DEMARCO ALLAN LLP

Jonathan McGillivray
Associate
Bay Adelaide Centre
333 Bay Street, Suite 625
Toronto, ON M5H 2R2
TEL +1.647.208.2677
FAX +1.888.734.9459
jonathan@demarcoallan.com

October 30, 2020

VIA RESS

Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4
Attention: Registrar

Dear Ms. Long:

Re: Niagara Peninsula Energy Inc. (NPEI)
2021 Cost of Service Rates Application
Board File No.: EB-2020-0040

We are counsel to Distributed Resource Coalition (**DRC**). In accordance with Procedural Order No. 1, please find attached DRC's interrogatories to NPEI in the above-noted proceeding.

Sincerely,

Jonathan McGillivray

c. Scott Stoll, Counsel, Aird and Berlis LLP
Paul Blythin, Niagara Peninsula Energy Inc.
Wilf Steimle, Electric Vehicle Society
Cara Clairman, Plug'n Drive

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an Application by Niagara Peninsula Energy Inc. to the Ontario Energy Board for an Order or Orders pursuant to section 78 of the *Ontario Energy Board Act, 1998* for 2021 distribution rates and related matters

EB-2020-0040

INTERROGATORIES

OF

DISTRIBUTED RESOURCE COALITION

(DRC)

October 30, 2020

Question: **1–DRC–1**

Reference:
- Exhibit 1, pp. 218 and 317

Preamble: The 2018 Budget Report provides for the replacement of vehicles under 3 tonnes, including 2 electric vehicles (**EVs**) (p. 317). In the 2020 budget for Other Capital Additions, NPEI proposes modernizing the fleet maintenance facility and that "[v]ehicle replacements will enable NPEI to maintain a modern and reliable fleet" (p. 218).

a) Please complete the following chart indicating the breakdown of vehicle type in NPEI's current vehicle fleet:

Vehicle Type	Fully Electric	Hybrid	Non-EV/Hybrid	Total
Heavy Duty Vehicles				
Medium Duty Vehicles				
Light Duty Vehicles				

b) What proportion of NPEI's planned fleet renewal investment will involve fully electric and/or hybrid vehicles?

c) Please indicate the estimated quantum of efficiency savings (including fuel cost savings) that NPEI anticipates it will achieve by utilizing EVs rather than traditional internal combustion engine vehicles.

d) Please indicate whether the proposed modernizing of the fleet maintenance facility includes the installation of EV charger connections or other EV supply equipment. If not, please indicate why not.

Question: **2–DRC–2**

Reference:
- Exhibit 2, Appendix D: REG Investment Plan, pp. 543-551

Preamble: NPEI will not be "proposing any capital investments for grid constraint mitigation or for capacity upgrades to facilitate the connection of REG for the period 2019/2020 to 2025" (p. 543). The purpose of NPEI's Renewable Energy Generation Investment Plan (**REGIP**) is to "outline NPEI's ability to connect Distributed Generation (DG) systems to its distribution system as well as determine any investments required to accommodate these connections over the next five years" (p. 547).

NPEI notes that there has been "an increase in enquiries relating to energy storage and load displacement projects, though preliminary proposed project timelines would indicate the connections would be scattered over the next few years. (p. 551).

a) Please provide the expected or predicted DER uptake trends over the five-year REGIP.

b) Please provide details of the types of energy storage and load displacement projects referred to above.

Question: 2–DRC–3

Reference:
- Exhibit 2 (DSP), p. 115
- Exhibit 2, Appendix G (Grid Modernization Plan), p. 1025

Preamble: NPEI plans to invest an average of $1.69 in capital expenditures per year in the System Service category of the DSP (p. 115). NPEI notes that "[e]xpenditures in the System Service category are driven by the need to ensure that the distribution system continues to meet operational objectives (such as reliability, grid flexibility and DER integration) while addressing anticipated future customer electricity service requirements" (p. 115).

a) Please outline and provide examples of the operational objectives relating to DER integration and what NPEI expects will be required to accommodate EVs and DERs.

b) Please indicate the anticipated future customer electricity service requirements and please provide any reports, studies, or presentations with respect to DER and EV adoption in the NPEI service area.

c) Please explain how, if at all, NPEI has addressed the following vehicle manufacturers' announcements on phasing out ICE vehicles or introducing additional EV options, including during the 2021 to 2025 time period:

- General Motors;
- Ford;
- Volkswagen;
- BMW Group;
- Fiat Chrysler Automobiles Group;
- Toyota Group;
- Hyundai Motor Group;
- Volvo;
- Mercedes-Benz;
- Audi; and

several others.

d) Please comment on how, if at all, the projects and goals proposed as part of NPEI's Grid Modernization Plan will assist in facilitating DER and EV readiness.

Question: 2–DRC–4

Reference:
- Exhibit 2 (DSP), p. 282
- Exhibit 2, Appendix E, pp. 337-341

Preamble: NPEI notes in its DSP that "distribution planning process for system renewal projects" include "implementing alternative means to monitor and control DERs" and that "[t]hese initiatives will serve to facilitate greater penetration of DERs" (p. 282).

NPEI's description of its Subdivision Lots / Connections capital project notes that new residential subdivisions are designed with capacity and capability to permit behind the meter (BTM) generation and EV charging (service sized for 200 A to facilitate load growth) (p. 341).

a) Please provide details of the alternative means to monitor and control DERs that NPEI anticipates implementing during the 5-year DSP period.

b) Please provide any and all estimates of short-, medium-, and longer-term penetration of DERs in NPEI's service area.

c) Please comment on NPEI's expectations and the general trends in anticipated BTM generation and EV charging implementation in new residential subdivisions.

d) Please comment on the capacity and capability parameters required to facilitate BTM generation and EV charging in new residential subdivisions.

Question: 1–DRC–5

Reference:
- Exhibit 1, Appendix 1-17
- Exhibit 1, Appendix 1-18
- Exhibit 1, Appendix 1-25

Preamble: NPEI conducted customer engagement using a multi-method approach that included "paper and online surveys to obtain customer feedback and sentiment as it relates to our distribution plan, and their expectations and plans with respect to electric vehicles, solar panels, battery storage, and home energy monitoring systems" (p. 667). The UtilityPULSE Customer Survey asked NPEI Customers about their interest in purchasing EVs (pp 769-770). NPEI engaged Innovative to conduct customer engagement and prepare a Customer Engagement Report for the 2021-2025 Rate Application. NPEI's customers "noted the importance to prepare for changes in consumer behavior – including the increasing adoption of electric cars and the increasing reliance on technology that relies on electricity to run" (p. 927).

a) Please provide a copy of all written instructions provided by NPEI in relation to NPEI's customer engagement for the DSP and the reports provided in Exhibit 1, Appendices 1-17, 1-18, and 1-25.

b) Please describe any and all feedback related to EVs and DERs.

c) Please provide any and all notes from the customer engagement relating to EVs/DERs that are supplementary to the reports provided in Exhibit 1, Appendices 1-17, 1-18, and 1-25.

Question: **4–DRC–6**

Reference:
- Exhibit 4, p. 93

Preamble: NPEI notes that planning and coordination of significant complex growth will be required in the next ten years with the new Transformer Stations, one in Lincoln and one in South Niagara. The new hospital and Metrolinx station are key drivers to the future growth in the City of Niagara Falls, the Town of Lincoln and the Township of West Lincoln (p. 93).

The City of Niagara Falls Strategic Priorities 2019-2022 (https://niagarafalls.ca/pdf/council/2019-2022-strategic-priorities.pdf) includes the following objectives:

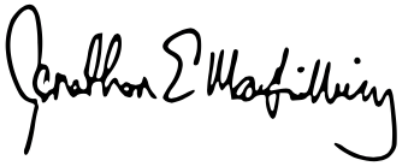
- Prepare Niagara Falls' transportation networks for an increase in EVs (p. 33);
- Minimize impact on the environment and contribute to reversing climate change [by] reducing use of fossil fuels and emissions through ecological new vehicle purchases such as electric cars and encouraging EV charging capacity in all new developments (p. 62).

a) Please discuss the impacts of (1) the electrification of transit (including the City of Niagara's forthcoming Metrolinx station) and (2) the growing consumer interest in EVs and associated increase in EV penetration in NPEI's service territory, on NPEI's distribution system planning, load forecast, productivity, and OM&A costs.

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS

30th day of October, 2020

Lisa (Elisabeth) DeMarco
DeMarco Allan LLP
Counsel for DRC



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DeMarco Allan LLP
Counsel for DRC