approximately \$9.15 million. The briefing contains a quote from the January 2018 Natural Gas Integrated Resource Planning (IRP) study prepared by ICF. The quote indicates that the estimated total project cost was approximately \$8.20 million. The briefing contains a table in the results section that indicates the total project cost to be approximately \$9.9 million.

Question:

Please reconcile the three estimated total project costs.

Interrogatory #3

Ref: I.EGDI.SEC.1, Attachment 2, page 1

Preamble:

The briefing contains a quote from the IRP Study Report prepared by ICF. In part, the quote says, “Exhibit 104 presents the geo-targeted DSM supply curve for a distribution system located in Enbridge’s Central region, where 48% of the peak hour demand is attributed to residential customers, and the remaining 52% to commercial customers.”

Questions:

- a) OEB staff is unable to locate this quote in the ICF report filed as Exhibit I.EGDI.SEC.1 Attachment 1. Is this because only the executive summary of the IRP Study Report was filed? In any case, please file the complete IRP Study Report.
- b) Please discuss the methodology Enbridge used to determine the attribution of peak hourly demand between residential and commercial customers within Enbridge’s central region and how applicable that finding is to the customer mix in the revised Project area.

Interrogatory #4

Ref: I.EGDI.SEC.1
I.EGDI.SEC.3

Preamble:

Enbridge says that “The growth information provided to ICF was originally the best available information at the time and was based on 2016 projections and included Hemson growth forecasts.”

Question:

Did ICF rely exclusively on the growth information provided by Enbridge, or did it prepare an independent growth forecast?

Interrogatory #5

Ref: I.EGDI.SEC.1, Attachment 2, page 2

Preamble:

Enbridge indicates that its Long Range Planning (LRP) methodology changed between 2016 and 2017/2018, and that the updated methodology used updated information from more timing and geographically relevant Developer and Municipal plans. For example, Enbridge says the franchise-wide longer-term economic growth data provided by Hemson Consulting did not include information about possible high-rise developments.

Questions:

- a) Please describe the key differences between Enbridge's 2016 and 2017/2018 LRP methodologies.
- b) Please provide copies of the relevant Developer and Municipal plans.

Interrogatory #6

Ref: I.EGDI.SEC.1, Attachment 2, page 3

Preamble:

Enbridge says that the area of impact considered in the planning process was expanded to account for increased growth in upstream development contributing to lower inlet pressures downstream. Enbridge provided a map illustrating the extents of the revised area of impact.

Questions:

Please provide a list of all pressure regulating stations off the high-pressure system serving the revised area of impact. For each station, please:

- a) Identify its minimum allowable inlet pressure.
- b) Provide ten years of history with respect to the lowest inlet pressure it experienced in each year.
- c) Provide its forecasted minimum inlet pressure for each of the next five years

assuming the Project is not constructed in any of those years.

Interrogatory #7

Ref: I.EGDI.SEC.1, Attachment 2, pages 1 and 3

Preamble:

The May 2018 briefing refers on page 1 to an average load growth rate of 158 m³/h per year and on page 3 to 153 m³/h (as forecasted at the time the ICF Report was prepared).

Question:

Which number was used as the growth forecast at the time the ICF Report was prepared, 158 or 153?

Interrogatory #8

Ref: I.EGDI.SEC.1, Attachment 2, page 2

Preamble:

The May 2018 briefing states that “The [Bathurst] reinforcement was submitted as an output of the 2016 LRP and included in the approved capital portfolio for 2018 based on the 2016 LRP numbers.”

Questions:

- a) When did the Project receive internal approval for inclusion in the 2018 capital portfolio?
- b) At the time it was approved, what analysis had Enbridge undertaken of the feasibility of using DSM to defer or reduce the need for the Project?

Interrogatory #9

Ref: I.EGDI.SEC.1, Attachment 2, page 3
Enbridge Reply Submission, page 3

Preamble:

The May 2018 briefing includes a table comparing the growth forecast relied on by ICF and Enbridge's updated growth forecast. The briefing explains that "the area of impact considered in the planning process was expanded", and includes a map showing the expanded area of impact. Enbridge's Reply Submission states that "The growth forecasts which support the Project relate to the area noted (the orange polygon) on this map."

Questions:

- a) Please clarify whether the initial growth forecast of 153 m³/h related only to the smaller area or impact (the red polygon) whereas the revised forecast of 590 m³/h relates to the expanded area (the orange polygon).
- b) Similarly, please clarify whether the initial forecasts for new residential, commercial and apartment attachments, as shown in the middle column of the table, related to the red polygon whereas the updated forecasts, as shown in the right-hand column, relate to the orange polygon.
- c) Does Enbridge have recent historical data (e.g. last five years) for load growth in the red polygon and the orange polygon? If so, please provide it.

Interrogatory #10

Ref: I.EGDI.STAFF.9
I.EGDI.SEC.1, Attachment 2
I.EGDI.SEC.5

Preamble:

In response to OEB staff interrogatories, Enbridge indicated that it considered geo-targeted DSM as an alternative to the construction of the Bathurst Reinforcement Project. However, geo-targeted DSM was determined to not be viable.

In the ICF IRP Executive Summary filed in response to SEC interrogatories, ICF concluded that "it may be more cost-effective to launch [a] geo-targeted DSM program than to install the reinforcement project".

Enbridge says that the growth information provided to ICF was originally the best available information at the time. Subsequent to the 2016 Natural Gas

Conservation Potential Study prepared by ICF, Enbridge obtained updated information.

Questions:

- a) Please describe the types of geo-targeted DSM offerings that were considered for use on the Project at the time of the ICF report and explain how these differ from Enbridge's current suite of DSM offerings. In the response, please comment on:
 - Where efficiencies or gas savings may have been realized?
 - Whether financial incentives or new pricing schemes may have been required?
- b) In the months between the time when ICF identified geo-targeted DSM as potentially being cost-effective (in or around January 2018) and the time Enbridge revised its growth forecast (in or around May 2018) did Enbridge explore any specific geo-targeted DSM programs for the Project area? If so, which ones?
- c) Did Enbridge engage ICF or any other expert consultant after the updated growth information became available in order to reassess the suitability of DSM with respect to the Project? Please explain.
- d) Please indicate if scenarios were considered by Enbridge or ICF in which geo-targeted DSM could be used to redesign the Project (e.g. use a shorter or smaller diameter pipeline) or defer the Project for some period of time (e.g. one or two years).