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EMAIL AND RESS

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

Dear Ms. Long:

Re: Enbridge Gas Inc. 2021 Dawn Parkway Expansion Project – Project Status Report Ontario Energy Board File No.: EB-2019-0159

Enbridge Gas Inc. ("Enbridge Gas") is in receipt of the October 26, 2020 correspondence of Green Energy Coalition ("GEC"), Pollution Probe, the Federation of Rental-housing Providers of Ontario ("FRPO"), Environmental Defence ("ED"), and the School Energy Coalition ("SEC") requesting that the Board impose certain conditions on the withdrawal of Enbridge Gas's application for leave to construct the 2021 Dawn Parkway Expansion Project (the "Project").

These intervenors generally support GEC's request that the Board impose withdrawal conditions directing Enbridge Gas to do the following:

- 1. File an explanation with data and updated forecasts explaining in detail how changed circumstances have affected the need for the Project.
- 2. Immediately embark on an updated and expanded review of alternatives that may defer or displace the potential need for Kirkwall-Hamilton reinforcement and report to the Board and parties in three months.
- 3. Update analyses of alternatives, as soon as possible, that may defer or displace the need for Kirkwall-Hamilton reinforcement.

This letter focuses on responding to GEC's proposed withdrawal conditions. However, Pollution Probe, FRPO, ED and SEC made a variety of additional arguments within their respective submissions, which were consistent with the conditions proposed by GEC.

Enbridge Gas's decision not to address each particular statement made by intervenors should not be misconstrued as agreement with them.

Enbridge Gas submits that such conditions are inappropriate. They are based on a misinterpretation of Enbridge Gas's October 22, 2020 withdrawal letter. Furthermore, no party is prejudiced by the application's withdrawal and the conditions, if imposed, will create an unnecessary regulatory burden.

The intervenors' requests are premised on a misinterpretation of Enbridge Gas's withdrawal letter. This is articulated explicitly by SEC, that "there is a strong likelihood that, at some point in the future, the Applicant Enbridge Gas will file an application that encompasses the same, similar, or replacement capital." Furthermore, ED incorrectly parsed the wording of the withdrawal letter by stating that "Enbridge states that it will reassess the need for the project in 2021 and expects to bring forward a new application for OEB approval". As indicated below, this is not a correct representation of Enbridge Gas's statement.

Enbridge Gas's withdrawal letter states that "Enbridge Gas will <u>reassess customer</u> <u>demand</u> for Dawn Parkway System capacity and the need for the Project in 2021 and <u>expects</u> that <u>as sufficient need can be confirmed in the future</u>, it will bring forward a new application for OEB approval" (emphasis added). In other words, the likelihood of a new application is contingent on confirmed "sufficient need" and to the extent that it can be confirmed, Enbridge Gas has the expectation of bringing a separate and distinct application in the future. However, other than monitoring customer demand, which Enbridge Gas does as part of operating the utility in any event, there is no statement as to the certainty that an application will be brought in 2021.

The intervenors overlook one key and immutable fact – Enbridge Gas has withdrawn its application and does not have any plans to proceed with the Project as originally proposed. As such, there is no project for the Board to adjudicate, and no project against which to evaluate alternatives. The intervenors are therefore inviting the Board to speculate by requesting that conditions be imposed in respect of a hypothetical future application which is contingent on events and market circumstances that have not yet taken place. If a new application were brought in the future then Enbridge Gas assumes that it would include a (then) current assessment of relevant factors (e.g. demands, system capacity constraints/needs, assessment of facility and non-facility alternatives, economics, and applicable environmental, lands or indigenous matters) to support its assessment by a future panel of Commissioners, all of which may differ from the factors included in Enbridge Gas's original Project application. In Procedural Order No. 6 issued on May 7, 2020, the Board stated that it "recognizes the uncertainties arising from the COVID-19 pandemic and its potential impact on the Project." Providing, as requested in GEC condition #1, an updated demand forecast in the absence of a project (especially under the ongoing circumstances of the COVID-19 pandemic) does not advance any matter or inquiry. GEC conditions #2 and #3, requiring immediate review of alternatives to defer the abandoned Project and report to the Board in 3 months,

serves no useful regulatory purpose. These conditions would require Enbridge Gas to provide information based on current circumstances, which as the Board acknowledges are uncertain. Imposition of the proposed conditions on this basis is unreasonable and imposes an unnecessary regulatory burden.

The Board has available to it the power to impose conditions on the withdrawal of an application to prevent or remedy a prejudice arising from the withdrawal. However, there is no prejudice in this case. Any future application would need to adduce the kind of evidence outlined by GEC and the Board would be required to consider those factors. There is, therefore, no prejudice as Enbridge Gas bears the future regulatory risk of any incomplete or inadequate application. Furthermore, in effect, the intervenors are seeking to tailor a filing requirement for a future unknown application through conditions of withdrawal. However, it is for a future panel, in a properly constituted proceeding, to determine what information is required to be filed based on the circumstances then before it. The Board should not prejudge what is necessary or relevant in a future application to be heard by a different panel of Commissioners based on a withdrawn application. Moreover, the intervenors again suffer no prejudice since the generic parameters that will be used to assess non-facility alternatives to any future project are currently being considered within the Board's Integrated Resource Plan (IRP) Proposal proceeding in EB-2020-0091, where the Board has the full benefit of argument and evidence. The Board previously determined that this separate review of IRP principles and expectations is appropriate, as seen through its determination in Procedural Order No. 1, that Enbridge Gas's IRP Proposal should be reviewed separately from the Project application as "The OEB is of the view that the IRP Proposal raises issues of broad applicability that are best dealt with outside of the context of a project-specific Leave to Construct proceeding." In fact, currently before the OEB in the IRP Proposal proceeding, is a proposal by Enbridge Gas to provide sufficient lead time for the consideration of IRP alternatives to satisfy system constraints/needs. This is the very issue that is at the root of the intervenors' proposed conditions.

There would, however, be prejudice to Enbridge Gas in having to file evidence that is irrelevant and outdated for the Project that has been abandoned, the withdrawn application and any future application, if brought. This would not be a "win-win for everyone," as asserted by Pollution Probe.

For these reasons, Enbridge Gas submits that the Board should not impose conditions of withdrawal as requested by the intervenors.

Yours truly,

Charles Keizer