



## Jay Shepherd

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### **BY EMAIL and RESS**

February 7, 2012

Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> Floor  
Toronto, Ontario  
M4P 1E4

**Attn: Kirsten Walli, Board Secretary**

Dear Ms. Walli:

**Re: EB-2011-0242/0282 – Renewable Natural Gas Applications – Interrogatories**

Please find attached the interrogatories of the School Energy Coalition (SEC) in the above-noted proceedings.

Should you require additional information, please do not hesitate to contact me.

Yours very truly,

*Originally signed by*

Mark Rubenstein

cc: Applicants and Intervenors (by email)

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**IN THE MATTER** of the *Ontario Energy Board Act 1998*, 1998, S.O. 1998, c.15 (Schedule B); and in particular section 36 (2) thereof;

**AND IN THE MATTER** of an Enbridge Gas Distribution Inc. for an Order or Orders approving and setting approving and setting the cost consequences associated with the purchase of Ontario biomethane by Enbridge Gas Distribution Inc.;

**AND IN THE MATTER OF** an application by Union Gas Limited for an Order or Orders approving and setting the cost consequences associated with the purchase of Ontario biomethane by Union Gas Limited.

**INTERROGATORIES**  
**FROM THE**  
**SCHOOL ENERGY COALITION**

1. [Issue 1.1]  
For each objective for gas under section 2 of the OEB Act that the Applicants rely on, please explain how the proposed biomethane program fits within.
2. [Issue 1.1][Reference: Ex.B/1/p.10]  
Are the Applicants aware of any Board decision or policy in which the OEB Act's conservation objective includes supply-side conservation?
3. [Issue 1.2]  
Have the Applicants undertaken any formal cost-benefit analyses of the proposed program (either produced internally or externally)? If so, please provide them.
4. [Issue 1.2]  
Please provide all communications between the Applicants and the Government of Ontario with respect to discussions about biomethane production or the proposed program (in whole or in part).
5. [Issue 1.2]  
Are either of the Applicants or their affiliates, considering becoming a producer of biomethane?
6. [Issue 1.2][Reference: Ex.B/1/p/1]  
Why do the Applicants feel it is appropriate for ratepayers to subsidize a program to "enable the development of a viable RNG industry in Ontario"?

7. [Issues 1.1, 1.2, 2.1, 2.2][Reference: Ex.B/1/p.9]  
Have the Applicants quantified the “economic benefits through local job creation” outlined in the Application? If so, please provide all documentation to support the analysis.
8. [Issues 2.1, 2.2][Reference: Ex.B/1/p.10]  
Have the Applicants calculated or studied the biomethane price that is necessary to create the incentive for a potential biogas producer under the Ontario Government’s Feed-in-Tariff program to instead take part in the proposed biomethane program?
9. [Issue 1.2][Reference: Ex.B/1/p.19]  
What effect will the proposed biomethane program have on future revenue requirements of each Applicant?
10. [Issues 2.1, 2.2][Reference: Ex.B/1/p.26]  
Please provide a copy of each of the Applicant’s current Ontario gas production contracts.
11. [Issues 2.1, 2.2][Reference: Ex.B/1/4]  
For each of the five suppliers listed, what is the current market share of each company?
12. [Issues 2.1, 2.2][ [Reference: Ex.B/1/4/p.11]  
What concerns does Electrigaz have with the battery limits established by the Applicants?
13. [Issues 2.1, 2.2][ [Reference: Ex.B/1/4/p.14]  
With respect to macro-economic references, please explain how Electrigaz derived the operations labour salary of \$40/hr from the two reports it cited as a basis.
14. [Issues 2.1, 2.2][ [Reference: Ex.B/1/4/p.15-21]  
Please provide the basis for the assumptions made for the:
  - a) Anaerobic digestion scenario
  - b) SSO scenario
  - c) WWTP scenario
  - d) Industrial scenario
  - e) Landfill scenario
  - f) Small and medium scenario
15. [Issues 2.1, 2.2][ [Reference: Ex.B/1/5/p.2]  
With respect to financial model economic assumptions:
  - a) What is the basis for the debt/equity assumption used for SSO and WWTP scenarios?
  - b) Please explain how Electrigaz derived the equity/debt ratio for ‘Agriculture and Industrial’ and ‘All Landfill’ scenarios from the *Policy instrument design to reduce financing costs in renewable energy technology projects* Report.

16. [Issues 2.1, 2.2][ [Reference: Ex.B/1/5/p.3]

If after the completion of the 2 year Feed-in-Tariff review undertaken by the Ontario Government, the allowable ROE is reduced, will the Applicants reduce the ROE for the proposed biomethane program?

17. [Issue 3.1]

Please outline the current process for an Ontario biomethane producer to inject their supply into either of the Applicant's systems.

Respectfully submitted by the School Energy Coalition on this 7th day of February, 2012

*Originally signed by*

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Mark Rubenstein

Counsel for the School Energy Coalition