



Brandon Ott
Technical Manager
Regulatory Applications

Tel: 416-495-7468
EGIRegulatoryProceedings@enbridge.com

Enbridge Gas Inc.
500 Consumers Road
North York, Ontario M2J 1P8
Canada

VIA RESS, EMAIL and COURIER

June 27, 2019

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

Re: EB-2019-0137 – Enbridge Gas Inc. – 5 Year Gas Supply Plan

In accordance with the Ontario Energy Board's ("Board") *Report of the Ontario Energy Board: Framework for the Assessment of Distributor Gas Supply Plans* ("Framework") and the Board's letter dated December 20, 2018, both issued within EB-2017-0129, Enbridge Gas Inc. ("Enbridge Gas") submitted a 5 Year Gas Supply Plan ("Plan") to the Board on May 1, 2019. On June 25, 2019 TransCanada PipeLines Limited ("TCPL") filed a letter of comment regarding Enbridge Gas's Plan. The letter requests changes to the Board's established process for assessing the Plan, and further makes unsubstantiated and misleading statements regarding Enbridge Gas's future contracting intentions. For the reasons that follow Enbridge Gas submits that the Board should reject TCPL's recommendations to alter the existing review process outlined in the Framework.

First, TCPL's letter appears to indicate a misunderstanding of the nature of Enbridge Gas's Plan and the Board's established process for its review. TCPL's letter begins by stating "[Enbridge Gas] filed a 5 Year Gas Supply Plan **Application** (EB-2017-0137) (Gas Supply Plan) on May 1, 2019. The Ontario Energy Board (Board or OEB) has yet to issue a notice for the **application**, so the process and timeline to review the Gas Supply Plan has not yet been established [**emphasis added**]."¹ Based on the above it appears that TCPL believes Enbridge Gas has submitted an application for the Board to adjudicate and decide upon, which is not the case. The same excerpt above also appears to indicate a belief that the Board has not yet established a process for the review of Enbridge Gas's Plan, which is also not accurate.

As articulated in the Framework, "...the information contained in the review and assessment of gas supply plans is intended to inform other related applications and provide a basis of understanding about the plans for the OEB when it is deciding on related applications. As stated earlier, the assessment of the gas supply plans will not result in a decision on the costs or cost recovery."² Clearly the Framework does not contemplate submission, adjudication and approval of an application. With respect to

¹ EB-2019-0137, Letter of Comment, TransCanada PipeLines Limited, June 25, 2019, p.1

² Framework, p.2

process, pages 2 through 6 of the Framework show that the Board took considerable care in 2017 and 2018 to develop the Framework, inclusive of the Gas Supply Plan Assessment section which explicitly outlines the Board's process for reviewing the Plan. While Enbridge Gas and interested parties await the Board's direction with respect to specific timelines, it is not accurate to suggest that the review process for the Plan has "not yet been established" as TCPL asserts.

Second, if TCPL had concerns or comments regarding the Board's approach to reviewing 5-Year Gas Supply Plans, those concerns should have been raised at the time when the Framework was being established. As noted, the Board issued a draft Framework for comment on April 12, 2018³, receiving letters of comment from a number of interested parties including TCPL. Within TCPL's letter of comment dated June 1, 2018 no concerns are expressed regarding the Board's proposed approach to reviewing 5-Year Gas Supply Plans. In fact, TCPL's June 1, 2018 letter states that "...[TCPL] writes to express its support for the Draft Report of the Ontario Energy Board as filed."⁴

Lastly, unlike TCPL other interested parties in EB-2017-0129 did express their desire to see modifications to the process outlined in the Board's draft Framework. As summarized in the Framework, some stakeholders suggested "...a need for increased stakeholder engagement and that the process should follow more of an adjudicative approach..."⁵. It stands to reason that a shift toward more of an adjudicative approach might have included additional steps such as those requested by TCPL on page 2 of its June 25, 2019 letter. In response to those suggestions within EB-2017-0129, when the Board issued the final Framework it explained that "Changes have been made to the process for plan review to allow for additional stakeholder engagement, including questions and additional submissions."⁶ In light of the above, it is clear the Board has already considered very similar recommendations to those brought forward by TCPL in their June 25, 2019 letter, and has increased the level of stakeholder engagement within the review process. Had the Board believed that additional process steps were warranted it seems fair to assume that such steps would have been included within the Framework. Enbridge Gas does not believe that it is necessary or appropriate to now change the process steps set out in the Framework. Adding process steps such as those suggested by TCPL (including the filing of evidence by other parties and multiple rounds of submissions) will complicate and add to the process that the Board set out in the Framework.

In addition to providing comments regarding regulatory process, TCPL states in its June 25, 2019 letter that it is concerned Enbridge Gas is considering entering into contracts for additional NEXUS transportation capacity. TCPL cites references to the Plan and Enbridge Gas's 2019 Rate Application supposedly providing support for this

³ EB-2017-0129 Draft Report of the Ontario Energy Board: Framework for the Assessment of Distributor Gas Supply Plans, April 12, 2018

⁴ EB-2017-0129 TransCanada Pipelines Limited Letter of Comment, June 1, 2018

⁵ Framework, p.2

⁶ Ibid

view, though an examination of the references offers no such support^{7,8}. For clarity, nowhere in the Plan does Enbridge Gas express an intention to contract for additional NEXUS capacity; TCPL's submissions on this subject are completely unsubstantiated and wholly without merit.

Should you have any questions on this matter please contact the undersigned.

Sincerely,

(Original Signed)

Brandon Ott
Technical Manager, Regulatory Applications

Cc:

David Stevens, Aird & Berlis LLP
All Interested Parties EB-2019-0137, EB-2017-0129 & EB-2015-0238

⁷ TCPL references pages 52, 53, 88 and 90 of the Plan, all of which show portions of Enbridge Gas's Supply Option Analyses as required by the Framework. NEXUS is listed as one of several options in both instances. In both instances Enbridge Gas explicitly concludes that its preferred planning strategy is not to contract for additional NEXUS capacity.

⁸ TCPL references Exhibit E1, Tab 4, Schedule 9, Page 5 of Enbridge Gas's 2019 Rate Application (EB-2018-0305). At this reference Enbridge Gas makes no mention of NEXUS whatsoever, instead noting that in the future additional diversity could be achieved through new transportation services "such as TCPL's long-term fixed-price services...or through the acquisition of supply at points other than Dawn such as Iroquois should it become a more liquid hub."