

**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 Enbridge Gas  
Inc., for an order or orders for gas distribution rate changes  
related to compliance obligations under the Greenhouse  
Gas Pollution Pricing Act, S.C. 2018, c. 12, s. 186;

**EB-2020-0212**

**INTERROGATORIES**

**OF**

**ANWAATIN INC.**

**November 24, 2020**

**Question:**        **Anwaatin-1**

Reference:        • Application, p.3, para 7

Preamble:        EGI states that persons affected by the Application are the customers resident or located in the municipalities, police villages, ***Indigenous communities and Métis organizations*** served by EGI, together with those to whom EGI sells gas, or on whose behalf EGI distributes, transmits, or stores gas. [emphasis added]

- a)        What, if any, duty to consult and potentially accommodate Indigenous communities does EGI have with respect to the Application?
  
- b)        What proportion of EGI customers, that are subject to the proposed fees set out in the application, are “on-reserve”, as defined in the *Indian Act*?

**Question:**        **Anwaatin-2**

Reference:        • Exhibit A, pp. 3-4, paras. 8-9

Preamble:        In EGI's 2020 Application (EB-2019-0247) the OEB ordered that for First Nations on-reserve customers the Federal Carbon Charge remain interim and that EGI track charges to on-reserve customers until such time that the OEB makes a determination regarding the constitutional applicability of FCPP-related charges to on-reserve First Nations customers.

- a)        Please provide the tracked charges to on-reserve First Nation customers in the EGD Rate Zone, and indicate what, if any, action is being taken to mitigate the charges for on-reserve First Nation customers.
  
- b)        Please provide the tracked charges to on-reserve First Nation customers in the Union Rate Zone, and indicate what, if any, action is being taken to mitigate the charges for on-reserve First Nation customers.

**Question:**        **Anwaatin-3**

Reference:        • Exhibit B, Tab 1, Schedule 5  
                      • Exhibit B, Tab 2, Schedule 5

Preamble:        EGI forecasts the Total Customer-Related Costs in the EGD rate zone at  
                      \$862,599,969.

EGI forecasts the Total Customer-Related Costs in the Union rate zone at  
\$551,506,350.

- a)        Please provide actual 2020 volumes delivered to Indigenous communities and the total customer-related costs of the Federal Carbon Charge for Indigenous communities in the EGD Rate Zone.
  
- b)        Please provide actual 2020 volumes delivered to Indigenous communities and the total customer-related costs of the Federal Carbon Charge for Indigenous communities in the Union Rate Zone.

**Question:**        **Anwaatin-4**

Reference:        • Updated Exhibit C, pp. 3 and 4

Preamble:        EGI's forecasted 2020 administration costs are \$4.41 million: \$2.42 million for the EGD rate zone and \$1.99 million for the Union rate zones (IT billing system, staffing resources, consulting and external legal support, greenhouse gas (**GHG**) reporting and verification, bad debt, and other miscellaneous costs).

EGI plans to record actual 2021 costs in the Greenhouse Gas Emissions Administration Deferral Accounts (**GGEADAs**) until such time that these costs are incorporated into rates. EGI intends to seek recovery of its actual 2021 administration costs in a future proceeding.

EGI states that it anticipates that it will incur a total of \$0.30 million in consulting and external legal costs in 2021 for work supporting the development and sustainment of EGI's carbon strategy and related analyses, the review and interpretation of any new or updated regulations associated with the GGPPA or other GHG or carbon pricing programs and for work supporting the development of EGI's Application and associated OEB proceedings.

- a)        Please outline what additional consulting and external legal services EGI anticipates that it will require in relation to each of the following:
- (i)        development and sustainment of EGI's carbon strategy and related analyses;
  - (ii)        review and interpretation of any new or updated regulations associated with the GGPPA;
  - (iii)        review and interpretation of any new offsets regulations associated with the GGPPA;
  - (iv)        Indigenous engagement and consultation for the development and sustainment of EGI's carbon strategy and related analysis;
  - (v)        other GHG or carbon pricing programs; and
  - (vi)        EGI's recently announced carbon neutrality target.

**Question: Anwaatin-5**

Reference: 

- Exhibit A, p. 5, para 10(ii)
- Enbridge Inc., “Net Zero by 2050: Pathways to reducing our emissions” ([online](#) and attached at **Appendix A**).

Preamble: EGI notes that the Output-Based Pricing System (OBPS) under the *Greenhouse Gas Pollution Pricing Act* “creates a pricing incentive to reduce GHG emissions from Energy Intensive and Trade Exposed (“EITE”) industrial facilities while limiting the impacts of carbon pricing on their respective competitiveness” (p. 5, para 10(ii)).

On November 6, 2020 Enbridge announced its new Environmental, Social and Governance Goals which include reducing the intensity of greenhouse gas (**GHG**) emissions from their operations by 35% by 2030 and achieving net zero GHG emissions from their business by 2050. To meet these goals, Enbridge will take the following actions:

- **Modernization and Innovation** — Reduce emissions by modernizing equipment and applying innovation to existing energy transportation and distribution systems to increase efficiency and reduce the emissions intensity of existing infrastructure.
- **Decarbonizing Energy Use** – Reduce emissions intensity of electricity Enbridge buys, including building and operating solar power generation facilities to serve Enbridge's operations and utilizing lower intensity power sources from the grid.
- **Investment in Renewables and Lower Carbon Energy** – Disciplined investment in lower carbon infrastructure and business lines including wind and solar power generation, hydrogen, and renewable natural gas.
- **Offsets and Carbon Credits** – Balance residual emissions through procurement of carbon offset credits generated by nature-based solutions and Renewable Energy Certificates, with a primary focus on areas proximate to Enbridge’s operations.

- a) Please confirm whether or not the Federal Carbon Charge and EGI’s compliance with the *Greenhouse Gas Pollution Pricing Act* and other similar compliance-based regulatory schemes will be used toward Enbridge Inc.’s goal of reducing the intensity of GHG emissions from its operations by 35% by 2030 and achieving net zero emissions by 2050 (the **Commitments**).
- b) Please provide a breakdown of the Federal Carbon Charge that identifies the portion(s) that will be affected and/or reduced as a result of the Commitments.
- c) Please indicate whether customer payments are to be used towards meeting the Commitments, and if so, please provide details of how such customer payments will be used and what communications/explanations have been provided to customers regarding such payments.

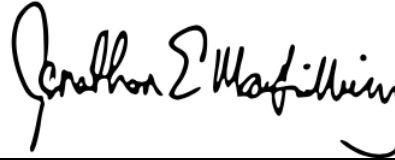
- d) Please comment and provide details on the relationship between the Federal Carbon Charge, the Commitments, and EGI's hydrogen strategy (which consists, in part, of EGI's Low Carbon Energy Project, a hydrogen blending pilot, approved by the Board in EB-2019-0294). In particular, please confirm whether or not EGI's hydrogen strategy is expected to mitigate or otherwise affect the Federal Carbon Charge.

ALL OF WHICH IS RESPECTFULLY  
SUBMITTED THIS  
24<sup>th</sup> day of November, 2020



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Counsel for Anwaatin



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Jonathan McGillivray  
DeMarco Allan LLP  
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## **APPENDIX A**