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January 12, 2021

Ontario Energy Board
Attn: Christine E. Long, Registrar

By e-mail and electronic filing

Dear Ms Long

Re: EB-2020-0091 EGI IRP Proposal – GEC IRs to Board Staff

Please find attached interrogatories from the Green Energy Coalition to Board Staff.

Sincerely,

David Poch

Cc: all parties

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GEC Interrogatories for Board Staff on the Guidehouse Report

1. On p. 1 of its report, Guidehouse references a New York DPS staff white paper expected to be published by November 16, 2020. Was that report published? If so, please provide a copy.

2. On p. 2 of its report, Guidehouse states that "non-traditional supply-side and demand-side solutions carry greater uncertainty compared to traditional infrastructure projects."
    a. What is the nature of the uncertainty to which Guidehouse is referring? Is it principally about "reliability uncertainty" – i.e., whether the solutions can meet the reliability need?
    b. Would Guidehouse agree that demand-side solutions can also reduce risk of unnecessarily building new infrastructure that may not have been needed by allowing load forecasts to be refined during the time that supply-side investments are being deferred and because demand-side solutions can often be ramped up or down to conform to needs as forecasts evolve? If not, why not?
    c. Would Guidehouse agree that some demand-side solutions, such as energy efficiency and electrification, can be better aligned with climate policy goals than gas infrastructure investment and therefore reduce risk of higher costs of compliance with future environmental regulations?

3. On p. 2 of its report, Guidehouse states that "IRP programs can take significant time to develop, recruit, launch and scale and may not align with the timelines of gas planning or engineering departments.
    a. Is Guidehouse stating such non-alignment is relative to the timelines that gas planning or engineering departments have traditionally used? If not, please explain.
    b. Would Guidehouse agree that such misalignment can often be addressed by lengthening the lead time for which gas planning or engineering departments perform forecasts of system needs? If not, why not?

4. On pp. 3-4 of its Report, Guidehouse states that Enbridge's proposed Discounted Cash Flow analysis approach to comparing IRPAs with traditional infrastructure investments are based on OEB guidance in E.B.O. 134 "and that the environment for cost benefit analysis has evolved significantly since this methodology was originally developed." Is it Guidehouse's view that Enbridge's proposed DCF approach is inconsistent with North American industry best practices on cost-effectiveness analysis? If not, why not?

5. On p. 4 of its report, Guidehouse states that ConEd has performed demand-side IRP programs both with and without gas AMI, but that performing without AMI "carries additional challenges and costs." Has Guidehouse compared the additional costs of IRPA's without gas AMI to the cost of AMI deployment? If so, please document and explain the results of such comparisons.

6. On p. 4 of its report, Guidehouse recommends that the OEB develop a BCA handbook for gas IRP or a "supplemental guide to the approach outlined in E.B.O. 134…"

a. Does Guidehouse consider the New York BCA framework – not just the existence of a detailed handbook, but the selection and design of the Societal Cost Test as the primary cost-effectiveness test that is to be used – to be industry best practice today for consideration of gas IRPAs? If not, why not?
b. Does Guidehouse have an opinion on the appropriateness of E.B.O. 134 as the primary framework for cost-effectiveness assessment of IRPAs? If so, what is that opinion and what is it based upon?
c. Would Guidehouse agree that at least some of the resources that could be deployed as part of an IRPA – including geotargeted energy efficiency and electrification – have benefits that would not be captured in the E.B.O. 134 analysis framework? If not, why not?

7. On p. 15 of its report, Guidehouse makes reference to a September 2020 update to the New York NPS BCA handbook. Please provide a full copy of that updated version.

8. On pp. 15-16 of its report, Tables 1 and 2, Guidehouse summarizes the list of NPS benefits and costs included in the New York BCA Handbook.
    a. Please confirm that the primary cost-effectiveness test used in New York to assess non-pipe solutions is the Societal Cost Test (SCT), per Table 3 on p. 41 of Guidehouse's report. If not confirmed, please explain.
    b. Does the BCA handbook provide guidance on the application of both the primary Societal Cost Test as well as other secondary tests? If so, what are those secondary tests?
    c. Please confirm that the listed benefits and costs in Tables 1 and 2 are not all included in all of the cost-effectiveness tests described in the handbook – i.e that some of the benefits and/or costs are only included in some of the tests (for e.g., Lost Utility Revenue would not be included in the BCA SCT). If not confirmed, please explain.
    d. Please provide the same tables of benefits and costs, but for just the primary cost-effectiveness test – the Societal Cost Test – used in New York.

9. On p. 16 of its report, Guidehouse states that ConEd's gross efficiency savings "represent approximately 0.7% of 2019 full service firm sales." Please provide the equivalent value in terms of net savings as a percent of sales.

10. On pp. 16-17 of its report, Guidehouse estimates that Enbridge's 2019 DSM programs produced gross savings ranging of 0.5% to 0.8% of its 2014-2018 sales in the EGD rate zone and 1.2% to 1.9% for Union rate zones.
    a. Please provide the specific values for the numerator (gross savings) and denominator (sales) used to compute these percentages.
    b. Please provide the specific page references for the specific documents referenced for the numerator and denominator values provided in part "a" of this question.
    c. Please provide the comparable values in terms of net savings (rather than gross savings), including page references for the net savings estimates.