



Ms. Christine Long Board Secretary Ontario Energy Board P.O. Box 2319, 27th Floor 2300 Yonge Street Toronto, ON M4P 1E4

December 20, 2019

Re: EB-2019-0187 Saugeen First Nation Community Expansion Project Pollution Probe Interrogatories for Enbridge

Dear Ms. Long:

Please find enclosed Pollution Probe's Interrogatories for Enbridge on the above noted proceeding.

Respectfully submitted on behalf of Pollution Probe.

Original signed by

Michael Brophy, P.Eng., M.Eng., MBA

Consultant to Pollution Probe

Phone: 647-330-1217

Email: Michael.brophy@rogers.com

cc: Ms. Asha Patel, Enbridge (email via EGIRegulatoryProceedings@enbridge.com)

Mr. Guri Pannu Senior Legal Counsel, Enbridge Regulatory (via email)

Richard Carlson, Pollution Probe (via e-mail)

ONTARIO ENERGY BOARD

Saugeen First Nation Community Expansion Project

POLLUTION PROBE INTERROGATORIES

December 20, 2019

Submitted by: Michael Brophy

Michael.brophy@rogers.com

Phone: 647-330-1217

28 Macnaughton Road

Toronto, Ontario M4G 3H4

Consultant for Pollution Probe

Below are the questions on the above noted proceeding from Pollution Probe. Pollution Probe had an opportunity to review IR's filed by Board Staff and remove duplication.

Pollution Probe #1

Reference: Ministry Directives to the OEB requiring that all cost-effective natural gas energy efficiency opportunities be pursued¹. Provincial policy and Environment Plan² identifying the need to leverage all natural gas Demand Side Management (DSM) opportunities.

- a) All new customers will require a contractor to visit their home or business to install natural gas equipment. Please confirm that adding new customers is one of the best opportunities to leverage energy efficiency (i.e. DSM) opportunities in that community's homes or business? If not, please explain and indicate where new customers rank in relation to better DSM opportunities.
- b) Please provide a list of all DSM programs that could be leveraged by homes and businesses in this community.
- c) Please provide an estimate of the volumetric and bill savings (total cumulative and aggregated by customer type residential, commercial and industrial) that would be achieved if all applicable DSM programs were adopted by:
 - i. All 176 potential customers in this community
 - ii. All 86 customers estimated to be connected (65 residential and 24 small commercial)
- d) Enbridge has promoted broader conservation programs and consumer education in alignment with DSM and provincial policy (e.g. opportunities to save water, electricity, reduce emissions, etc.). Enbridge has also partnered with organization such as IESO to promote energy efficiency in a cost-effective manner.
 - Can Enbridge confirm what complimentary energy efficiency activities it could promote to consumers in this community while it is doing customer attachment outreach. For each opportunity, please indicate whether it has been leveraged or will be leverage for Ratepayers in this community.

¹ Minister's Directive, March 26, 2014, para. 4(i) and Minister's Directive, March 06, 2019, para. 5.

² Ontario, *Preserving and Protecting our Environment for Future Generations: A Made-in-Ontario Environment Plan,* November 29, 2018, p. 23.

ii. Has Enbridge notified any of its program partners of the opportunity to partner in this community? If so, please provide a summary of partners and which initiatives it plans to promote by partner.

Pollution Probe #2

Reference: Provincial policy requires effective integrated community energy planning in alignment with integrated resource planning, particularly where new energy infrastructure is being built³. Saugeen Shores supports community energy planning and has competed an Energy Conservation and Demand Management Plan⁴. The Town of Saugeen Shores policy indicates that it will incorporate energy efficiency into all aspects of operations wherever possible⁵.

- a) Please provide details on any support (financial, resource or otherwise) Enbridge
 has provided or intends to provide this community to support its community
 energy plan, CDM Plan or reach the policy goals outlined above.
- b) Please identify what elements from the above noted documents Enbridge used when developing their plan for this project to serve the community.
- c) Please confirm that the planning approach, implementation and application of Enbridge programs (e.g. DSM) for this project represents the lowest (total lifecycle) cost option to Ratepayers in this community over the life of the proposed pipeline assets. If not, please explain why.
- d) Please provide a copy of consumer information (including any door to door questionnaire) materials that were used during public consultation and customer canvassing for this project.
- e) Please provide a summary of all energy efficiency and community energy planning information provided at any public consultation meetings held related to this project.

³ http://www.mah.gov.on.ca/AssetFactory.aspx?did=10463, Provincial Policy Statement sections 1.6 and 1.8

⁴ https://www.saugeenshores.ca/en/town-hall/resources/Documents/Energy-consumption-reports/Energy-Management-Plan.pdf

⁵ ibid

Pollution Probe #3

[Ex. B, T1, Sch. 5]

- a) Please confirm that under the *E.B.O. 188 Report on Natural Gas System Expansion* Enbridge is able to complete a system expansion project that meets or exceed a PI of 0.8. If that is not correct, please explain.
- b) Please explain why Enbridge is requesting approval from the Board to charge a System Expansion Surcharge ("SES") to bring the PI to 1.0 if only a PI=0.8 is required.
- c) Please provide the SES charge and total SES revenue amount required if the project was approved on the basis of a PI=0.8?
- d) Please provide the SES charge and total SES revenue amount required (based on a PI=1) if all 176 customers were connected instead of just 86 as forecasted by Enbridge.

Pollution Probe #4

[Ex. B, T1, Sch. 1]

<u>Reference:</u> Enbridge indicates that this project received \$1.8 million of provincial grant funding and that this funding is included for purposes of OEB project approval and in calculating the PI.

- a) Please provide an update of the status of this funding (i.e. has Enbridge received this funding).
- b) Please summarise any risks to Ratepayers and/or Enbridge related to this funding.
- c) Please confirm that Ratepayers will not pay for any revenue shortfall or project overruns incurred for this project.

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Pollution Probe #5

[Ex. B, T1, Sch. 1]

Enbridge indicates that it is receiving a provincial grant of \$1.8 million for the project. Enbridge also indicates that the Government grant will offset the year one cost for a net capital investment by Enbridge Gas of \$1.5 million over the 10 years. Please explain why these figures do not match.

Pollution Probe #6

[Ex. B, T1, Sch. 6]

Please provide an estimated timeline for obtaining all outstanding permits and approvals required to construct this project.

Pollution Probe #7

Reference: On December 17, 2019 the Board published the Minister's letter and notice that supports additional Potential Projects to Expand Access to Natural Gas Distribution in Ontario⁶.

- a) What is the potential to provide natural gas access to additional communities from the proposed pipeline?
- b) If all 176 potential customers attached for service, what capacity would be left for additional community expansion and/or reinforcement purposes?

⁶ https://www.oeb.ca/industry/policy-initiatives-and-consultations/potential-projects-expand-access-natural-gas

Pollution Probe #8

Reference: Board Staff IR #10 references draft Conditions of Approval and indicates that a final monitoring report should be completed and filed no later than fifteen months after the in-service date. Enbridge will know how many customers have attached and have a significantly better understanding of additional connections at the time this report is completed and filed.

In addition to the draft Conditions of Approval prepared by Board Staff, would Enbridge oppose including the conditions as outlines below? If Enbridge does not agree with the draft conditions of approval noted below, please identify the specific conditions that Enbridge disagrees with and explain why. For conditions in respect of which Enbridge would like to recommend changes, please provide the proposed changes and an explanation of the changes.

- 6 (b) A final monitoring report, no later than fifteen months after the in-service date, or, where the deadline falls between December 1 and May 31, the following June 1, which shall:
- vi. include a summary of all customers connected and those expected to be connected by customer type, including a variance explanation if these differ from the forecast included in the application.
- vii. provide a summary of all Demand Side Management marketing activities provided to consumers in this community and a summary of uptake on those programs.
- viii. Provide a copy of the completed report to all parties of this proceeding.