

EB-2016-0004 - Natural Gas Community Expansion Proceeding

**Environmental Defence Interrogatories
On Evidence of Anwaatin, Aroland First Nation, and Waaskiinaysay Ziibi Inc.
Development Corporation (“Anwaatin”)**

1. Reference: Anwaatin evidence, p. 2

The submissions at page 2 state: “A Universal Service Fund is an appropriate, and proven, alternative approach to recover costs of expanding natural gas service to communities that are not currently served.”

Would it be appropriate for the Universal Service Fund to also recover the costs of cost-effective home energy retrofit and renewable energy (e.g., solar thermal, heat pump) investments?

If “no”, please fully justify your response.

2. Reference: Anwaatin evidence

Does Anwaatin agree that existing gas consumers should be required to subsidize expansions of Ontario’s natural gas distribution system only if all of the following criteria are met:

- a) The expansion will lead to a net reduction in Ontario’s greenhouse gas emissions [e.g., this could occur if the new customers’ previous energy source (e.g., heating oil) had higher greenhouse gas emissions];
- b) Expanding the gas system is the most cost-effective, feasible option to achieve the greenhouse gas emission reductions [i.e., do not expand the gas distribution system using existing customer subsidies if the emission reductions could be achieved at a lower cost by energy efficiency or renewable energy investments (e.g., home energy retrofits, heat pumps)]; and
- c) The subsidy is necessary to make the project happen [e.g., do not require existing customers to subsidize an expansion of the gas system if the cost could be recovered from the new customers via a surcharge on their gas rates]?

If “no”, please fully justify your response. Please specifically address each of the three criteria in your response. Note that the above three criteria would not be to the exclusion of other criteria required for community expansion.