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November 27, 2020

BY RESS AND EMAIL

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

Dear Ms. Long:

Re: Enbridge Gas Inc.

Ontario Energy Board File No.: EB-2020-0091

Integrated Resource Planning Proposal – Reply Evidence and

Pollution Probe Letter of Comment

Pursuant to the Ontario Energy Board's ("OEB" or the "Board") Procedural Order No. 5 dated September 15, 2020, whereby the Board ordered that Enbridge Gas Inc. ("Enbridge Gas") should notify the OEB by November 26, 2020 if it determines that it will not file responding evidence to the expert evidence of OEB Staff and the joint evidence of the Green Energy Coalition ("GEC") and Environmental Defence ("ED"), Enbridge Gas hereby advises that it intends to file responding evidence in support of continuing the constructive discussion that has begun. A brief description of Enbridge Gas's responding evidence follows.

Moreover, Enbridge Gas is in receipt of a letter of comment filed by Pollution Probe on November 9, 2020 (the "Letter") which contains a number of mischaracterizations and argument regarding Enbridge Gas, its IRP Proposal,<sup>1</sup> and its Additional Evidence which Enbridge Gas wishes to address.<sup>2</sup> Consistent with its previous submissions,<sup>3</sup> Enbridge Gas maintains that the process previously established by the Board for this proceeding in its Procedural Orders No. 4 and 5 is sufficient.

Enbridge Gas had planned to address Pollution Probe's Letter as part of its responding evidence to be filed in December. However, upon review of the Board's Procedural Order No. 6 dated November 18, 2020 and considering the Board's stated intention to provide further details regarding next steps in this proceeding that may reflect consideration of Pollution Probe's comments before Enbridge Gas files its responding

<sup>&</sup>lt;sup>1</sup> EB-2020-0091/EB-2019-0159, Integrated Resource Planning Proposal, Exhibit A, Tab 13, April 24, 2020

<sup>&</sup>lt;sup>2</sup> EB-2020-0091, Integrated Resource Planning Proposal – Additional Evidence, October 15, 2020.

<sup>&</sup>lt;sup>3</sup> EB-2020-0091, Enbridge Gas Letter – Interrogatory Process, October 21, 2020, p. 2.

evidence, Enbridge Gas provides the following comments and clarifications for the Board.

## Reply Evidence

Enbridge Gas intends to file responding evidence to the evidence of OEB Staff and the joint evidence of GEC/ED by December 11, 2020, the subject matter of which will include: (i) economic evaluation of alternatives to resolve identified system capacity needs/constraints; (ii) stakeholder consultation related to IRP; (iii) cost recovery and incentives; (iv) treatment of risk; and (v) IRP pilots/case studies.

As part of its responding evidence, Enbridge Gas intends to file responses to GEC's interrogatories seeking information related to IRP (geo-targeted DSM) case/pilot studies conducted by Enbridge Gas,<sup>4</sup> which the Board has encouraged Enbridge Gas to provide in advance of the interrogatory phase of this proceeding.<sup>5</sup>

## Pollution Probe Letter of Comment

Pollution Probe's Letter proposes new process be added to this case and contains mischaracterizations and argument about Enbridge Gas's IRP evidence. Enbridge Gas would like to respond to each of these items.

At the end of the letter, Pollution Probe requests that after the discovery process is complete the Board should consider gaps in the evidentiary record and take steps to fill those gaps. The implication seems to be that parties who believe that the record is not complete would then be able to add to the record with their own additional or supplementary evidence. Pollution Probe provides limited justification for the requested additional process.

Enbridge Gas believes that there will be a proper evidentiary record once interrogatories and any other discovery is complete. Enbridge Gas does not believe that any changes to the Board's planned process to accommodate potential supplementary evidence from other parties are necessary or appropriate at this time.

Through its Procedural Order No. 3, the Board has already afforded Intervenors the opportunity to propose Additional Evidence in this proceeding, Pollution Probe declined to do so. Pursuant to Procedural Order No. 3, on August 4, 2020, Pollution Probe submitted that.

The research outline proposed by OEB Staff appears to cover the full range of issues and Pollution Probe encourages OEB Staff to include all relevant related information that it identifies during the research process.

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<sup>&</sup>lt;sup>4</sup> EB-2020-0091, Green Energy Coalition Letter – Interrogatory Process, October 23, 2020.

<sup>&</sup>lt;sup>5</sup> EB-2020-0091, OEB Correspondence, October 26, 2020.

It is Pollution Probe's understanding that there will be an opportunity to submit interrogatories on the new evidence filed and that will provide an opportunity to assess residual gaps and ways to mitigate those information gaps, if required.

Contrary to its conclusions in August and in the absence of evidence to support its claims, in its Letter, Pollution Probe now concludes that,

At this point in the proceeding, we are not hopeful and are worried that there may be significant gaps in the evidence and information that the OEB will need to make an informed decision based on best available information.

The Board has already confirmed its intention to grant intervenors an opportunity for discovery following initial filing of evidence and Enbridge Gas's responding evidence.<sup>6</sup> Further, the Board has also already signaled that it would be receptive to having on the record any available studies or evidence from other jurisdictions on the approach to IRP, beyond what OEB Staff has filed, through the interrogatory process.<sup>7</sup>

Enbridge Gas submits that it is not appropriate for a party who has chosen not to file its own evidence to argue for that opportunity at a later date.

In any event, Enbridge Gas also submits that it is premature for the Board to set a process now to address what might be (in Pollution Probe's opinion) a future "gap" in the evidentiary record. If Pollution Probe continues to believe that is the case after interrogatories are completed, then that would be the appropriate time to argue for additional procedural steps. If supplementary evidence is to be filed then Enbridge Gas will request: (i) opportunity to file responding evidence to Pollution Probe or other parties filing supplementary evidence; and (ii) opportunity for discovery related to the supplementary evidence.

Much of Pollution Probe's Letter is aimed at promoting Pollution Probe's views of the nature and scope of IRP. Enbridge Gas does not believe that it is appropriate to engage in detailed argument on this topic. The Board has provided guidance in its Decision on the Issues List, and Enbridge Gas has followed that guidance in preparing its Additional Evidence. With that context, there are a small number of allegations in Pollution Probe's Letter to which Enbridge Gas wishes to respond. Of course, Enbridge Gas's decision not to address each and every issue raised by Pollution Probe should not be construed as acceptance.

 In paragraph 5 of its Letter, Pollution Probe argues that Enbridge Gas is trying to narrow the scope of the IRP proceeding by stating in its Additional Evidence that, "Addressing peak demand in a very targeted manner is the contemporary understanding of IRP." Enbridge Gas has drawn this understanding from the

<sup>&</sup>lt;sup>6</sup> EB-2020-0091, Procedural Order No. 4, August 20, 2020, p. 5; EB-2020-0091, OEB Correspondence, October 26, 2020, p. 3.

<sup>&</sup>lt;sup>7</sup> EB-2020-0091, Procedural Order No. 5, September 15, 2020, p. 4.

<sup>&</sup>lt;sup>8</sup> EB-2020-0091, Pollution Probe Letter of Comment, November 9, 2020, p. 2.

thorough jurisdictional review completed by ICF and it is based on Enbridge Gas's expertise in natural gas system planning. Enbridge Gas's system, like all natural gas transmission and distribution systems in North America is designed based upon the peak period demands of its customers in order to ensure that it can meet its obligations to serve these demands on a firm basis on the coldest of winter days. With these fundamental realities of natural gas system planning in mind, Enbridge Gas set out a broad definition of IRP in its original IRP Proposal,<sup>9</sup>

IRP refers to a multi-faceted planning process that includes the identification, implementation, and evaluation of realistic natural gas supply-side and demand-side options (including the interplay of these options) to determine the solution that provides the best combination of cost and risk for our customers.

- In paragraph 6 of its Letter, Pollution Probe attempts to re-frame this proceeding from one focused upon the development of a general IRP Framework for Enbridge Gas, as defined by the Board, to one that looks at all fuel sources and that can support the phasing out of all fossil fuels by 2050. Enbridge Gas submits that Pollution Probe is expanding the scope of this proceeding beyond what the Board appears to be intending. As part of this argument, Pollution Probe accuses Enbridge Gas of not giving due consideration to non-gas alternatives that might displace natural gas. Pollution Probe completely ignores the fact that Enbridge Gas's previous submissions, original IRP Proposal, and its Additional Evidence all support consideration of non-gas alternatives as IRP alternatives ("IRPAs").
- In paragraph 7 of its Letter, Pollution Probe claims that Enbridge Gas is seeking "preferential treatment" in this proceeding. This is simply not true. Enbridge Gas supports the Issues List established by the Board, the process set out in Procedural Orders No. 4 and 5 and the Board's stated intention to develop a general IRP Framework for Enbridge Gas. Enbridge Gas seeks to adhere to the process defined by the Board in the interest of reaching a reasoned conclusion while: (i) maintaining regulatory efficiency; (ii) ensuring that its ratepayers are not inappropriately burdened with costs resulting from continued expansion of scope; and (iii) avoiding the persistence of uncertainty regarding natural gas IRP and its implications, for longer than necessary. In support of its established scope, the Board invited parties that wished to submit Additional Evidence to file submissions stating their intentions to do so and describing the nature of such evidence in August. On August 4, 2020, Pollution Probe filed a letter with the Board specifically advising that it would not submit any such evidence. Through its Letter, and without material justification Pollution Probe now appears to request that the Board establish a distinct and preferential opportunity for Pollution Probe to submit supplementary responding evidence.

<sup>&</sup>lt;sup>9</sup> EB-2020-0091/EB-2019-0159, Integrated Resource Planning Proposal, Exhibit A, Tab 13, April 24, 2020, p. 4.

<sup>&</sup>lt;sup>10</sup> EB-2020-0091/EB-2019-0159, Integrated Resource Planning Proposal, Exhibit A, Tab 13, April 24, 2020, pp. 9, 12, 21-22; EB-2020-0091, Integrated Resource Planning Proposal – Additional Evidence, October 15, 2020, pp. 23-25.

• In the final paragraph of its Letter, Pollution Probe offers to coordinate presentations or materials from municipalities/partners. The demands of individual municipalities within Enbridge Gas's franchise area, while continuously assessed by and of critical importance to Enbridge Gas for system planning purposes, are not at issue in this proceeding. As previously stated by Enbridge Gas, neither Enbridge Gas's IRP Proposal nor its Additional Evidence seek OEB approval to implement specific IRPAs or to recover the costs associated with investment in specific IRPAs and Enbridge Gas does not intend to seek any such IRPA-specific approval from the Board as part of this proceeding. Enbridge Gas believes that consideration of identified system needs/constraints and approval of specific IRPAs (including active stakeholder engagement, as set out in Enbridge Gas's Additional Evidence) is more appropriately dealt with in future IRPA or leave to construct applications. The Board has previously supported this conclusion.

Enbridge Gas recognizes and appreciates the efforts of the Board to establish a detailed issues List reflecting the many and varied perspectives of intervenors, at no insignificant cost to ratepayers. Enbridge Gas respectfully submits that the Board should reject (or at very least not endorse) Pollution Probe's efforts to expand and change the nature of this proceeding (which is intended to develop a general IRP Framework for Enbridge Gas). Enbridge Gas anticipates that IRP will continue to evolve as experience in the Ontario context is gained.

Sincerely,

Adam Stiers
Technical Manager, Regulatory Applications

c.c.: D. Stevens (Aird & Berlis)
M. Parkes (OEB Staff)
M. Millar (OEB Counsel)
EB-2020-0091 (Intervenors)

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<sup>&</sup>lt;sup>11</sup> EB-2020-0091, Enbridge Gas Letter – Details of Additional Evidence, August 27, 2020, p. 2.

<sup>&</sup>lt;sup>12</sup> EB-2020-0091, Integrated Resource Planning Proposal – Additional Evidence, October 15, 2020, pp. 39-42.

<sup>&</sup>lt;sup>13</sup> EB-2020-0091, Decision on Issues List and Procedural Order No. 2, July 15, 2020, pp. 12-13.