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May 7, 2020

#### **VIA RESS**

Christine Long
Registrar and Board Secretary
Ontario Energy Board
P.O. Box 2319, 27<sup>th</sup> Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Long:

Re: Enbridge Gas Inc. (Enbridge Gas) Application for a Voluntary Renewable Natural

Gas Program EB-2020-0066

We are counsel to Anwaatin Inc. (**Anwaatin**). Please find attached Anwaatin's interrogatories to Enbridge Gas in the above-noted proceeding, filed further to Procedural Order No. 1.

Sincerely,

Jonathan McGillivray

c. Larry Sault, Anwaatin Inc.

Don Richardson

Brandon Ott, Enbridge Gas Inc. David Stevens, Aird & Berlis LLP

Encl.

#### **ONTARIO ENERGY BOARD**

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

**AND IN THE MATTER OF** an application by Enbridge Gas Inc. (**Enbridge Gas**) for an order or orders related to its Voluntary Renewable Natural Gas Program (the **Program**);

**AND IN THE MATTER OF** an application by Enbridge Gas Inc. for an order or orders amending or varying rates charged to customers sale, distributions, transmission, and storage of gas commencing as of January 1, 2021.

EB-2020-0066

**INTERROGATORIES** 

OF

**ANWAATIN INC.** 

May 7, 2020

Reference: • Exhibit B, Tab 2, Schedule 1, para 9

Preamble: Enbridge Gas plans to provide annual communications to participating

customers outlining information such as the total amount of renewable natural gas (**RNG**) procured under the Program, related greenhouse gas (**GHG**) emission reductions, future forecasts, Program participation, and/or other

relevant metrics.

a) Please provide a sample of the annual communications to participating customers that Enbridge proposes to provide, including communications to First Nation governments whose community members may be Enbridge customers.

b) Please provide Enbridge Gas' proposed approach to providing annual communications to prospective customers, including prospective First Nation community customers and their First Nation governments.

Reference:

- Exhibit B, Tab 1, Schedule 1, paras 5-10
- Exhibit C, Tab 2, Schedule 1
- Exhibit C, Tab 4, Schedule 1
- Exhibit C, Tab 4, Schedule 2, p. 33

#### Preamble:

The Program is developed further to the Made-in-Ontario Environment Plan (**MOEP**), which also expressly includes objectives to improve access to clean and affordable energy in northern Ontario Indigenous communities.

Enbridge Gas states that the Program is consistent with the objective of both the provincial and federal governments to reduce GHG emissions and makes express reference to the MOEP, the *Greenhouse Gas Pollution Pricing Act* (**GGPPA**), and the federal Clean Fuel Standard (**CFS**).

Enbridge Gas engaged Ipsos Public Affairs to perform market research and analysis in support of the Program. A total of 1,212 Enbridge Gas residential customers participated in a survey conducted as part of the research and analysis.

- a) Please describe in general terms Enbridge Gas' existing and planned consultation and engagement with Indigenous rights-holding communities in Ontario with respect to the Program.
- b) Please explain Enbridge Gas' plans to involve Indigenous rights-holding communities in the Program.
- c) Beyond the MOEP, GGPPA and CFS, what other federal or provincial schemes, policies, plans, or standards does Enbridge Gas anticipate will impact the Program or Enbridge Gas' requirements to otherwise procure RNG as part of its supply portfolio? Please provide any underlying analysis.
- d) Please explain how the Program supports the MOEP objective of improving access to clean and affordable energy in northern Ontario Indigenous communities.
- e) Please explain how Indigenous governments and Indigenous businesses are currently involved in advancing the MOEP.
- f) Please explain how Indigenous governments and Indigenous businesses will be further engaged in advancing the MOEP, and any plans for specific outreach to those governments and businesses that might be able to participate if better informed of the MOEP and potential benefits and opportunities.

Reference: • Exhibit B, Tab 2, Schedule 2

Preamble: Enbridge Gas states that it will procure RNG in accordance with its "Gas

Supply Procurement Policies and Practices". Enbridge Gas will include forecast RNG volumes procured in its Annual Updates to the Gas Supply Plan

filing.

a) Please place the applicable "Gas Supply Procurement Policies and Practices" on the record in this proceeding.

- b) Please explain how Indigenous rights-holding communities will be, or can be, involved in the procurement of RNG by Enbridge Gas for the Program.
- c) Please explain how bona fide Indigenous contractors and/or suppliers will be involved in the procurement of RNG by Enbridge Gas for the Program.
- d) Please explain how the procurement of RNG by Enbridge Gas for the Program will accommodate for the jurisdictional differences between First Nation reserve lands and other lands in Ontario with respect to procurement policies and practices.
- e) Please explain how the procurement of RNG by Enbridge Gas for the Program will accommodate for the need to construct and operate new infrastructure on Indigenous traditional territory and/or unceded lands.
- f) Please explain how the procurement of RNG by Enbridge Gas for the Program will accommodate for the availability of forest biomass available from First Nation owned forestry companies.

Reference: • Exhibit B, Tab 2, Schedule 4, para 1

• Exhibit C, Tab 2, Schedule 1

Preamble: Enbridge Gas engaged Ipsos Public Affairs to perform market research and

analysis in support of the Program. A total of 1,212 Enbridge Gas residential customers participated in a survey conducted as part of the research and

analysis

Enbridge Gas forecasts the number of participants in the Program based on market research, the experience of Fortis BC and the experience of DTE Energy.

- a) What proportion of Enbridge Gas' residential customers are Indigenous customers?
- b) What proportion of the 1,212 Enbridge Gas residential customers that were surveyed were Indigenous customers of Enbridge Gas?
- c) Has Enbridge Gas performed analysis of the ability of Indigenous customers to pay to participate in the Program? If so, please provide the analysis. If not, please explain why no such analysis has been performed.
- d) What proportion of forecasted Program participants in Years 1 through 10 does Enbridge Gas anticipate will be Indigenous customers?
- e) Please break down the forecast of 37,000 customers in Year 10 by First Nation reserve community in Ontario

Reference: • Exhibit B, Tab 2, Schedule 2, para 2

Preamble: Subsequent to the initial purchase of RNG, Enbridge Gas will continue to procure RNG using funds available from forecast proceeds at intervals

(procurement intervals) determined based on market conditions and funds

collected.

a) What procurement intervals is Enbridge Gas considering (e.g., monthly, quarterly, seasonally, annually)?

b) Does Enbridge Gas propose to adhere procurement intervals of uniform duration? Please explain.

c) What factors and considerations does Enbridge Gas believe will affect its selection of the procurement interval(s)? Please explain.

Reference: • Exhibit B, Tab 1, Schedule 1, paras 11-14

Preamble: In September 2011, Enbridge Gas Distribution Inc. and Union Gas Limited each filed applications with the Board under section 36 of the *Ontario Energy Board Act, 1998* seeking an order or orders approving or fixing rates for the sale of natural gas, including the cost consequences of the purchase of RNG.

The Board has previously addressed the issue of pre-approval of the cost consequences of long-term contracts in its *Report of the Board: Draft Filing Guidelines for the Pre-Approval of Long-Term Natural Gas Supply and/or Upstream Transportation Contracts* (EB-2008-0280) (the **Filing Guidelines**). The Board stated in the Filing Guidelines that "the process should allow a utility to apply to the Board on a case-by-case basis to pre-approve the cost implications of the long-term contracts (as per section 36(2) of the *Ontario Energy Board Act*, 1998)."1

a) Please provide Enbridge Gas' detailed views on the Board's jurisdiction to approve upstream RNG purchase contracts and all regulatory and legislative requirements, guidelines, and policies that would apply to the approval of such contracts.

<sup>&</sup>lt;sup>1</sup> EB-2008-0280, Report of the Board: Draft Filing Guidelines for the Pre-Approval of Long-Term Natural

Gas Supply and/or Upstream Transportation Contracts (February 11, 2009), available online at: <a href="https://www.oeb.ca/oeb/\_Documents/EB-2008-0280/OEB\_LTCGuidelines\_Corresp\_20090211.pdf">https://www.oeb.ca/oeb/\_Documents/EB-2008-0280/OEB\_LTCGuidelines\_Corresp\_20090211.pdf</a>.

Reference: • Exhibit B, Tab 2, Schedule 1, para 25

Preamble: Enbridge Gas states that it is aware of two RNG production facilities currently

under construction in Ontario and several more in the planning stage of development. Enbridge Gas will be working with these project developers and

providing the services they require to get their RNG to market.

a) Please provide a detailed explanation of the analysis Enbridge Gas undertook in order to determine that there are two RNG production facilities currently under construction in Ontario.

- b) Please provide an outline of the impact Enbridge Gas expects "several more" RNG production facilities to have on the RNG market conditions in Ontario and the Program.
- c) Please provide a detailed outline of (a) the work Enbridge Gas proposes to undertake with RNG project developers and (b) the services Enbridge Gas will provide to assist them in getting their RNG to market.

Reference: • Exhibit B, Tab 2, Schedule 4, para 5

• Exhibit B, Tab 2, Schedule 1, para 15

Exhibit C, Tab 2, Schedule 3

Preamble:

Enbridge Gas estimates that forecast RNG contributions of \$6.8 million will allow the Company to procure over 400,000 GJ of RNG supply over the tenyear forecast period, resulting in an emissions reduction of approximately 20,000 tCO2e. Enbridge Gas estimates available funds from the first 12 months of program operations will allow for procurement of over 22,000 GJ of RNG, increasing gradually to reach 52,000 GJ in year ten.

- a) Please provide a detailed explanation of the formula Enbridge Gas used to calculate the estimate of emissions reductions of approximately 20,000 tCO2e.
- b) Please add a row to the table appearing in Exhibit C, Tab 2, Schedule 3 providing the estimated annual emissions reductions (in tCO2e).
- c) Please provide a detailed discussion of whether commercial or industrial customers that enroll in the Program could use the emissions reductions resulting from the RNG procurement:
  - 1. to offset their Scope 1, Scope 2 or Scope 3 emissions;
  - 2. for compliance with mandatory emissions reduction schemes (e.g., pursuant to the GGPPA or a comparable provincial scheme): and/or
  - 3. for compliance with voluntary emissions reduction commitments (e.g., carbon neutrality or net-zero commitments, science-based targets, etc.).

Reference: • Exhibit B, Tab 2, Schedule 1, para 11

Preamble: Enbridge states that, to the extent that RNG obtained using Program funds

reduces Enbridge Gas' federal carbon charge obligation, 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) Has Enbridge Gas performed any analysis of how the Program will impact the variance between the federal carbon charges remitted to the CRA and the amount charged to customers?

If so, please provide the analysis.

If not, please explain why no such analysis has been performed.

Reference: • Exhibit B, Tab 2, Schedule 1, para 17

Preamble: Enbridge Gas states that, should its services be required to facilitate an

arrangement between a customer and a third-party marketing RNG, existing business processes and systems will be relied upon. For example, a customer may purchase a portion of their gas supply as RNG from a gas marketer or RNG producer, who would in turn work within Enbridge Gas' established direct purchase framework to see that RNG is used to meet a

customer's delivery obligations and consumption.

a) Has Enbridge Gas performed any analysis of the impact of the Program on existing and potential competitive, third-party RNG producers, marketers, and related service providers?

If so, please provide the analysis.

If not, please explain why no such analysis has been performed.

b) Has Enbridge Gas performed any analysis of the impact of the Program on the existing and potential *market for* competitive, third-party RNG production, marketing, and related service offerings?

If so, please provide the analysis.

If not, please explain why no such analysis has been performed.

c) Please provide a detailed outline of the conditions of access to the Enbridge Gas distribution system for non-Enbridge Gas RNG producers and other supply sources. Please also specifically address whether the conditions of access to the Enbridge Gas distribution system are the same for Enbridge Gas and non-Enbridge Gas RNG producers and other supply sources.

Reference: • Exhibit B, Tab 1, Schedule 1, para 11

Preamble: Enbridge Gas or its predecessors have previously filed the following applications with the Board:

- Green Energy Initiatives (EB-2009-0172)

- RNG Applications (EB-2011-0242/EB-2011-0283)

- RNG Enabling Program (EB-2017-0319)

(collectively, the Prior Applications).

a) Excluding the present application for the Program, are the Prior Applications the only prior applications or evidence that Enbridge Gas or its predecessors have filed with the Board related to, addressing, and/or affecting RNG/biomethane?

If not, please identify and file any and all prior applications or evidence that Enbridge Gas or its predecessors have filed with the Board related to, addressing, and/or affecting RNG/biomethane.

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS

7<sup>th</sup> day of May, 2020

Lisa (Elisabeth) DeMarco DeMarco Allan LLP Counsel for Anwaatin

Jorathan McGillivray DeMarco Allan LLP Counsel for Anwaatin