

Adam Stiers
Technical Manager
Regulatory Applications
Regulatory Affairs

Tel: (519) 436-4558
Email: astiers@uniongas.com
EGIRegulatoryProceedings@enbridge.com

Enbridge Gas Inc.
P.O. Box 2001
50 Keil Drive N.
Chatham, Ontario, N7M 5M1
Canada

August 12, 2020

BY RESS and EMAIL

Ms. Christine Long Board Secretary Ontario Energy Board 2300 Yonge Street, 27th Floor Toronto, ON M4P 1E4

Dear Ms. Long:

Re: Enbridge Gas Inc. ("Enbridge Gas")
Ontario Energy Board File No.: EB-2020-0091
Integrated Resource Planning Proposal ("Application")
Intention to File Responding Evidence

In accordance with the Ontario Energy Board's ("OEB" or "Board") Procedural Order No. 3, dated July 31, 2020 ("PO No. 3"), Enbridge Gas Inc. ("Enbridge Gas", or the "Company") is filing this letter indicating its intention to file responding evidence by December 11, 2020, should the Board allow the evidence proposed by parties, as summarized below.

Enbridge Gas is in receipt of letters from the following parties, indicating their intent to file evidence in the above noted proceeding and describing the nature of such evidence:

- OEB Staff;
- Environmental Defence ("ED") and Green Energy Coalition ("GEC"); and
- Federation of Rental-housing Providers of Ontario ("FRPO").

OEB STAFF -

OEB Staff has retained Guidehouse Canada Ltd. to prepare a Natural Gas Integrated Resource Planning Research Report ("IRP Report") that will examine natural gas Integrated Resource Planning ("IRP") in New York State and assess its relevance to natural gas IRP in Ontario. As set out in OEB Staff's July 29, 2020 letter, "[t]he IRP Report will provide expert analysis of natural gas IRP in New York State, in comparison with each of the IRP issues in the issues list for the EB-2020-0091 proceeding (Issues List) and Enbridge Gas's IRP proposal (Enbridge IRP Proposal) in that proceeding, and provide recommendations for natural gas IRP in Ontario based on the jurisdictional analysis."

Enbridge Gas expects that it will need to file responding evidence to the OEB Staff sponsored IRP Report, since the OEB Staff evidence will likely go beyond the scope of the additional evidence that Enbridge Gas plans to file (as described in the Company's July 29, 2020 letter).²

¹ EB-2020-0091, Letter – OEB Staff Description of Expert Evidence, July 29, 2020, attachment, p. 1.

² EB-2020-0091, Letter – Enbridge Gas Inc. – Integrated Resource Planning Proposal Additional Evidence, July

Enbridge Gas's responding evidence may be prepared by Enbridge Gas or by an expert retained by the Company.

GEC and ED -

GEC and ED have proposed to jointly commission evidence to be completed by Chris Neme of the Energy Futures Group. According to GEC and ED, this evidence would complement the evidence being commissioned by OEB Staff by:

- "Focusing on key IRP framework issues in the Ontario context;
- Drawing from IRP lessons learned in the electricity sector and assessing which of those lessons are and are not transferrable to the gas sector in Ontario;
- Drawing from IRP lessons learned in the gas sector in jurisdictions other than New York: and
- Drawing from Mr. Neme's extensive experience with Ontario's natural gas sector, Ontario's existing demand side management ("DSM") programs, and best practices in IRP and DSM programs across North America."3

GEC and ED go on to request that, "...[they] be provided the opportunity to augment the evidence if, after reviewing the evidence of Board Staff, further expert comment on the New York experience is warranted."4

Enbridge Gas expects that it will need to file further evidence in response to GEC's and ED's evidence, assuming that Mr. Neme's evidence goes beyond the scope of the additional evidence that Enbridge Gas plans to file (as described in the Company's July 29, 2020 letter). Enbridge Gas's responding evidence may be prepared by Enbridge Gas or by an expert retained by the Company.

Enbridge Gas does not support GEC's and ED's request that the Board grant them a further opportunity to file additional evidence after reviewing the evidence of OEB Staff. That could lead to an endless back-and-forth of responding evidence. Should the Board agree that GEC/ED ought to be able to include some response to the OEB Staff expert evidence, then Enbridge Gas submits it would be more efficient to simply move the filing date for the GEC/ED evidence to one week after the filing of the OEB Staff evidence and to grant Enbridge Gas an additional week to file its responding evidence (December 18, 2020). That would then allow Enbridge Gas to prepare responding evidence that takes into account all intervenor evidence.

FRPO -

FRPO has proposed to file evidence that will present a process and approach for incorporating supply-side contracted deliveries as one of the resources to be considered by Enbridge Gas when conducting its IRP system planning, including:

"...information and data on the gas market and flow dynamics in Ontario and the opportunity for the utility to make use of supply-side resources as part of its integrated plan. Further, the evidence would address real or perceived barriers to implementation."5

FRPO goes on to request that the OEB provide guidance regarding its opportunity for further discovery on Enbridge Gas's gas supply and facilities planning practices, which Enbridge Gas

^{29, 2020.}

³ EB-2020-0091, Letter – GEC and ED Evidence Proposal, August 5, 2020, p. 1.

⁴ EB-2020-0091, Letter – GEC and ED Evidence Proposal, August 5, 2020, p. 2.

⁵ EB-2020-0091, Letter – FRPO Submission, August 5, 2020, pp. 1-3.

assumes is required by FRPO in order to complete its evidence.6

Enbridge Gas has not proposed to implement or to recover the costs associated with any specific IRP alternative ("IRPA") as part of its IRP Proposal. The OEB recognized and supported delineation between the development of an IRP framework for Enbridge Gas and future applications to implement or to recover the costs associated with specific IRPAs on page 12 of its Decision on Issues List and Procedural Order No. 2, dated July 15, 2020 ("PO No. 2"):

"The OEB expects that the IRP Framework to be determined will not reference specific facilities/IRPAs, but may establish general procedures or guidance for stakeholder consultation on IRP Plans...

...Where there are specific facilities/IRPAs that could impact on the duty to consult, the OEB would expect that this would be considered in the proceeding (e.g. rate or leave to construct proceedings) for those facilities/IRPAs."

As such, the nature of FRPO's intended evidence not directly relevant to the Board's review of Enbridge Gas's application or the Board's development of an IRP policy framework for Enbridge Gas. Natural gas market fundamentals in Ontario are by their nature dynamic and impacted by broader evolving Canadian, North American and Global economic variables. In other words, a snapshot of information and data on the natural gas market and flow dynamics in Ontario as of November 2020, as proposed by FRPO, would not provide the Board with information that is relevant to the development of an IRP framework for Enbridge Gas or that is generally applicable to future IRPA or leave-to-construct ("LTC") applications. Instead, such market fundamentals are more appropriately considered at such time that Enbridge Gas identifies a need for incremental system capacity and seeks approval to implement and/or recover the costs associated with avoiding, deferring or meeting that need. This is consistent with Enbridge Gas's historic consideration of supply-side alternatives, including "contracted deliveries", as a component of evidence supporting applications for LTC. For these reasons, Enbridge Gas submits that the Board should not accept FRPO's proposal to expand the scope of this proceeding by filing evidence related to current natural gas market and flow dynamics in Ontario.

Should the OEB accept FRPO's proposal to file evidence, then Enbridge Gas intends to file responding evidence because the issues to be addressed by FRPO are not addressed within Enbridge Gas's pre-filed evidence or its planned additional evidence.

Should the Board grant FRPO's request for additional discovery on Enbridge Gas's gas supply and facilities planning practices, then Enbridge Gas requests that the Board grant Enbridge Gas commensurate: (i) opportunity for discovery related to the evidence submitted by FRPO; and (ii) extension of the deadlines set out in PO No. 3 for Enbridge Gas to file additional and responding evidence, as appropriate (recognizing that in most instances, the employee resources required to respond to interrogatories and to formulate interrogatories on the evidence of parties, are the same resources responsible for the completion of Enbridge Gas's additional and responding evidence).

If you have any questions, please contact the undersigned.

 $^{^{\}rm 6}$ EB-2020-0091, Letter – FRPO Submission, August 5, 2020, pp. 4.

Sincerely,

(Original Digitally Signed)

Adam Stiers Technical Manager, Regulatory Applications

cc: D. Stevens (Aird & Berlis)
M. Parkes (OEB Staff)
M. Millar (OEB Counsel)
EB-2020-0091 Intervenors