

May 27, 2020

Christine Long
Board Secretary and Registrar
Ontario Energy Board
2300 Yonge Street
P.O. Box 2319
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

EB-2019-0294 - Enbridge Gas Inc. – Low Carbon Energy Project - LTC

Please find, attached, interrogatories on behalf of the Consumers Council of Canada for Enbridge Gas Inc. pursuant to the above-referenced proceeding.

Please feel free to contact me if you have questions.

Yours truly,

Julie E. Girvan

Julie E. Girvan

CC: EGI, Regulatory Affairs
All Parties

**INTERROGATORIES FROM THE CONSUMERS COUNCIL OF CANADA
FOR ENBRIDGE GAS INC.**

RE: LOW CARBON ENERGY PROJECT – LEAVE TO CONSTRUCT

EB-2019-0294

CCC-1

On March 31, 2020, EGI filed an update to its Application and evidence. Please set out, in a detailed list, what has changed since EGI filed its initial evidence on December 20, 2019.

CCC-2

Ex. A/T2/S1/p. 2

Please explain what EGI's Technology and Operations Centre is and what functions are undertaken there. Is this facility part of EGI's unregulated business and used to serve both businesses? Who owns the property and any associated buildings? If it is used to serve both regulated and unregulated activities please provide the service level agreements related to the facility.

CCC-3

Ex. A/S2

Please set out a list of all potential risks associated with the Project, indicate who is expected to bear those risks and how EGI intends to mitigate those risks.

CCC-4

Ex. A/T2/D1/p. 4

The evidence states that EGI expects to commence construction of the LCEP in the second quarter 2021. In addition, EGI has indicated that in order to meet the Project timelines approval is required as soon as possible and not later than November 2020. Has the COVID-19 pandemic had any impact on these dates? If, so please explain what those impacts are and what is the newly expected timeline. What are the implications for the Project if approval is delayed beyond November 2020?

CCC-5

Ex. A/T2

Has EGI had any discussions with representatives of the Ontario Government regarding this Project? If so, please describe the nature of those discussions and provide copies of any related correspondence. Has EGI had any discussions with OEB Staff regarding this Project? If so, please describe the nature of those discussions and provide copies of any related correspondence.

CCC-6

Ex. B/T1/S1p. 1 and Ex. B/T1/S1/p. 16

CCC-7

The LCEP is a pilot project that will allow EGI to “green” a portion of the natural gas grid in Ontario. Has EGI sought any funding from the Provincial or Federal Government for this Project beyond that expected from Sustainable Development Technology Canada? If so, please describe the nature of the funding. If not, please explain why not.

CCC-8

Ex. B/T1/S1/p. 2

The evidence states that EGI has consulted with the TSSA to introduce and provide information on the Project. The TSSA has indicated that it will act as a technical reviewer on behalf of the OEB for the LTC if requested. Please explain what is meant by the term “technical reviewer”. Please indicate what the roles and responsibilities would be if the TSSA becomes the technical reviewer.

CCC-9

Ex. B/T1/S1/p. 2

The evidence states that the Project will require isolation of a small portion of the distribution system, the BGA. EGI will distribute blended natural gas to customers located in the BGA. THE BGA is required to ensure that blended gas is not distributed broadly across EGI’s distribution network to an area not suitable for hydrogen blending. Please describe what constitutes an area “not suitable for hydrogen blending”.

CCC-10

Ex. B/T1/S1/p. 2

Please explain why this type of project has not been done in other North American jurisdictions.

CCC-11

Ex. B/T1/S1/p. 4

What is the commodity cost differential between the hydrogen gas technology proposed and traditional natural gas?

CCC-12

Ex. B/T1/S1/p. 5

Please provide an organizational chart setting out the relationships between Enbridge Gas Inc., Enbridge Inc., 2562961 Ontario Ltd., and Hydrogenics Corporation. What Enbridge Inc.’s role in the Project?

CCC-13

Ex. B/T1/S1/p. 14

EGI undertook a consultation and market research program in order to gauge customer attitudes and acceptance of blending hydrogen with natural gas. What was the overall cost of the consultation and the market research? How was it funded?

CCC-14

Ex. B/T1/S1/Attachment 1, p. 2

The evidence states that EGI has concluded that a closed loop within its distribution network is suitable for hydrogen blending. The analyses leading to these conclusions were based on literature reviews, analytical modeling, risk assessments, field surveys, industry consultation, integrity consideration and engineering judgment. Please provide copies of the literature reviews and risk assessments.

CCC-15

Ex. B/T1/S1/Attachment 1, pp. 7-8

Please provide copies of the consultant reports referred to in the evidence at pages 7-8.

CCC-16

Given this is a pilot project, please explain how EGI intends to use the results of the pilot. Will the results be made publicly available? If not, will they not?

CCC-17

Is EGI in the process of developing further LCEPs in its franchise area? If so, please describe the work that is being undertaken.

CCC-18

EX. D/T1/S1 – Table 8

EGI has set out in Table 8 the Estimated Project Costs:

- a) Please set out in detail how these cost estimates were developed;
- b) For each of the items listed please provide a detailed budget;
- c) Please explain how EGI determined the level of Indirect Overheads allocated to this project and indicate if that allocation methodology differs from other projects;
- d) Does EGI typically include a 25% contingency for all direct capital costs?
Does EGI typically apply a 40% contingency for station material costs?
- e) What relief is EGI seeking from the OEB with respect to the Project Costs at this time?