

**ONTARIO ENERGY
BOARD**

IN THE MATTER OF the *Ontario Energy Board Act 1998*, S.O. 1998, c. 15, Sched. B, as amended;

AND IN THE MATTER OF an application by Enbridge Gas Inc. for an order or orders related to its Voluntary Renewable Natural Gas Program;

AND IN THE MATTER OF an application by Enbridge Gas Inc. for an order or orders amending or varying the rates charged to customers for the sale, distribution, transmission, and storage of gas commencing as of January 1, 2021.

**INTERROGATORIES FROM THE
SCHOOL ENERGY COALITION**

1. [Ex. A/2/1, p. 2]
 - a. Please confirm that the Voluntary RNG Program involves a payment from the customer to the Applicant, but no provision of goods or services from the Applicant to the customer, i.e.:
 - i. the customer will not actually receive RNG commensurate with their payment, and they will not benefit from any reductions in the Federal Carbon Charges, etc., as a result of their payment, and they will receive no other goods or services in return for making their payment, and
 - ii. any benefits a customer does receive will be the same as customers that do not participate in the Program.
 - b. Please confirm that the Applicant has not established a registered charity to receive the payments from customers under the Program, and as a result customers (unless they are businesses) will not get tax deductions or credits for their contributions to the Program.
 - c. Please explain why the Program is not being established as a charity, given that it involves voluntary donations by customers to the Applicant to benefit the community in a manner (environmental improvement) that has been held to be charitable in Canada.
2. [Ex. A/2/1, p. 5] Please provide a detailed list of all indirect costs associated with the Program for each year of its intended operation, including without limitation all costs associated with management oversight, intercompany charges from parent companies, legal, accounting and regulatory costs, overheads associated with personnel involved in the Program, etc.
3. [Ex. B/1/1] Please provide details of all affiliates of the Applicant that are in the business of producing RNG, or supplying services of any kind to producers of RNG, including the name of the affiliate, the nature of the business relating to RNG, and most recent

financial statements of the affiliate.

4. [Ex. B/1/1] Please provide further details of the production of biogas, and describe in detail the other uses that the feedstock and other materials used in its production can be put. Please demonstrate, if true, that production of biogas is the highest and best use for that feedstock and other materials. If not demonstrated, please explain why it is in the public interest to promote greater production of biogas if there is a higher or better use for its constituent parts.
5. [Ex. B/1/1, p.2] Please provide the legal document or other instrument that requires the Applicant to implement the Program. Please provide evidence that the Program proposed in this Application would, if approved, comply with that requirement.
6. [Ex. B/1/1, p. 4; C/4/2, p. 23] Please provide a copy of the most current draft of the Clean Fuel Standard referred to. Please provide details of the Applicant's involvement in the development of that standard.
7. [Ex. B/2/1, p. 1; B/2/4] Please provide details of all direct and indirect government funding (federal, provincial, municipal, or otherwise) the Applicant expects to receive as a result of the Program, including tax deductions or credits, grants, loans (forgivable or not), or any other financial benefits, whether initially or at any time during the planned ten year life of the Program. Please confirm that no financial assistance or support for the Program from The Ontario Carbon Trust has been proposed.
8. [Ex. B/2/1, p. 1] Please provide details of any intellectual property the Applicant hopes or expects to develop during the course of running the Program. Please confirm that all such intellectual property will be the property of the Applicant, but will be regulated assets held for the benefit of the customers. If not confirmed, please provide details.
9. [Ex. B/2/1, p. 5] Please confirm that the Applicant expects to get uptake of about 0.4% of customers in the first year of the Program, rising to about 0.85% by year ten. Please explain why the planned uptake of the Program is so low, given the market research that shows broad support for this type of Program.
10. [Ex. B/2/1, p. 8; B/2/2] Please provide copies of all reports, analyses, memos, studies, presentations and other such documents dealing with the price of RNG in Ontario, including without limitation any such documents dealing with the impact of the Applicant's purchases of RNG on market prices. If no such documents exist, please explain why the Applicant is proposing to enter a market without having done any price analysis.
11. [Ex. B/2/1, p. 9] Please provide copies of all reports, analyses, memos, studies, presentations and other such documents dealing with competition within the RNG market in Ontario or elsewhere. If no such documents exist, please explain why the Applicant is proposing to enter a market without having done any competitive analysis.
12. [Ex. B/2/1, p. 9] Please confirm that the Applicant is not able to carry out the Program through a competitive affiliate, because it is prohibited from doing so. If that is not the case, please explain why this is not being offered through a competitive affiliate. If that is the case, on the other hand, please advise whether, if the Board were to remove the prohibition against carrying out this Program, the Applicant would be willing to pursue it in a competitive affiliate.
13. [Ex. B/2/3, p. 2] Please provide the most current marketing plan or draft plan for the Program, and the most current marketing budget for the first 18 months of the Program.

14. [Ex. C/2/2] Please provide details of the \$600,000 of capital expenditures. Please confirm that the Applicant is proposing that the “Total Cost of Service” in the year of rebasing, and thereafter, should be borne by customers as part of normal rates.
15. [Ex. C/2/3] Please add four lines to this forecast showing:
 - a. The expected delivered cost per cubic meter of RNG each year;
 - b. The excess of the cost per cubic meter of RNG over the expected delivered cost (including Federal Carbon Charge) of conventional system gas each year;
 - c. The forecast tonnes of carbon avoided each year, and
 - d. The effective cost per tonne of avoided carbon each year incurred by procuring RNG.
16. [Ex. C/3/2, p. 3] Please confirm that the Program does not ask customers to “pay a premium for environmentally friendly products”, because Enbridge is not providing any such products to customers in the Program in return for their contributions.
17. [Ex. C/2/1] Please explain why:
 - a. p. 4, 12 Enbridge is proposing a fixed charge when customers said they preferred a variable charge;
 - b. p. 6 Enbridge asked about support for the Program without telling customers the high incremental cost of RNG;
 - c. p. 8 Enbridge is proposing a voluntary program when customers said they preferred a mandatory program.
18. [Ex. C/2/1, p. 10] Please confirm that the proposed \$2 per month charge in the Program will result in at least 2% of the gas used in Ontario being RNG. If not confirmed, please provide the % of gas forecast to be used in Ontario in each year from 2021-2030 that would be RNG under the current plan for the Program.
19. [Ex. C/4/2, p. 27] Please provide the text of all “disclosure about financial risks associated with climate change” that is currently used by the Applicant or its parent companies in financial disclosure documents.
20. [Ex. C/4/2, p. 57] Please identify any officer or director of the Applicant or any affiliate that has been asked by the Ontario government to be part of the advisory panel on climate change.

Respectfully submitted on behalf of the School Energy Coalition on May 7, 2020.

Jay Shepherd
Counsel for School Energy Coalition