

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an application by Enbridge Gas Inc. under section 90 of the OEB Act for an order or orders granting leave to construct natural gas distribution pipelines and ancillary facilities to enable its Low Carbon Energy Project in the City of Markham;

AND IN THE MATTER OF an application under section 36 of the OEB Act for an order or orders approving a rate rider to be applied to customers impacted by the Low Carbon Energy Project.

INTERROGATORIES

FROM THE

SCHOOL ENERGY COALITION

1. [General] Please provide all presentations, memoranda, and similar materials provided to the Board or Directors or the Executive Management of the Applicant dealing in whole or in part with this Application, the Low Carbon Energy Project, or 2562961 Ontario Ltd.
2. [Exhibit A/Tab 2/Schedule 1, p. 5; Ex. B/1/1, p. 9) Please confirm that, at the end of the pilot Project, all intellectual property arising out of the project will be owned by the Applicant as utility assets, held for the benefit of the customers of the Applicant. If not confirmed, please provide a detailed explanation of the anticipated ownership and future exploitation of intellectual property arising out of the Project.
3. [Ex. B/1/1, p. 2] Please provide details as to what steps are required, whether by the Board or otherwise, to cause the TSSA to do a technical review of the Project. Please describe what review is proposed or required.
4. [Ex. B/1/1, p. 2] Please provide a detailed list of all grants, loans, or other government assistance, and all tax credits or accelerated tax deductions or other tax benefits, expected to arise as a result of the Project. In each case, please identify what entity will benefit from those amounts, and in the case of the Applicant how it will account for them.
5. [Ex. B/1/1, p. 3, 17, and Attach.1, p. 2] SEC is trying to reconcile the tons of carbon dioxide equivalent and natural gas displaced as set forth in the Application. To assist:
 - a. Please confirm that the estimate of 2433 m³ of blended gas per residential customer using 2400 m³ of natural gas implies that the blended gas for that residential customer

will be 50 m³ hydrogen and 2383 m³ natural gas, and that 16.67 m³ of natural gas will be displaced for each such customer annually.

- b. Please confirm that the Applicant is assuming 0.512 kg/m³ of carbon, consistent with EPA standards. If this is not the case, please provide the conversion the Applicant is assuming.
 - c. Please provide the Applicant's full calculations to get to the figures of 97 tons and 120 tons of CO₂ equivalent.
6. [Ex. B/1/1, p. 3] Please confirm that the Applicant intends that the annual rate rider in the BGA will continue as long as the customers are receiving blended gas, or until the Board orders otherwise. If not confirmed, please explain the circumstances in which the rider would terminate while the additional volumes are still being delivered and billed.
7. [Ex. B/1/1, p. 5] Please provide the following with respect to the Affiliate, 2562961 Ontario Ltd.:
 - a. Its most recent financial statements.
 - b. Its most recent business plan and/or financial forecasts.
 - c. Details of the ownership, governance and voting structure.
 - d. Any existing shareholders agreement or similar document.
8. [Ex. B/1/1, p. 5, 18] Please provide any agreements, memoranda of agreement, or letters of intent between the Applicant and the Affiliate with respect to the Project. Without limiting the generality of the foregoing, please provide details of how the Applicant will ensure security of supply of hydrogen given the IESO control of hydrogen production.
9. [Ex. B/1/1, p. 6, 8] Please provide any agreements, memoranda of agreement, or letters of intent between the IESO and the Affiliate with respect to the regulation service and/or the production of hydrogen by the Affiliate.
10. [Ex. B/1/1, p. 16] Please provide a copy of the Applicant's application to SDTC for the grant funding, including all attachments.
11. [Ex. B/1/1, p. 17] Please confirm that only residential customers will be served by blended gas. If not confirmed, please advise how the annual rate rider will be adjusted for non-residential customers to reflect their higher volumetric differential due to the blended gas.
12. [Ex. B/1/1/Attach 1, p. 12; Ex. C/1/1, p. 3] Please confirm that the Applicant is seeking approval for Phase 1 of the Project, comprising Loop S1, and that Phase 2 of the Project, comprising Loops S1A and S1B, is not a subject for this Application. If not confirmed, please explain in more detail the phases and the approvals. In either case, please provide details on the schedule for Phases 1 and 2.
13. [Ex. B/1/1/Attach 1, p. 15] Please provide a copy of the "consultant report on gas interchangeability".

14. [Ex. D/1/1, p. 12] Please provide details of the scheduling requirements (e.g. order lead times, subsequent approvals, contracting process, etc.) from November 2020 to April 2021 that require the Applicant to have OEB approval by November 2020 in order to start construction in April.
15. [Ex. D/1/1, p. 12] Please confirm that “Completion of Reinstatement” means returning the system to its pre-Project state in December 2021. If confirmed, please confirm that it is not expected that the assets included in the Project will be in rate base at the time of the next rebasing. Please provide a detailed explanation of the rate base impacts expected in each year from 2020 to 2024 for all Project costs, including any planned Phase 2 costs.
16. [Ex. D/1/1, p. 13] Please confirm that all of the listed costs are capital costs, and will be added to rate base in 2021.

Respectfully submitted on behalf of the School Energy Coalition this May 28, 2020.

Jay Shepherd
Counsel for the School Energy Coalition