



PUBLIC INTEREST ADVOCACY CENTRE
LE CENTRE POUR LA DÉFENSE DE L'INTÉRÊT PUBLIC

May 4, 2020

VIA E-MAIL

Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
Toronto, ON

Dear Ms. Long:

**Re: EB-2020-0066 – Enbridge Gas Inc. (EGI) Renewable Natural Gas (RNG) Program
Interrogatories of the Vulnerable Energy Consumers Coalition (VECC)**

Please find attached the interrogatories of VECC to the HVAC Coalition in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Yours truly,

A handwritten signature in black ink, appearing to read 'M. Garner', is written over a light blue horizontal line.

Mark Garner
Consultants for VECC/PIAC

Copy:
EGI Regulatory
EGISRegulatoryProceedings@enbridge.com

REQUESTOR NAME **VECC**
TO: **Enbridge Gas Inc. (EGI or Enbridge)**
DATE: **May 4, 2020**
CASE NO: **EB-2020-0064**
APPLICATION NAME **Voluntary RNG Program**

VECC-1

Reference: Exhibit A, Tab 2, Schedule 1/Exhibit B, Tab 2, Schedule 1, pg. 3

- a) Will all participants in the RNG program receive an annual report of the program?
- b) Please clarify (provide examples) of what is meant by “owned” recognition initiatives (B/T2/S3/pg2).
- c) What specifically is meant by “social recognition” of program participants?

VECC-2

Reference: Exhibit A, Tab 2, Schedule 1, page 2

EGI defines renewable natural gas (RNG) as: *“a gaseous mixture comprised primarily of methane that is derived from processing biogas or other recovered gases that are not directly produced from fossil fuel extraction, which has been conditioned or upgraded to meet pipeline quality natural gas.”* Biogas is defined as *“gaseous mixture comprised primarily of methane and carbon dioxide recovered from decomposition of biomass and that contains other constituents that restrict it from meeting pipeline quality natural gas standards”*.

- a) Is EGI aware of any other alternative definitions of RNG that might impact the available gas resources for this program?
- b) Is this definition consistent with provincial or federal laws or regulations regarding volatile gas?
- c) Please provide the source of the definitions used by EGI.

VECC-3

Reference: Exhibit

- a) What, if any gas processing investments must EGI make to accommodate RNG sourced gas?
- b) Does EGI intent to offer an RNG Upgrading Services on an unregulated basis (re: EB-2017-0319) in order to implement the proposed voluntary RNG program?

VECC-4

Reference: Exhibit B, Tab 1, page 4

EGI states: *“Looking forward, the federal government is developing a Clean Fuel Standard (“CFS”), which will require fossil fuel producers, importers and distributors to reduce the carbon intensity of the fuels used in Canada. The CFS is proposed to impose a compliance obligation on the natural gas sector starting January 1, 2023. One of the proposed compliance pathways available to natural gas distributors to satisfy their CFS obligation is the blending of low carbon intensity fuels with natural gas. As a result, Enbridge Gas would be required to procure RNG as part of the Company’s supply portfolio.”*

- a) When (or if) the above scenario occurs would it be EGI's intention to end the voluntary program and allocate any incremental cost of “blended” natural gas to all ratepayers?

VECC-5

Reference: Exhibit B, Tab 2, Schedule 1, page 2

- a) Enrollment in the RNG program is in perpetuity. Please explain why EGI did not design the program enrollment on the basis of a fixed period (e.g. 12 months) with renewal notifications.

VECC-6

Reference: Exhibit B, Tab 2, Schedule 1,

- a) Please provide a mock-up bill showing an example of the RNG charge and Federal Carbon Charge on a typical residential bill (for both Union and Enbridge rate zones).

VECC-7

Reference: Exhibit B, Tab 2, Schedule 1, pages 3-4

EGI explains: *“To the extent that the RNG obtained by Enbridge Gas using Program funds reduces the Company’s Federal Carbon Charge obligations, and subsequent remittance to the CRA, any variance between the Federal Carbon Charges remitted to the CRA and the amount charged to customers will be*

tracked in existing OEB-approved Federal Carbon Pricing Program customer-related variance accounts, and will flow to all customers subject to the Federal Carbon Charge.

- a) Why did Enbridge not design the RNG program to provide a financial benefit to participants for any reduction in the Federal Carbon Charge arising out of the program?
- b) What impediments are there to devising such a mechanism?

VECC-8

Reference: Exhibit B, Tab 2, Schedule 1, pages 4&8

- a) Please describe the “*mechanism*” that Enbridge would need to have in place in order to procure RNG supply on a long-term basis. In this context please explain what period of time is meant for “long” and “short” term.

VECC-9

Reference: Exhibit B, Tab 2, Schedule 1, page 5

- a) Why is the RNG program not being made available to large volume industrial, large commercial and contract class customers?
- b) If a customer acquires RNG supplied gas via a marketer does Enbridge provide a credit for any Federal Carbon Charge offset credit received?

VECC-10

Reference: Exhibit B, Tab 2, Schedule 1, page 5 / Schedule 2

- a) It is unclear to us what is meant by the “*RNG Program will initially target a modest number of customers of approximately 16,000 in the first year...*” Does Enbridge intend to market the program to all or only a subset of customers? If the latter what precludes Enbridge from marketing the program to all customers?

VECC-11

Reference: Exhibit B, Tab 2, Schedule 2

- a) Is the intent to match the procured RNG supply to the amount of revenue generated by EGI and Union zone?

VECC-12

Reference: Exhibit B, Tab 2, Schedule 4

- a) Please explain how the approximate \$200,000 tax credit is calculated.

VECC-13

Reference: Exhibit C, Tab 2, Schedule 2

- a) Please explain what billing system changes are necessary for this program and the estimated cost of those changes.
- b) Do both Union and Enbridge rate zones require separate billing system changes?
- c) Please explain what changes will be required to customer support.

VECC-14

Reference: Exhibit C

- a) If costs exceed the amount of revenues generated are the program participants or any EGI ratepayers at risk of needing to contribute monies?

End of document