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January 12, 2021

Christine E. Long  
Registrar  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street  
Toronto ON  
M4P 1E4

Dear Ms. Long

**RE: EB-2020-0091 Enbridge Gas IRP Application  
Energy Probe Interrogatories to OEB Staff Consultant Guidehouse**

Attached are the interrogatories of Energy Probe Research Foundation (Energy Probe) to the OEB Staff Consultant Guidehouse in the EB-2020-0091 proceeding, the application by Enbridge Gas Inc. to the Ontario Energy Board for approval of its Integrated Resource Plan.

Respectfully submitted on behalf of Energy Probe.

Tom Ladanyi  
TL Energy Regulatory Consultants Inc.

cc. Patricia Adams (Energy Probe Research Foundation)  
Roger Higgin (SPA Inc.)  
Michael Parkes (OEB Staff)  
Adam Stiers (Enbridge Gas Inc.)

EB-2020-0091 Enbridge Gas IRP Proposal

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Energy Probe Interrogatories to OEB Staff Consultant Guidehouse.

January 12, 2021

**EP-Staff-1**

**Reference:** OEB Staff /Guidehouse Report, Page 3

**Preamble:** “Enbridge Gas proposes using a traditional Discounted Cash Flow (DCF) analysis to value IRPA in order to compare these on an equal footing with traditional infrastructure. This approach is defined in the OEB’s guidance from proceeding E.B.O. 134, and the environment for cost benefit analysis has evolved significantly since this methodology was originally developed.”

- a) Please Confirm the E.B.O 134 methodology is used (with modifications) for distribution projects under E.B.O. 188.
- b) Please provide a table that Shows and compares the Methodolgy proposed by EGD (E.B.O.134) to the best practices in New York State. Provide detailed comparison of assumptions and parameters for each.

**EP-Staff-2**

**Reference:** OEB Staff /Guidehouse Report, Page 3

Please provide a status Report on the New York DPS white paper. If available file a copy and provide relevant Guidehouse comments.

**EP-Staff-3**

**Reference:** OEB Staff /Guidehouse Report, Pages 3-4

Please elaborate on the Footnote 3 and indicate in more detail including why AMI is/is not required in context of peak demands on the EGI Transmission and distribution systems. Also discuss the benefit/cost of an AMI system and estimate the cost.

**EP-Staff-4**

**Reference:** OEB Staff/ Guidehouse Report, Page 3

**Preamble:** “Should the OEB and the Independent Electricity System Operator (IESO) consider developing a specific electric Non-Wires Alternative (NWA) framework in the future, the OEB

should consider aligning Gas IRP and Electricity IRP frameworks to share the cost and resource investments to develop operational processes, program design, benefit-cost analyses, and other aspects of either IRP proceeding.”

Does Guidehouse have knowledge that IESO and/or the OEB is planning an NWA framework? If so, please provide more details. If not, is Guidehouse recommending/advocating that this be done. Please discuss.

#### **EP-Staff-5**

**Reference:** OEB Staff/ Guidehouse Report, Pages 14 and 15, Table 1, and Table 2

**Preamble:** “To address the increased demand and limited capacity, Con Edison developed the Smart Solutions for Natural Gas Customers Program (Smart Solutions Program), an innovative, integrated, multi-solution strategy to decrease gas usage and procure alternative resources.<sup>36</sup> Con Edison submitted its proposal to the PSC in September 2017, and it was approved in July 2018, with different programs beginning in 2018. The Smart Solutions Program includes four non-traditional solutions...”

- a) Is Guidehouse recommending a similar four component solutions approach in Ontario? If so, please describe the process that will be used in terms of the current regulatory process for Leave to Construct Projects. Please specifically indicate/discuss how the Cost/benefit/BCA will work.
- b) If the solution is aimed at reducing Peak Gas Demand will this be evaluated at a System level or a Local level? Please Discuss.
- c) How does the evaluation framework and BCA deal with upstream supply and with storage solutions? For example, how are potential solutions evaluated and is there a common cost/benefit calculation model or models?

#### **EP-Staff-6**

**Reference:** OEB Staff/ Guidehouse Report, Page 34

**Preamble:** “The [EGI] proposal mentions certain aspects of natural gas planning where the OEB’s policies, rules or guidelines currently exist. Enbridge Gas’s IRP proposal does not propose specific changes to these policies, rules or guidelines, *but Guidehouse believes that these may potentially be impacted by the implementation of an IRP framework.*”

- a) Please discuss/ provide an opinion on what is “missing” from EGI’s IRP Proposal, for example Upstream/Storage Options, Downstream Local alternatives such as fuel switching and DSM peak load shifting.
- b) Please list the additional features that Guidehouse believes will bring the EGI proposal to “state of the art”. e.g. broader consideration of options, new BCA, evaluation of electricity solutions etc.

**EP-Staff-7**

**Reference:** OEB Staff/ Guidehouse Report, Page 39

**Preamble:** Enbridge Gas does not explicitly indicate whether it would adopt the second and third stages of the E.B.O. 134 methodology in its assessment of IRPAs.

- a) Please provide Guidehouse's opinion on the E.B.O. 134 3 stage test and what modifications are required.
- b) Please provide Guidehouse's opinion on E.B.O. 188 and modifications required.

**EP-Staff-8**

**Reference:** OEB Staff/ Guidehouse Report, Page 48

**Preamble:** Enbridge Gas indicates a number of requirements to ensure IRPAs function as planned, including implementation of AMI and annual monitoring and reporting. Enbridge Gas states that ratepayers should bear the costs of the successes or failures of IRPA.

- a) In New York State how are risks, rewards and penalties related to an IRP assigned?
- b) Please provide an opinion as to how this should be addressed in the new OEB IRP Framework. Please address external and internal factors and the sharing between the utility and ratepayers, including Earnings Adjustment Mechanisms and Performance Incentives.

**EP-Staff-9**

**Reference:** OEB Staff/ Guidehouse Report, Page 53, Table 5

Please provide a short list of the critical differences in the New York State/ConEd and Enbridge Gas service territories that are important determinants for the appropriate form and framework for IRP in Ontario.

Respectfully submitted on behalf of Energy Probe by its consultant,

Roger Higgin  
SPA Inc.