

VIA E-MAIL

June 11, 2020

Ontario Energy Board
Attn: Ms. Christine Long, Board Secretary
P.O. Box 2319
27th Floor, 2300 Yonge Street
Toronto ON M4P 1E4

RE: EB-2020-0091 – EGI Integrated Resource Planning - FRPO Reply Comments

We are writing on behalf of the Federation of Rental-housing Providers of Ontario (FRPO) in response to Procedural Order No. 1 issued May 21, 2020. The Order invited parties to submit reply on the comments of others submitted by June 4th on draft Issues List prepared by OEB staff regarding the Integrated Resource Planning (“IRP”) Proposal made by Enbridge Gas Inc. (EGI).

FRPO reiterates that the “foundation” for this proceeding is the directives made by the Board in prior proceedings that the gas utilities develop a “comprehensive” natural gas infrastructure “alternatives” policy framework to ensure conservation and energy efficiency opportunities can reasonably be considered as alternatives to future capital projects. One of the directives to this effect was made almost 20 months ago, in November 2018. These directives were prompted by the failure of leave to construct applicants to identify and consider alternatives to the applied for facilities in a fulsome and timely manner.

EGI’s approach to the framing of the issues for this proceeding presumes that the issues to be determined are confined in scope by its Proposal. This premise is incorrect. The issues that are to be addressed in this case are derived from the directives.

The central issue raised by the directives is; “What are the essential elements of a comprehensive “alternatives” policy framework?”. The Issues List should be revised in a way that will allow the Board to fairly and completely consider all matters relevant to the comprehensive “alternatives” policy framework that the natural gas utilities were directed to develop. A Board determined “alternatives” policy framework is a precursor to an evaluation of the appropriateness of EGI’s Proposal.

Integrated Resource Planning (IRP) is one of the key essential elements of a comprehensive “alternatives” policy framework. Integrated resources planning involves a consideration of various resource combinations as alternatives to incremental facilities. The range of possible resource combinations to be considered is much broader than those described by EGI in its Proposal and include various combinations of DSM, gas supply, transmission, storage, and/or distribution resources.

Ownership of the resources to be integrated might be confined to one integrated entity or be in the hands of two or more different owners. Contracts between parties operating at arms' length from one another are commonplace in integrated resource combinations.

A comprehensive "alternatives" policy framework cannot be determined without taking into account the entire spectrum of available options to incremental infrastructure.

This case is the only proceeding before the Board in which the essentials of a comprehensive "alternatives" policy are being determined. Topics such as gas supply, DSM and/or transmission and storage optimization are clearly relevant to the Board's consideration of this policy framework. The fact that topics such as these are also the subject-matter of other types of proceedings before the Board does not create a conflation of processes as EGI asserts. The policy framework is to be determined in this case and only in this case.

EGI disregards the comprehensiveness requirement of the Board directives that give rise to the issues in this case by limiting its IRP Proposal to a sub-set of the range of available alternatives. EGI excludes other alternatives on grounds that topics essential to their consideration also fall within the ambit of other matters before the Board in different proceedings.

The existence of this "topic overlap" is relied upon by EGI to justify its proposal to exclude, from the ambit of this case, matters relating to: forecast methodologies; gas supply planning; annual rate setting applications; asset management plans; project-specific leave to construct applications; post 2020 DSM framework and plans; and/or transmission and storage optimization and operations.¹

EGI's Issues List proposal constrains the Board's ability to determine how matters related to these topics should be expressed in this policy proceeding because those topics have relevance to other previously decided or in progress proceedings before the Board. While we respect that rate issues such as annual rate setting, load-forecasting and the framework that will guide post-2020 DSM would fall outside of issues that warrant consideration in this proceeding, other non-facility mechanisms such as DSM and peaking services, which are already part of meeting demand, must be considered to plan on an integrated basis.

FRPO urges the Board to strongly reject EGI's views Issues List proposal. The List is incompatible with the directives that are the foundation for this proceeding. The Draft Issues List supported by EGI is not "comprehensive". It is limited and confined to only a sub-set of conservation and energy efficiency opportunities that can reasonably be considered as alternatives to future infrastructure projects.

The Issues List should accommodate presentations from interested parties of all of the essential elements of a comprehensive "alternatives" policy framework. The Board should not

¹ EGI Submissions, June 4, 2020, paragraph 2.

be distracted from considering these essentials by objections from EGD on grounds that some topics of relevance to them are also relevant to matters in issue in other proceedings before the Board. If it is the Board's determination that the proposed Draft Issues List is sufficiently broad to allow presentation and testing of non-facility resource combinations as outlined above, we respectfully ask that be explicit in the decision.

Respectfully Submitted on Behalf of FRPO,



Dwayne R. Quinn
Principal
DR QUINN & ASSOCIATES LTD.

- c. A. Stiers, EGIRegulatoryProceedings
M. Parkes
P. C. P. Thompson
Interested Parties – EB-2020-0091