



**BY EMAIL and RESS**

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Our File No. 2019-0159

Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> Floor  
Toronto, Ontario  
M4P 1E4

**Attn: Christine Long, Registrar and Board Secretary**

Dear Ms. Long:

**Re: EB-2019-0159 – Enbridge Dawn Parkway Expansion – Adjournment**

We are counsel for the School Energy Coalition. Further to Procedural Order #6, this letter constitutes SEC's submissions on Enbridge's proposed adjournment of this proceeding, and the conditions of that adjournment.

SEC has had an opportunity to read the submissions of some of the other parties, and to talk to some of those parties directly. It is against that backdrop that we offer the following comments for the assistance of the Board.

***What Is Enbridge Proposing?*** SEC agrees that the current pandemic lockdown creates additional uncertainty with respect to infrastructure capital spending, in both natural gas and electricity (as well as other sectors of the Ontario economy). Reduced economic activity for a period of time (perhaps just months, perhaps longer) and more unpredictable delivered gas prices and availability may lead to changes in need, and changes in the economics of alternatives, including environmentally preferable alternatives. All utilities should be re-evaluating their capital spending right now.

Therefore, if what Enbridge is proposing is to put the whole project on hold, pending a review of the forecasts underlying the business case (and the alternatives), SEC believes that is a wise move.

Whether that is what is being proposed by Enbridge is in some doubt, though, for at least two reasons:

- If a utility no longer has confidence in its forecasts or other assumptions supporting a major capital project, the normal thing to do is either i) file an update to change the forecasts or assumptions, or ii) withdraw the application until the utility has a proposal in which it has confidence. It is surprising that Enbridge is proposing an adjournment.
- Enbridge says that it plans to continue working on the project as if nothing happened. It does not want to put the project on hold, only the regulatory process. If there is any doubt about whether the project continues to be a good idea, continuing to spend money moving it forward appears to be inconsistent with that situation.

We also note that the Application continues to request approval in time for an early November, 2021 in-service date. In fact, the Project Schedule found at Exhibit A, Tab 9, Schedule 1 shows that much of the work on the project, including things like procurement, engineering, etc., would be well-advanced by the time the proposed six month delay is complete. Assuming it is reasonable for the Board to take six months to complete the process after the adjournment requested, that would leave a Board decision happening well after actual construction is presumed to have started.

Therefore, it seems to SEC that, if the adjournment is granted but the Application is allowed to remain on the books, the result is that, when Enbridge comes back to the Board, it may well say “We still need the project, and now the Board really has to hurry to reach a decision.” SEC invites Enbridge, in its Reply, to clarify whether, if it re-starts the project after six months, it can assure the Board that the project schedule will be altered accordingly.

In any case, SEC believes that the Board should make clear to Enbridge that any delay will delay approval, and Enbridge should plan for that in its revised scheduling of the project. The Board should also make clear that it expects Enbridge in the period of delay to continue to seek ways of deferring or replacing the project through geo-targeted DSM and other such means. If Enbridge is going to continue to work on preliminary aspects of the project itself, it also has an obligation to continue to look at alternatives. The delay being requested should never be the cause of any alternative becoming less viable.

***Integrated Resource Planning EB-2020-0091.*** Originally, the Enbridge IRP proposal was part of EB-2019-0159. The Board has shifted it to a new docket #, on its own timeline. SEC has assumed that, while Enbridge is seeking a delay in consideration of the Dawn Parkway Expansion project, it is not proposing that the consideration of its IRP proposal also be delayed.

If Enbridge is proposing any delay in that proceeding as well, it should make that clear in its Reply. SEC opposes any such delay.

**Responses to Interrogatories.** SEC is of two minds with respect to the Board ordering responses to the interrogatories already filed.

On the one hand, having looked at the questions filed, we are confident that many of them can be answered without any change arising out of the economic uncertainty currently being experienced. Questions about what was done in the past, and providing existing documentation, can be answered easily, and answers have probably already in fact been prepared. Putting those answers on the record today would reduce the impacts of any delay if the process is then restarted later. Those answers will also likely be helpful to all parties in the EB-2020-0091 proceeding.

On the other hand, much of the analysis of any project like this one involves the forecasts and assumptions. The current economic uncertainty calls those forecasts and assumptions into question, meaning that all interrogatories that are based on the forecasts are more difficult to answer right now, and the answers will be less reliable. Indeed, time spent on those responses may be time wasted.

SEC therefore believes that the Board should require Enbridge to file responses to the interrogatories filed to date, but with express permission to defer responses to interrogatories that are based on forecasts or assumptions that Enbridge believes are currently in doubt. That is, if an interrogatory asks for a copy of a past document, that should be provided. If an interrogatory asks why a particular forecast is reasonable, Enbridge is free to say that the forecast in question is under review and an answer will be delayed.

**Intervenor Review.** There is, of course, no point in the Applicant responding to interrogatories now if the intervenors and OEB Staff are not going to review those responses. SEC submits that a review of the responses is a good idea, both for this process and for the IRP process. However, SEC believes that any further work by experts preparing their reports and analyses for this particular process is not efficient at this time. It will not save time if and when the process is restarted, because those reports will still have to be updated for any new forecasts or assumptions. If the process is not restarted, on the other hand, the time will have been wasted.

An exception would be the extent to which this project is an example for the IRP proposal. Where an expert is analysing the Dawn Parkway Expansion for the purposes of providing evidence in the IRP proceeding, SEC believes that it is appropriate for them to continue to do so during this hiatus.

The result of this proposal, if accepted by the Board, is that Enbridge would have a set date to complete its interrogatory responses, and the intervenors and OEB Staff would have a period of time – perhaps a week – to review the responses. Then interim cost awards would be filed. Any time spent after that would be at risk if this proceeding is not ultimately restarted. Any time spent on the IRP proceeding would, of course, be considered in the context of that proceeding, not this one.

SEC notes that, separately, Enbridge should be engaging with the intervenors during the hiatus. It is not the Board's normal practice to order stakeholder involvement in this kind of situation, and in our experience mandatory stakeholdering is in any case less effective than true, voluntary collaboration by the utility with interested parties. We are therefore not proposing that

the Board order any stakeholder involvement. However, it would be wise for Enbridge to use this opportunity, and to ensure that cost recovery for that stakeholding is also established.

**Conclusion.** SEC therefore submits as follows:

1. The adjournment of the EB-2019-0159 proceeding should not affect the continuation of the EB-2020-0091 IRP proceeding.
2. Enbridge in its Reply should explain to the Board how the proposed adjournment will affect the Project Schedule, and how the Board's regulatory process can be respected despite the delay.
3. The Board should make clear that continued work on the project is, of course, allowed, but that it should also include continued consideration of alternatives. Delay should not result in the viability of alternatives being reduced.
4. Enbridge should be ordered to answer all interrogatories that it can now, with permission to defer responses where the forecasts and assumptions to which they relate will be under review during the adjournment.
5. Intervenors should be authorized to review the responses, but experts should not continue preparation of their expert reports until the status of this proceeding has been clarified after the adjournment. Work for the IRP proceeding should continue separately.

All of which is respectfully submitted.

Yours very truly,

**SHEPHERD RUBENSTEIN PROFESSIONAL CORPORATION**



Jay Shepherd

cc: Wayne McNally, SEC (email)  
Interested Parties