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February 22, 2016

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, ON M4P 1E4

Attention: Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: EGD - Application for Clearance of 2014 DSM Variance and Deferral Accounts
EB-2015-0267
OSEA Interrogatories**

Please find enclosed Ontario Sustainable Energy Association's interrogatories on Enbridge Gas Distribution Inc.'s application and evidence.

Yours truly,

Robert Woon

Encl.

cc: Enbridge Gas Distribution Inc.

Document #: 951458

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c. 15 (Schedule B);

AND IN THE MATTER OF an Application by Enbridge
Gas Distribution Inc. pursuant to section 36 of the *Ontario
Energy Board Act*, 1998, S.O. 1998, c. 15 (Schedule B), for
an order or orders approving the final balances in certain
2014 Demand Side Management (DSM) deferral and
variance accounts.

EB-2015-0267

Interrogatories of the Ontario Sustainable Energy Association (OSEA)

Question 1

Reference: Exhibit A, Tab 1, Schedule 3, Pages 3-4

The Board's Decision and Order dated February 26, 2015 in the 2013 Clearance Application (EB-2014-0277) indicated the Board's support for the proposed [boiler] study which was anticipated to have been completed in 2015. This Decision anticipated that the results of this study would be incorporated in the evaluation of the 2014 results. This issue was specifically raised by the Company with the Auditor and AC for the purposes of the 2014 audit. The AC acknowledged that the study could not be completed prior to June 2015 and thus could not be incorporated into the 2014 audit process and timelines. Work on this study has been underway through the TEC since April, 2015 and it is likely that despite best efforts, the results of the study will not be available until mid-2016.

Please advise if Enbridge intends to resubmit its claims for 2014 once the boiler study is complete.

Question 2

Reference: Exhibit A, Tab 1, Schedule 3, Page 6

The Guidelines and the Updated Multi-Year Plan provide the method of calculating the DSMIDA and a cap of \$10.872 million for 2014. The Draft Evaluation Report calculated the DSMIDA at \$7,500,805 including adjustments from the CPSV review. Following its review of the Company's program results, the independent Auditor made

recommendations with regard to the following measures, which the Company and the AC accepted:

(i) Industrial Custom Project Savings (ii) Commercial Custom Project Savings (iii) Low income (Part 3) Custom Project Savings (iv) Custom Project adjustment factor calculation (v) Commercial Prescriptive Savings (vi) Low income (Part 9) Prescriptive Savings This resulted in an auditor-recommended DSMIDA of \$7,647,242. The specifics of the recommendations made by Optimal are set out in its Audit Report. This amount was accepted by both the AC and the Company.

Please explain how Enbridge could have achieved greater results with additional funds.

Question 3

Reference: Exhibit A, Tab 1, Schedule 3, Page 8

The Company's DSM activities in 2014 generated estimated natural gas savings of approximately 719.8 M CCM. The 2014 DSM activities are estimated to have a TRC value of \$89,622,342 which is the approximate value of bill savings enjoyed by Enbridge's customers.

Please provide an estimate of the approximate value of bill savings enjoyed by Enbridge's customers since Enbridge began implementing DSM programs in 1995.

Question 4

Reference: Exhibit B, Tab 1, Schedule 1, Page 7

The TRC for the Resource Acquisition program was 2.84, while the TRC for the Low Income program was 1.33 – both well above their cost-effectiveness screening thresholds.

Please explain why the post-implementation TRC for the Low Income Program was 1.33, when the approved TRC threshold was 0.7.

Question 5

Reference: Exhibit B, Tab 1, Schedule 1, Page 58

The Low Income program focuses on helping to reduce the energy costs facing low income consumers and housing providers through thermal envelope improvements as well as the installation of measures to achieve water and space heating savings.

Please explain if Enbridge considered broadening its Low Income Program to include additional elements which OSEA considers to be sustainable energy such as: conservation, energy efficiency and demand management, renewable heat and electricity

generation, high efficiency combined heat and power (CHP) and district energy, energy storage, and green buildings.

Question 6

Reference: Exhibit B, Tab 1, Schedule, 1 Pages 110-127

Given the delay in the Boiler Study referenced above and the transition of responsibilities to the Board and the EAC, please explain what impact Enbridge expects on the future timeliness of the implementation of the recommendations of the Board and Board Staff.

Question 7

Reference: Exhibit B, Tab 3, Schedule 1, Page 7

Wave 1 of the 2014 CPSV process commenced in November of 2014
Please advise if the 2015 CPSV process has begun.