

**Enbridge Gas Inc.**

**Integrated Resource Planning Proposal**

**PROCEDURAL ORDER NO. 4**

**August 20, 2020**

Enbridge Gas Inc. (Enbridge Gas) originally submitted an Integrated Resource Planning (IRP) Proposal to the OEB on November 1, 2019 as part of its Dawn-Parkway System Expansion Project Application (EB-2019-0159). As part of that Application, Enbridge Gas requested that the OEB determine that its IRP Proposal is reasonable and appropriate, both in relation to the Dawn-Parkway System Expansion Project, and for application to future Enbridge Gas projects.

On April 28, 2020, the OEB issued a Notice of Hearing, that initiated a review of Enbridge Gas' IRP Proposal as a separate proceeding (EB-2020-0091).

On July 15, 2020, the OEB issued a Decision on Issues List and Procedural Order No. 2 that, among other things, scheduled procedural steps for this case. These steps included an August 5, 2020 deadline for parties planning to file evidence to file a letter describing the nature of the proposed evidence, and a September 10, 2020 deadline for Enbridge Gas to file additional evidence.

On July 29, 2020, OEB staff and Enbridge Gas filed descriptions of their proposed evidence. In its letter, Enbridge Gas requested an extension to file its additional evidence, from September 10, 2020 to October 15, 2020. In addition, Enbridge Gas requested that it be afforded the opportunity to file responding evidence to the evidence filed by OEB staff and intervenors.

On July 31, 2020, the OEB issued Procedural Order No. 3 that extended the deadline for Enbridge Gas to file its additional evidence to October 15, 2020, extended the deadline for OEB staff and intervenors to file evidence to November 19, 2020 and requested that Enbridge Gas notify the OEB of whether it will file responding evidence by August 12, 2020.

On August 5, 2020, the Federation of Rental-housing Providers of Ontario (FRPO), and the Green Energy Coalition (GEC) filed letters describing the nature of the proposed

evidence they plan to file. GEC indicated that its evidence would be commissioned jointly in collaboration with Environmental Defence (ED).

On August 12, 2020, Enbridge Gas filed a letter in response to the evidence proposals filed by OEB staff, GEC/ED, and FRPO. On August 19, 2020, FRPO filed an additional letter in response to Enbridge Gas' comments.

This Procedural Order provides the OEB's determinations on these proposed evidentiary filings and related procedural matters.

### **Descriptions of Proposed Evidence:**

#### **Enbridge Gas:**

Enbridge Gas indicated that it would file additional evidence that builds upon its original IRP Proposal and the IRP study conducted on its behalf by ICF Canada (both of which are already part of the evidence for this proceeding).

Enbridge Gas indicated that its additional evidence would consist of: a chronology of OEB directives, findings and recommendations regarding IRP; a jurisdictional review of IRP advances since the ICF study was completed; and an illustrative IRP Process Plan that would include a proposal for incorporating IRP into Enbridge Gas' system planning processes.

#### **OEB Staff:**

OEB staff filed a letter stating that it has retained Guidehouse Canada Ltd. to prepare an IRP Research Report with the aim of generating expert analysis of natural gas IRP in New York State and assessing its relevance to natural gas IRP in Ontario. OEB staff stated that the IRP Research Report will provide a jurisdictional and 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 and Enbridge Gas' IRP proposal, and recommendations for natural gas IRP in Ontario.

Enbridge Gas' reply letter of August 12, 2020 stated that Enbridge Gas expects it will need to file responding evidence to OEB staff's evidence.

#### **Green Energy Coalition & Environmental Defence:**

GEC filed a letter on behalf of itself and ED stating that they propose to jointly commission evidence to file in this proceeding. Their letter stated that they propose to retain Chris Neme of the Energy Futures Group, and advised that their evidence will complement OEB staff's evidence by: focusing on key IRP framework issues in the

Ontario context; drawing from IRP lessons learned in the electricity sector and assessing their applicability 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 experience in natural gas demand-side management in Ontario and across North America.

GEC's letter also requested that GEC/ED be provided the opportunity to augment its evidence after reviewing the evidence of OEB staff.

Enbridge Gas' reply letter filed August 12, 2020 stated that Enbridge Gas expects it will need to file responding evidence to GEC/ED's evidence, and that it objects to GEC/ED's request to file additional evidence after reviewing OEB staff's evidence. Enbridge Gas' letter proposed that, as an alternative, the OEB could move the filing date for the GEC/ED evidence to one week after the OEB staff evidence is filed.

**Federation of Rental-housing Providers of Ontario:**

On August 5, 2020, FRPO filed a letter describing the evidence it intends to file. FRPO indicated that it would 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. FRPO noted that its evidence would provide the OEB with information and data on the gas market and pipeline flow dynamics in Ontario and the opportunity for Enbridge Gas to make use of supply-side resources as part of its integrated plan, and would also address real or perceived barriers to implementation.

FRPO's letter also requested guidance from the OEB as to the timing of interrogatories to Enbridge Gas, in relation to Enbridge Gas' current practices pertaining to the co-ordination of gas supply and facilities planning functions.

In its responding letter, Enbridge Gas submitted that the OEB should not accept FRPO's proposal, stating that FRPO's intended evidence was not directly relevant to the OEB's review of Enbridge Gas' application or the OEB's development of an IRP policy framework for Enbridge Gas. Enbridge Gas noted that, should the OEB accept FRPO's proposal to file evidence, Enbridge Gas expected that it would need to file responding evidence. Enbridge Gas also indicated that, should the OEB grant FRPO's request for additional discovery on Enbridge Gas' gas supply and facilities planning practices, Enbridge Gas would request an extension of timelines and an opportunity for similar discovery of FRPO's evidence.

On August 19, 2020, FRPO filed a letter clarifying that it would be able to complete its evidence without having an opportunity to submit interrogatories to Enbridge Gas in advance.

## Findings

The OEB acknowledges and accepts the additional proposals to file evidence submitted by Enbridge Gas and OEB staff.

The OEB accepts the proposal to file evidence submitted by GEC, on the basis that it does not duplicate the evidence from OEB staff, and that it will draw from IRP lessons learned in the electricity sector and in the gas sector in jurisdictions other than New York. The OEB finds the estimated cost for GEC/ED's evidence appears to be reasonable, though a final determination on the amount of eligible costs will not be made until the end of the proceeding. Being eligible to apply for recovery of costs is not a guarantee of recovery of any costs claimed.

The OEB does not accept at this time GEC/ED's proposal to augment its evidence once it has reviewed the evidence filed by OEB staff. Any request to augment evidence must be made with specific references to what further information would be helpful, and the OEB will make a determination at that time. However, the OEB accepts Enbridge Gas' alternative proposal to adjust filing dates such that intervenor evidence is filed one week after the OEB staff evidence is filed, and is moving the filing date for the OEB staff evidence forward to November 12, 2020.

In regards to FRPO's proposed evidence, the OEB agrees with FRPO that supply-side alternatives can be pertinent to IRP, and have been considered in previous Leave to Construct proceedings.

However, the OEB has several concerns with FRPO's proposal. It is not clear whether FRPO's proposed evidence will be relevant to the issues described in the Issues List for this IRP proceeding, and will not duplicate matters considered in the OEB's recent review of Enbridge Gas' five-year natural gas supply plan (EB-2019-0137). The OEB also agrees with comments from Enbridge Gas that natural gas market fundamentals in Ontario are dynamic, and that a snapshot of information and data on the natural gas market and flow dynamics in Ontario at a particular point in time may be more relevant in the context of future applications to address specific system needs than in the development of an IRP framework.

The OEB notes that Enbridge Gas' description of additional evidence indicates that this will include an IRP Process Plan that details how IRP would be integrated into its

system planning activities going forward. Enbridge Gas also stated that historically supply-side alternatives, including “contracted deliveries”, are considered as a component of evidence supporting an application for Leave to Construct. The OEB is concerned that at the time of the Leave to Construct application it may be too late to consider other alternatives. While the OEB does not see the relevance of assessing a snapshot of information and data on the natural gas market as part of this proceeding, the OEB would like to explore the appropriate timing and approach to considering these supply-side alternatives as part of the IRP framework.

For these reasons, the OEB requires Enbridge Gas to provide details on the extent to which its additional evidence will address the approach to supply-side alternatives, including “contracted deliveries”, as part of IRP. The OEB also requests that OEB staff indicate the degree to which supply-side alternatives will be considered in its evidence regarding IRP in New York State.

The OEB is then providing an opportunity for FRPO to file any additional comments to address the concerns raised above. This should include how its evidence would be in scope of this proceeding that is determining the framework for IRP, not identifying alternatives for specific needs, and how the evidence does not duplicate the considerations within the review of Enbridge Gas’ natural gas supply plan. The OEB will then make a final determination on whether FRPO’s proposed evidence is in scope of this proceeding and helpful to the OEB’s understanding of the issues.

In regards to FRPO’s request regarding direction on the timing of interrogatories, at this time, the OEB does not intend to provide an opportunity for discovery prior to filing of evidence. All parties will be granted an opportunity for discovery following initial filing of evidence and Enbridge Gas’ responding evidence.

The dates in Procedural Order No. 3 are superseded by the dates below.

Further procedural orders may be issued by the OEB.

**THE ONTARIO ENERGY BOARD ORDERS THAT:**

1. Enbridge Gas Inc., and OEB staff shall file a letter with the OEB providing the additional information requested in this procedural order, by **August 27, 2020**.
2. The Federation of Rental-housing Providers of Ontario shall file a letter with the OEB providing the additional information requested in this procedural order, by **September 3, 2020**.

3. Enbridge Gas Inc. shall file its additional evidence with the OEB by **October 15, 2020**.
4. OEB staff shall file its evidence with the OEB by **November 12, 2020**.
5. Any additional parties accepted to file evidence shall file their evidence with the OEB by **November 19, 2020**.
6. Enbridge Gas Inc. shall file any responding evidence by **December 11, 2020**.

All materials filed with the OEB must quote the file number, **EB-2020-0091**, be submitted in a searchable/unrestricted PDF format with a digital signature through the OEB's web portal at <https://pes.ontarioenergyboard.ca/eservice>. Filings must clearly state the sender's name, postal address, telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <https://www.oeb.ca/industry>. If the web portal is not available, parties may email their documents to [boardsec@oeb.ca](mailto:boardsec@oeb.ca).

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Michael Parkes at [Michael.Parkes@oeb.ca](mailto:Michael.Parkes@oeb.ca) and OEB Counsel, Michael Millar at [Michael.Millar@oeb.ca](mailto:Michael.Millar@oeb.ca).

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**DATED** at Toronto, **August 20, 2020**

**ONTARIO ENERGY BOARD**

*Original signed by*

Christine E. Long  
Registrar and Board Secretary