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February 10, 2021

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

Dear Ms. Long,

**RE: EB-2020-0134 EGI Supplementary Evidence - Energy Probe Interrogatories**

Attached please find Energy Probe's Interrogatories to the Applicant

Yours truly,

*RMR.Higgin*

Roger Higgin Ph.D. MBA, P.Eng, – Consultant  
Sustainable Planning Associates (SPA) Inc,

cc.

Anton Kacinic EGI Regulatory  
David Stevens, Aird and Berlis LLP  
Fred Cass, Aird and Berlis LLP  
EB-2020-0134 Intervenors

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**Energy Probe Research Foundation** 225 BRUNSWICK AVE., TORONTO, ONTARIO M5S 2M6

Phone: (416) 964-9223 Fax: (416) 964-8239 E-mail: [EnergyProbe@nextcity.com](mailto:EnergyProbe@nextcity.com) Internet: [www.EnergyProbe.org](http://www.EnergyProbe.org)



**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act*,  
1998, S.O. 1998, c.15 (Schedule. B);

**AND IN THE MATTER OF** an Application by Enbridge  
Gas Inc. for an order or orders clearing certain non-commodity  
related deferral or variance accounts and sharing utility earnings  
pursuant to a Board-approved earnings sharing mechanism;

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**EGI Supplementary Evidence  
Interrogatories of Energy Probe Research Foundation**

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**February 10, 2021**

**EB-2019-0134 Enbridge Gas  
EGD and Union Deferral/Variance accounts and ESM  
EGI Supplementary Evidence -Tax Variance Deferral Account**

**Energy Probe IR#1**

**Ref.: Exhibit H Page 6 and Page 11 paragraph 42**

**Preamble:** Enbridge Gas estimates that the total cumulative balance in the TVDA account for the 2019 to 2023 period will be in the range of \$80 to \$115 million. It should be highlighted that this range is a ball-park estimate and that the actual balance recorded in the account will be a function of the actual level and asset mix of qualifying capital additions.

- a) Confirm that in 2018, and 2019 respectfully, \$4.9 million and 25.1 million credits were recorded in the TVDA,
- b) Does this include interest? If so, confirm the total. If not, provide actual balance for disposition.
- c) Please provide the TVDA balance estimate for 2020.
- d) Confirm EGI is proposing to dispose of only the 2018/2019 Balances and/or is the \$3 per customer including other years? Please clarify
- e) Please provide the allocation of the TVDA Balance by Rate Zone and Class assuming 100% allocation to ratepayers.

**Energy Probe IR#2**

**Ref.: Exhibit H Page11 paragraph 41;**

**Preamble:** Enbridge Gas recognizes that the 2019 balance could be cleared now in accordance with the OEB's longstanding practice of 50/50 sharing, but also notes that a) the OEB indicated that sharing on a 50/50 basis should not be expected to necessarily apply in respect of CCA rule changes, and b) the clear indication from the OEB is that disposition of the balance will coincide with a utility's next cost based application.

- a) Please provide examples (electricity and gas) where the impact of tax changes have been credited 50:50 to shareholder and ratepayers
- b) Please provide any examples (electricity or gas) where CCA-related Tax changes have been allocated 50:50 to shareholders and ratepayers.

### **Energy Probe IR#3**

**Ref.: Exhibit H Page13 paragraph 51;**

**Preamble:** The NGEP and these proposals support the Ontario government’s intentions with respect to “Access to Natural Gas Act, 2018”, which amended the Ontario Energy Board Act, to provide a mechanism to “financially support the expansion of natural gas distribution for projects that would otherwise be considered uneconomic under existing policies.

- a) Confirm if the 4 proposed economic Development Projects would be candidates for funding under the NGEP and therefore be funded out of ratepayer sourced funds.
- b) Discuss why EGI is proposing to provide funding from the TVDA rather than the usual NGEP mechanism.

### **Energy Probe IR#4**

**Ref.: Exhibit H Page16 paragraph 62**

**Preamble:** Enbridge Gas proposes that it be able to access up to \$20 million of the TVDA balance to use towards the IRP pilot projects. The TVDA balance would be available to fund the costs of the pilot projects that would otherwise be recovered from ratepayers. The current (and potentially future) TVDA funds that are allocated towards funding of IRP pilot projects would not be used for that purpose until the specific IRP pilot project (including forecast costs and benefits) is approved by the OEB.

- a) Confirm the proposed IRPA Pilot projects may not occur and that if they are approved the mechanism for funding of these is to be determined.
- b) Does EGI agree the proposal to use TVDA balances is premature and not a proposition that can be considered at this time. If not, explain why not

### **Energy Probe IR#5**

**Ref: Exhibit H, paragraph 64**

**Preamble:** If the OEB does not accept the proposal that 100% of the TVDA balance be used for these purposes, Enbridge Gas proposes that the TVDA balance be cleared in accordance with the OEB’s longstanding practice that the impacts of tax changes during the term of an IR plan are shared between utility ratepayers and shareholders on a 50/50 basis.,

- a) Does this proposal deal with the impacts of the AII until EGI rebases, or would this apply to changes in CCA available beyond the rebasing year as of the result of the AII over the 2018 through 2027 period?
- b) Please explain why ratepayers should not be allocated 100% of the AII CCA changes, since they will have to repay this in the Future?

## **Energy Probe IR#6**

### **Ref. EB-2020-0181 Application**

- a) Confirm that in the EB-2020-0181 application, EGI has requested approval of two ICMs for Projects that have received an LTC approval - London Lines and Sarnia Industrial Line
- b) Please provide the annual revenue requirements for each of these 2 Projects and the expected allocations to each Rate Zone and Rate class.
- c) If the balance in the TVDA was applied to these LTC projects what would be the resulting Rate Base amounts and revenue requirements and allocations for the Rate zones and rate classes