

# Elson Advocacy

May 5, 2020

## **BY RESS AND EMAIL**

**Ms. Christine Long**

Board Secretary  
Ontario Energy Board  
2300 Yonge Street, Suite 2700, P.O. Box 2319  
Toronto, Ontario M4P 1E4

Dear Ms. Long:

**Re: EB-2019-0159 – Enbridge Gas Inc. – Kirkwall-Hamilton Pipeline Project**

We are writing further to Enbridge's request for an open-ended adjournment of the Hamilton Pipeline case. Although Environmental Defence understands the issues underlying this request, we are concerned that a full adjournment could prejudice consideration of cost-effective non-pipe alternatives to the project in this proceeding. Non-pipe alternatives, such as demand side management, often require time to design and ramp up. These alternatives have faced the perennial obstacle of being considered too late in the process in relation to previous projects, such that only the quickest solution is viable, even if that solution is building a pipeline at a significantly greater cost. If we continue to wait in relation to the Hamilton Pipeline, we may be in that situation again.

Although we do not object to the majority of the proceeding being adjourned, we request that the Board direct Enbridge to provide interrogatory responses. These responses would allow intervenors to gain better insight into potential non-pipe alternatives and consider whether to advocate for Enbridge to take another look at those solutions as soon as possible. We expect this would also benefit other intervenors who are keenly interested in cost-effective non-pipe solutions.

This would not be onerous. Enbridge requested an adjournment 4 minutes before its interrogatory responses were due (at 4:41 pm on Monday). It had been working diligently on those responses already and will have completed all or most. We assume those responses can be provided now or at least within a few weeks. If circumstances require updated responses in the future, there is no obstacle to that and releasing responses now will not materially increase the time it takes to do so. Providing responses could benefit the process without requiring unwarranted levels of effort.

We have consulted with several other intervenors who agree that this approach would avoid wasting the efforts of parties to date and would have value in any eventual process, whether in this docket or by informing the Board's current IRP process.

In addition, we also request that the Board direct Enbridge to continue to revisit whether there are non-pipe solutions that may be more cost-effective as it reconsiders this project in light of COVID-19. Changing circumstances, such as decreased demand or increased energy efficiency stimulus funding, could significantly favour non-pipe solutions. The adjournment would also provide a window for additional analysis and ramp-up. Although Enbridge has ruled out non-pipe solutions thus far, that decision should be expressly revisited going forward.

Enbridge may respond by reiterating why in its view DSM is not a viable alternative and may allege that it could never be a viable alternative. However, Enbridge has not explored DSM as *part* of a solution involving other options, such as better utilization of existing capacity in the interim as DSM is ramped up. Furthermore, a proper review of alternatives by the Board has not yet taken place.

Lastly, we also request that costs eligibility not be immediately suspended by the Board so our experts can analyze the interrogatory responses and, if the experts deem it appropriate and worthwhile, provide input to Enbridge regarding continued consideration of non-pipe alternatives. This input could help to ensure that the period of adjournment, which could extend well beyond six months, is as productive as possible.

Non-pipe solutions could greatly benefit consumers, particularly if a solution involves demand side management in whole or in part. DSM comes at an overall *negative* cost. In other words, the energy savings far outweigh the costs. DSM also protects consumers by providing a cheap hedge against future gas and carbon price increases. DSM also avoids the risks associated with continued investments in fossil fuel infrastructure. If DSM can be part of a solution to avoid the \$200 million pipeline, the benefits to consumers would be even greater. By taking some additional steps now, we may be able to avoid the argument that it is too late to pursue this superior option in the future.

Yours truly,

A handwritten signature in blue ink, appearing to read 'K. Elson', is written over a horizontal line.

Kent Elson

cc: Parties in the above proceeding