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April 5, 2017

VIA RESS, EMAIL and COURIER

Ms Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, Ontario, M4P 1E4

Dear Ms Walli:

**Re: Enbridge Gas Distribution Inc. (“Enbridge”)
Cap and Trade Application (“Application”)
Ontario Energy Board (“Board”) File Number EB-2016-0300
Answers to Interrogatories**

In response to Environmental Defence’s request dated March 30, 2017, attached please find the following updated interrogatory response.

Exhibit I.5.EGDI.ED.1

This interrogatory response was being filed through the Board’s Regulatory Electronic Submission System and will be available on the Enbridge website at www.enbridgegas.com/ratescase.

Please contact the undersigned if you have any questions.

Yours truly,

[original signed]

Lorraine Chiasson
Regulatory Coordinator

cc: Mr. D. O’Leary, Aird & Berlis LLP
All Interested Parties EB-2016-0300 (via email)

ENVIRONMENTAL DEFENCE INTERROGATORY #1

INTERROGATORY

Reference: Ex. C, Tab 3, Sch. 4, Pages 2 – 4

Please provide the following information with respect to Enbridge's 2017 a) industrial; b) commercial & institutional; c) residential; and d) low-income DSM programs:

- a) Forecast TRC Test benefit/cost ratios;
- b) Forecast TRC Test net benefits;
- c) Forecast TRC Test benefits;
- d) Forecast TRC Test costs;
- e) Forecast 2017 DSM savings (cubic metres);
- f) Forecast lifetime DSM savings (cubic metres)
- g) Forecast 2017 greenhouse gas emission reductions (tonnes);
- h) Forecast lifetime greenhouse gas emission reductions (tonnes); and
- i) Forecast 2017 program budgets.

When answering this interrogatory please exclude DSM programs and budgets that pertain to Large Final Emitters and "voluntary participants" in the cap and trade program who purchase their own emission allowances.

RESPONSE

Given that it is still only Q1 of 2017, Enbridge is not in a position to provide forecasts of the requested information for 2017. At this point in time, the best evidence of the Company's DSM activities in 2017 by the various rate classes identified in the question is the evidence filed by the Company in support of its Multi-year DSM Plan 2015-2020 (EB-2015-0049). It is the Company's expectation that at this early stage in the year, there would not be a material difference between the 100% targets set out in the approved Multi-year plan and any forecasts which would benefit from only 2 months of program operations.

It is also appropriate to point out the significant effort that would be required to develop such forecasts even if this were possible at this point in time. Such forecasts would require critical inputs that include, but are not limited to:

Witness: M. Lister

- 2017 natural gas savings targets, set according to 2016 audited result (the 2016 audit process has not yet started);
- 2016 Annual Report results;
- Wholesale 2017 electricity rates (available Q2 2017);
- Wholesale 2017 water and sewage rates;
- 2016 program participation rates (available Q2 2017);
- Updates to inputs and assumptions in the Technical Reference Manual; and
- April 2017 Natural Gas Commodity Price.

It would take a great deal of time and resources to capture and collate the above data for the purposes of providing such forecasts. The Company would then have to manually back out of the forecasts the contributions of LFE and known Cap & Trade voluntary participants.

In terms of the forecast impact of DSM on GHG emissions reductions, the Compliance Plan has for the purposes of generating the GHG tariff, netted out the forecast impact of its DSM programs. At this stage, Enbridge does not believe that its forecasts in this regard require change.

April 5th, 2017 - ADDENDUM

As stated previously, the best evidence of the Company's DSM activities in 2017 is in the evidence filed by the Company as part of its Multi-Year DSM Plan 2015-2020 (EB-2015-0049). In efforts to be responsive to the above request Enbridge has amended its previous response and provided information based on the evidence as filed in EB-2015-0049 consistent with the approach taken by Union Gas.

- a) - d) Please refer to Table 1 for Enbridge's Total Resource Cost ("TRC") values for the following customer segments. TRC benefits are derived from the savings as filed in EB-2015-0049, modified to remove the 15% non-energy benefit adder at ED's request. The TRC costs have been updated to reflect budget adjustments per the Board's Decision and Order in EB-2015-0049.

Table 1: 2017 TRC				
	TRC Benefits¹	TRC Costs^{2,3}	TRC Net Benefits	TRC Ratio
	(a)	(b)	(c)=(a-b)	(d)-(a/b)
Residential	\$ 35,828,981	\$ 23,075,000	\$ 12,753,981	1.6
Commercial/Industrial	\$ 133,018,806	\$ 43,128,662	\$ 89,890,144	3.1
Low Income	\$ 14,399,534	\$ 10,691,942	\$ 3,707,592	1.3

e) -f) Table 2 below provides 2017 DSM budgets, annual natural gas savings, and lifetime natural gas savings for each customer segment.

Table 2: 2017 Forecast Savings		
	Annual DSM Savings (m³)⁴	Lifetime DSM Savings
Residential	12,289,000	184,335,000
Commercial/Industrial	51,122,200	768,575,895
Low Income	6,151,533	92,273,000

- g) As a result of the annual DSM natural gas savings created in 2017, the expected Greenhouse Gas (“GHG”) emission reductions are 130,430 CO₂e⁵.
- h) As a result of the lifetime DSM natural gas savings created in 2017, the expected Greenhouse Gas (“GHG”) emission reductions are 1,959,720 CO₂e⁶.
- i) Per the Board’s Decision and Order (EB-2015-0049), Enbridge’s 2017 DSM budget is \$62,933,844⁷.

¹ As filed in EB-2015-0049, Exhibit B, Tab 2, Schedule 3.

² TRC cost values updated per Decision and Order in EB-2015-0049

³ TRC cost values do not include overhead and administrative costs as they are applied at the Resource Acquisition, Market Transformation and Low Income portfolio level for the purpose of cost-effectiveness screening

⁴ As filed in EB-2015-0049 Exhibit I.T2.EGDI.STAFF.7

⁵ Assumes 1.875kg of CO₂e are emitted for each m3 gas that is consumed

⁶ Assumes 1.875kg of CO₂e are emitted for each m3 gas that is consumed

⁷ As approved in the Decision and Order (EB-2015-0049)

Witness: M. Lister

At this time the Company is not in a position to extract Large Final Emitters (“LFE”) and Voluntary Participants from its DSM programs and budgets. Further, the Company does not believe this analysis to be relevant to a review of its 2017 Compliance Plan, and would suggest the DSM Mid-Term Review as the most appropriate venue for such analysis.