EB-2017-0324

Ontario Energy Board

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

AND IN THE MATTER OF the Application by Enbridge Gas Distribution Inc. for the Disposition of 2015 Demand Side Management Deferral and Variance Accounts

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Interrogatories of

Energy Probe Research Foundation

March 8, 2018

IR#1

Reference: Exhibit A, Tab 1, Schedule 3 Page 5

Preamble: "Second, it excludes an important required feature outlined in the scope of work of the NTG Study, namely Enbridge/Union Gas program based determinations of spillover. While it does include a proxy deemed spillover value sourced from another study conducted in Massachusetts (applied as a result of an instruction given by Board Staff – to be discussed further below), Enbridge views the report as incomplete."

Can Enbridge provide its current spillover estimates and when the last time that figure was updated.

IR #2

Reference: Exhibit A, Tab 1, Schedule 3 Page 5

Preamble: "Finally, in Enbridge's efforts to gain understanding of NTG adjustments made by the EC, despite continued requests for detailed information to enable the Company to replicate the calculations used by the EC to arrive at its proposed NTG values, the EC failed to provide the details required for the Company to do this analysis."

Please provide a copy of these requests and the refusals from the EC.

IR #3

Reference: Exhibit A, Tab 1, Schedule 3 Page 15

Preamble: "With regard to one of the most significant evaluation efforts, the development of the NTG Study, though the EC did solicit comments from the EAC on the survey instrument, much of the commentary and input provided by Enbridge was dismissed."

Please provide any comments that Enbridge submitted and comments from the EC that dismissed those suggestions and the reasons for doing so.

IR #4

Reference: Exhibit A, Tab 1, Schedule 3 Page 19

Preamble: "In particular, Enbridge shared concerns about how delayed evaluation efforts impacted and inconvenienced customers who were being queried on projects that were implemented over a year, and in some cases, over two years previous. This impacted the ability for the EC to connect with customer contacts that had sufficient (or any) knowledge of specific projects and most certainly impacted customers' recall regarding projects details and arguably effected NTG responses."

a). Is Enbridge of the view that one to two years after a DSM project is completed that the companies – and the employees overseeing the project – will have little to no knowledge over the long-term impact of these projects?
b). If many companies are unable to accurately verify DSM savings just one to two years after the project was completed, how are the Board and customers able to confidently verify those savings?
c). What about Secondary Attribution? If many companies are unable to accurately discuss DSM projects one to two years later, how can Enbridge (or Union) accurately verify Secondary Attribution benefits, given that they are based on a long-term horizon?

IR #5

Reference: Exhibit A, Tab 1, Schedule 3 Page 23

Preamble: "Also of note, though Enbridge provided comments in the development of the survey instrument, that multiple questions (in reference to "question sequence") above should be asked to capture this important component of utility influence on the customer, the EC did not incorporate this recommendation and limited the query to a single question.."

Please provide a comparison of the questions Enbridge submitted and those used by the EC.

IR #6

Reference: Exhibit A, Tab 1, Schedule 3 Page 27

Preamble: "At precisely the time the Board has tasked the utilities with doing as much as possible to mitigate carbon emissions, a clear and direct positive benefit derived from DSM activity, such retroactive adjustments change the "rules of the game" after the game has been played. Had the utilities known these input assumptions, and values could be changed to rearrange outcomes, the utilities would have been disincented to expend the degree of time and effort on Commercial and Industrial Custom projects as they did. Contrary to the Conservation Directive of the Government of Ontario, this would have resulted in higher past, current, and future, Cap and Trade offset purchase requirements for customers."

a). Can Enbridge discuss, in detail, what it would have done differently had it know that a retroactive adjustment was possible?
b). Confirm that the cap and trade program didn't come into effect until 2017 and that it would have had little to no impact on Enbridge's DSM programs in 2015.

IR #7

Reference: Exhibit A, Tab 1, Schedule 3 Page 27

Preamble: "Enbridge's long-standing practice working with contractors and installers to help influence end-user decisions undoubtedly occurs at times without customers' direct knowledge of such influence taking place."

Please provide any evidence that Enbridge's relationship with customers has led to these customers making DSM decisions that they wouldn't have made had they never worked with Enbridge.

IR #8

Reference: Exhibit A, Tab 1, Schedule 3 Page 46

Preamble: "As well, applying the NTG Study values to future DSM Plan targets will result in significantly reduced targets all of which may cause concern with both rate payers and the Government of Ontario who all seek a material decrease in carbon emissions in the short term. As outlined in its submissions for the Mid-Term Review, as the level and pace of activity continues to ramp up as the Province orients itself to meet its emissions targets by spending Cap & Trade Funds, then the attribution of utility activity can only wane, resulting in even higher Free Ridership rates. Compliance Planning, and the mitigation of carbon related expenses, are predicated on gross volumes. In other words, the inevitable outcome would be less utility activity and higher carbon related Cap & Trade expenses, both of which will result in higher rates for ratepayers."

Energy Probe is interested in Enbridge's position on this issue.

a). Wouldn't higher cap and trade costs lead to greater, non-utility conservation investments?
b). Isn't this the entire point of the cap and trade program (or a carbon tax)? The environmental costs of energy usage or borne by those customers consuming energy, providing them with the perfect price signal to offset those costs if it's economic to do so?
c). Doesn't the cap and trade program (or alternative carbon tax) reduce the need for utility-run conservation programs, as the external costs of their consumption are now clear to consumers?