



Ontario  
Energy  
Board | Commission  
de l'énergie  
de l'Ontario

BY EMAIL

August 27, 2020

Ms. Christine E. Long  
Registrar & Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4  
[BoardSec@oeb.ca](mailto:BoardSec@oeb.ca)

Dear Ms. Long:

**Re: Ontario Energy Board (OEB) Staff Description of Expert Evidence on  
Supply-Side Solutions in New York State  
Enbridge Gas Inc. – Integrated Resource Planning Proposal  
OEB File Number: EB-2020-0091**

In Procedural Order No. 4, the OEB requested that OEB staff indicate the degree to which supply-side alternatives will be considered in its evidence regarding integrated resource planning (IRP) in New York State, by August 27, 2020. This letter responds to the OEB's request.

The OEB's request was made in the context of a proposal by the Federation of Rental-housing Providers of Ontario (FRPO) to file evidence that 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. The OEB indicated that this information would be used to assist it in making a final determination on whether FRPO's proposed evidence is in scope of this proceeding and would be helpful to the OEB's understanding of the issues.

The IRP Report that will be prepared by Guidehouse Canada Ltd. on behalf of OEB staff will primarily focus on the IRP experience in New York State of Consolidated Edison Inc. and National Grid. Supply-side solutions using natural gas (in addition to the traditional utility supply source of long-term contracted pipeline capacity) do play a role in IRP for these utilities. For example, National Grid's [Natural Gas Long-Term Capacity Report](#) notes the role of peak contracting supplies (short-term contracts to deliver gas via pipeline for up to 30 days per

year, that can be accessed during periods of high demand), which may be similar to the type of solution that FRPO's evidence would address. Other gas supply-side solutions being considered or implemented by National Grid include trucking of compressed natural gas, new renewable natural gas plants within the utility service territory, and delivery of liquefied natural gas.

To the degree that consideration of these supply-side solutions has contributed to the IRP framework in place in New York State and provides useful learnings for Ontario, it will be addressed within the evidence to be filed by OEB staff.

OEB staff notes the OEB's comments in Procedural Order No. 4 as to whether FRPO's proposed evidence would duplicate matters considered in the OEB's recent review of Enbridge Gas' five-year natural gas supply plan. A primary driver for IRP for the New York State utilities has been constraints on the development of new incremental pipeline capacity to bring additional natural gas to the utility service territories, which has hastened the need for consideration of alternative solutions to supply customers of these utilities. The ability of potential IRP solutions to provide additional supply (or demand reduction), along with any impacts on infrastructure needs within the utility service territory, are then both taken into account in the comparison and evaluation of these solutions. Thus, IRP in New York State combines elements of gas supply planning and distribution system planning, which, at least to date, have been largely treated separately in Ontario.

Depending on the OEB's determination as to the definition and comprehensive goals of integrated resource planning for Enbridge Gas (Issue #1 in the Issues List for this proceeding), this may mean that the role for supply-side solutions (including contractual deliveries) in IRP for Enbridge Gas will be different than in New York State. FRPO's reply comments may provide more detail on the value it believes supply-side solutions can bring to IRP for Enbridge Gas, including its statement regarding the use of supply-side solutions "as an interim solution that could allow for the development of longer-term solutions such as DSM [demand-side management]".

Yours truly,

*Original Signed By*

Michael Parkes  
Project Advisor, Application Policy & Conservation