



Joel Denomy  
Technical Manager  
Regulatory Applications

Tel: 416-495-5499  
EGIRegulatoryProceedings@enbridge.com

Enbridge Gas Inc.  
500 Consumers Road  
North York, Ontario M2J 1P8  
Canada

**VIA RESS and EMAIL**

May 25, 2021

Christine Long  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27th Floor  
Toronto, Ontario  
M4P 1E4

Dear Ms. Long,

**Re: EB-2021-0004 – Enbridge Gas Inc. (Enbridge Gas)  
2021 Annual Update to 5 Year Gas Supply Plan  
Stakeholder Conference – Reply Submission**

Enclosed please find the Reply Submission of Enbridge Gas filed with the Ontario Energy Board in the above noted proceeding.

Should you have any questions on this matter please contact the undersigned.

Sincerely,

Joel Denomy  
Technical Manager, Regulatory Applications

cc:

David Stevens, Aird & Berlis LLP  
All Interested Parties (EB-2021-0004)



Enbridge Gas 2021 Annual Gas Supply Plan Update

**Reply Submission of Enbridge Gas Inc.**

EB-2021-0004

May 25, 2021

## **A. Introduction and Overview**

1. On February 1, 2021, Enbridge Gas Inc. (EGI) filed its 2021 Annual Gas Supply Plan Update (2021 Annual Update) in accordance with the Ontario Energy Board (OEB, or the Board) Framework for the Assessment of Distributor Gas Supply Plans (the Framework). The 2021 Annual Update is the second Annual Update to EGI's 5-Year Gas Supply Plan (5-Year Plan). The 2021 Annual Update addresses changes to the market outlook, planning and execution process, and integration updates, and also sets out the historical comparisons of actuals required by the Framework.
2. As contemplated by the Framework, stakeholders were given the opportunity to submit written questions to EGI and a Stakeholder Conference was convened for EGI to answer questions and provide more information about the 2021 Annual Update. The transcribed Stakeholder Conference was held on April 26 and 27, 2021. The participants included EGI, OEB Staff and 18 stakeholders representing consumer groups, gas utilities and a gas transportation company. During the Stakeholder Conference EGI's witnesses, Jason Gillett, Dave Janisse and Steve Dantzer, made presentations addressing the written questions received and answered follow-up questions from stakeholders. Additionally, EGI provided written answers to some stakeholder questions before and after the Stakeholder Conference.
3. Following the Stakeholder Conference twelve stakeholders submitted written comments.<sup>1</sup> The comments are largely supportive of the 2021 Annual Update, with many stakeholders including suggestions or proposals about discrete items. No stakeholder submits the 2021 Annual Update fundamentally fails to address the Guiding Principles in the Framework. Further, no stakeholder takes specific issue with the Company's gas supply planning updates as set out in the 2021 Annual Update. No stakeholder submits that an OEB hearing is required to complete the Annual Update review process contemplated by the Framework.

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<sup>1</sup> The following parties submitted written comments: Anwaatin Inc. (Anwaatin); Building Owners and Managers Association (BOMA); Canadian Manufacturers & Exporters (CME); Consumers Coalition of Canada and the Vulnerable Energy Consumers Coalition (CCC/VECC); Environmental Defence (ED); Federation of Rental-Housing Providers of Ontario (FRPO); Industrial Gas Users Association (IGUA); London Property Management Association (LPMA); Northwestern Ontario Chamber of Commerce Coalition (NWCOC); Ontario Sustainable Energy Association (OSEA); Pollution Probe (PP); and School Energy Coalition (SEC).

4. The current step in the process is the opportunity for EGI to respond to the stakeholder comments received and/or revise its Annual Update based on comments received. Assuming that the same process is followed for the 2021 Annual Update as was employed for the 5-Year Plan, the next steps will be: (i) OEB Staff prepares a draft Staff Report outlining its initial assessment of the Plan against the Guiding Principles; (ii) parties will have the opportunity to comment on the draft Staff Report; (iii) OEB Staff will then finalize and file the Staff Report; and (iv) the Board will review OEB Staff's final Report and decide whether any adjudicative process is required.
5. In their written comments, several stakeholders express their support for EGI's 2021 Annual Update and EGI's approach to the Stakeholder Conference Process. CCC/VECC noted that "[w]e appreciate the presentation of these plans and EGI's responsiveness to the questions and concerns" and stated that "it is our view that EGI has a robust and prudent planning process and resultant gas plan".<sup>2</sup> LPMA concludes that it "generally supports EGI's 2021 GSP update and the information provided".<sup>3</sup> Anwaatin indicates that it is "generally supportive of EGI's Annual Update".<sup>4</sup> PP indicates that "[t]he presentation and materials provided by Enbridge during the Stakeholder Conference were helpful and provided a good foundation for discussion".<sup>5</sup> SEC notes that "it did find the Stakeholder Conference helpful in attempting to facilitate a better understanding of Enbridge's gas supply planning process and the considerations that [are] expected to arise over the next year."<sup>6</sup>
6. The criticisms and concerns in stakeholder submissions about EGI's 2021 Annual Update were relatively limited. Where appropriate, this Reply Submission includes EGI's specific responses to such items.<sup>7</sup> EGI has endeavoured to respond to the main points raised by each stakeholder, but may not have touched on every item. Failure to respond to any particular item should not be interpreted as agreement from EGI.

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<sup>2</sup> CCC/VECC Comments, page 2.

<sup>3</sup> LPMA Comments, page 5.

<sup>4</sup> Anwaatin Comments, page 1.

<sup>5</sup> PP Comments, page 4.

<sup>6</sup> SEC Comments, page 1.

<sup>7</sup> While some of the responses included in this Reply Submission are fairly lengthy in order to provide proper context and explanation, the length of these submissions should not be viewed as an indication of widespread stakeholder criticism of EGI's 2021 Annual Update.

7. Through their submissions, stakeholders generally focus on items that could be included or addressed in future Annual Updates. EGI is open to some of these suggestions, as described below. In many cases, though, the suggestions made by stakeholders go beyond the scope of a gas supply plan Annual Update or amount to micromanagement that is neither appropriate nor necessary.
8. One other main area of focus in intervenor comments is the Company's proposal to begin procuring "Sustainable Natural Gas" (SNG) during 2021/2022. Stakeholders question whether "Sustainable" Natural Gas is an appropriate descriptor, and indicate that more information about the comparative value of SNG is required before procurement begins. In response, EGI agrees that a different name may be appropriate, and will propose a new descriptor in future Annual Updates should EGI continue to see value in procuring SNG. At this time, given the lack of support received for the current proposal the Company will not procure SNG for the 2021 gas supply portfolio unless it can be obtained for the same cost as "non-certified" natural gas.
9. In the subsections of this Reply Submission that follow, EGI uses the same topic headings as it addressed in its Stakeholder Conference presentation. Each section starts with a very brief summary of what was addressed for each topic, and then sets out the Company's response to the stakeholder comments relevant to that topic heading.
10. As described at the Stakeholder Conference, and confirmed by this Reply Submission, EGI is committed to continuous improvement of its gas supply planning activities. EGI will continue to provide appropriate and responsive Annual Updates to its 5-Year Plan and will ensure the OEB and stakeholders have appropriate and necessary information about the impacts of evolving circumstances.

## **B. Overview and Process**

11. In the first part of the Stakeholder Conference, EGI summarized the key items to be discussed from the 2021 Annual Update.<sup>8</sup> EGI also reminded stakeholders about the scope of what is (and is not) part of the Annual Review process, including the fact that there is no OEB approval of the Annual Update requested or provided through the process. Finally,

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<sup>8</sup> EGI Presentation, slides 3-8 and 1Tr.7-15. Key items from the 2021 Annual Update are summarized at pages 4-7 of the Annual Update filing.

EGI also highlighted the Company's proposed timing for future Annual Updates, which would be filed by March 1<sup>st</sup> each year instead of May 1<sup>st</sup>, in order to ensure availability of key information and align with internal processes.

12. In their written comments, stakeholders acknowledge and agree that the Gas Supply Plan Annual Update process does not result in an OEB approval of cost consequences of gas supply decisions.<sup>9</sup> Some stakeholders made suggestions as to additional process that should be added.<sup>10</sup>
13. Some stakeholders have previously argued (in the Framework consultation and in the 5-Year Plan consultation) for expansion of the Gas Supply Plan review process or other processes to adjudicate gas costs. The OEB has decided that is not necessary. EGI made lengthy submissions on this topic in the 5-Year Plan stakeholder consultation process (EB-2019-0137) and repeats and relies on those same submissions here. For ease of reference, the relevant pages from EGI's Reply Submissions in the 5-Year Plan stakeholder consultation process are included at Appendix A.<sup>11</sup>
14. EGI submits that the OEB's current processes appropriately and adequately allow for the review of gas supply decisions and costs.<sup>12</sup> EGI submits that the foundation of the Board's process for the review of gas supply plans, namely the use of a stakeholder consultation rather than an adjudicative approach, is appropriate.<sup>13</sup> Gas supply decisions and cost consequences are continuously evolving, and a point-in-time approval may lead to the need for endless updates and adjustments to specific approvals granted.

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<sup>9</sup> See, for example, CME Comments, page 1; LPMA Comments, page 2; and CCC/VECC Comments, page 2.

<sup>10</sup> CME proposes that review of gas supply cost consequences should take place in an annual rate case: CME Comments, page 2; LPMA suggests that the bill impacts and prudence review of the Gas Supply Plan should take place in the annual deferral and variance account clearance proceeding: LPMA Comments, page 3.

<sup>11</sup> EB-2019-0137 EGI Reply Submission, November 18, 2019, at paras. 12-22. Reproduced at Appendix A, pages 2-6.

<sup>12</sup> There was an exchange between FRPO (Mr. Quinn) and EGI counsel (Mr. Stevens) on this topic at the Stakeholder Conference (1Tr.19-21).

<sup>13</sup> As noted in EGI's Reply Submission in the 5-Year Plan consultation process, "It is difficult to approve gas supply costs on a prospective basis through an adjudicative process because the facts at hand change daily if not minute-to-minute, and are not conducive to the timelines required for a full adjudicative review. Typically, the final decision on a future transaction will not be made until after submission of the Plan and/or its Annual Updates, because the final decision will make of the best and most current information."

15. The Framework sets out how the OEB will receive annual information about EGI's gas supply plan, including updates and changes from what has been reviewed in prior years. While there is no "approval" granted during the Annual Review process, the OEB has the option under the Framework to convene a hearing process where OEB Staff raise questions requiring adjudication in the OEB Staff Report.<sup>14</sup> In the case of the 2021 Annual Update, no party has indicated that OEB adjudication is required.
16. Additionally, existing OEB processes such as QRAM applications and EGI's annual commodity deferral account disposition applications allow for review and approval of many gas supply related costs. While the QRAM process is summary in nature, it does allow for parties to raise issues of interest to be adjudicated then or at a later date.
17. EGI does not believe that further or expanded process is necessary.
18. More generally, PP asks for guidance on what proceeding should be used for items that are out of scope for the gas supply plan Annual Update.<sup>15</sup> The unstated assumption in PP's submission (as well as the submission from ED about EGI being expected to answer all questions raised) is that anything that is of interest to a stakeholder must be relevant in some proceeding.<sup>16</sup> EGI does not accept that premise.
19. EGI has been responsive to stakeholder questions and areas of interest throughout the 2021 Annual Update process. The Company provided evidence in the format prescribed in the Framework, and the Company answered the large number of stakeholder questions received. Some of the answers provided were in written form, where that was deemed more useful. ED points to its question about the sources of supply as an example of a question that was not answered.<sup>17</sup> EGI did actually answer that question. As described at the Stakeholder Conference, while EGI can (and does) provide information about the transportation path used to receive gas this does not provide conclusive information about

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<sup>14</sup> Framework, pages 13-14.

<sup>15</sup> PP Comments, pages 5 and 8.

<sup>16</sup> EGI acknowledges that it did not answer some stakeholder questions that were out of scope, for example Anwaatin's questions about Aboriginal or Treaty rights that apply to any of EGI's pipeline infrastructure.

<sup>17</sup> ED Comments, page 3.

the actual origin of the gas. For example, gas procured at Chicago and transported by Vector to Dawn may be from Western Canada or it may be from the United States.<sup>18</sup>

20. More generally, though, the scope of the gas supply plan Annual Update process should be limited to the purposes set out in the Framework – the identification of significant events that result in a change to the gas supply plans, with a focus on updates and presentation of historical actuals.<sup>19</sup> The Annual Update process is not a re-review of the 5-Year Plan, and it is not a process intended to review topics that are outside of the gas supply plan.<sup>20</sup>
21. Only two stakeholders provided comments on EGI's proposal to file future Annual Updates on March 1<sup>st</sup> of the subject year instead of May 1<sup>st</sup> as originally directed by the Board. LPMA supports this proposal<sup>21</sup>, while PP indicates that the current year filing date of February 1<sup>st</sup> should be maintained so that outcomes can be implemented more easily as the year proceeds.<sup>22</sup>
22. EGI maintains that March 1<sup>st</sup> is an appropriate filing date for future Annual Updates. This will ensure that full year information from the prior year is available for the Performance Metrics and historic results reporting. It will also allow for any significant changes identified through the stakeholder process to be considered and reflected as the gas supply plan is being implemented going into the next winter season.<sup>23</sup>

### **C. Changes to Existing Processes**

23. The second topic discussed at the Stakeholder Conference addressed the status of EGI's integration of gas supply planning and functions, as well as the implementation of an

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<sup>18</sup> 1Tr.148-149.

<sup>19</sup> Framework, page 14.

<sup>20</sup> On this latter point, PP intimates that the decision not to proceed with the recent Dawn Parkway expansion project was prompted by gas supply decisions. That is not the case. As explained at the Stakeholder Conference, the gas supply requirements for additional capacity did not change. What changed was that ex-franchise demand on the Dawn Parkway system declined, meaning that EGI's requirement for additional in-franchise capacity could be met without the need for a system expansion project.

<sup>21</sup> LPMA Comments, pages 1-2.

<sup>22</sup> PP Comments, page 8.

<sup>23</sup> 1Tr.10-11.



updated process for the “Blind RFP” to procure market-based storage capacity for the EGD rate zone.<sup>24</sup>

24. Stakeholders have very few comments on these items.

25. On the subject of integration, PP requests that EGI provide a list of the gas supply planning processes that require OEB approval before they can be amended.<sup>25</sup> EGI has provided information about the key items that require OEB approval for amendments and/or integration, including design day weather methodologies, rate design and degree day forecasting methodologies.<sup>26</sup> It is not clear to EGI that it is necessary or helpful to the Annual Review process to require an exhaustive list of items that require OEB approval, particularly when there is clearly a difference of opinion between EGI and stakeholders as to what items are properly part of the gas supply function and what items are part of other processes.

26. Stakeholders appear to support the changes that EGI has made to the “Blind RFP” process.<sup>27</sup>

27. OSEA submits that EGI should include adjustments to RFP bids from other jurisdictions such as Michigan, “to normalize the cost of carbon emissions with Ontario’s prevailing carbon pricing regime” because, otherwise, proposals from lower carbon priced jurisdictions will have an advantage in the “Blind RFP” process.<sup>28</sup> OSEA says that this will ensure that the “Blind RFP” process “is not indirectly leading to higher carbon emissions in other jurisdictions”. EGI does not agree with this proposal. The prices for storage services are competitive. Providers (including those in Ontario) choose what to charge, and may or may not choose to absorb any carbon pricing that they must pay.<sup>29</sup> Absent policy direction from the Government, it is not reasonable and it is not in the interest of EGI’s Ontario ratepayers

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<sup>24</sup> EGI Presentation, slides 9-19 and 1Tr.32-47. See also the 2021 Annual Update evidence at pages 5-10.

<sup>25</sup> PP Comments, page 8.

<sup>26</sup> 1Tr.37-38.

<sup>27</sup> The only stakeholders to comment on the changes to the “Blind RFP” process indicate their support – see FRPO Comments, page 8; and CCC/VECC Comments, page 3.

<sup>28</sup> PP Comments, pages 4-5.

<sup>29</sup> 1Tr.74.

to require that evaluation of storage bids from other jurisdictions factors in Ontario carbon pricing that does not actually apply and which would not be paid.

28. On the topic of market based storage, CCC/VECC assert that it is not clear that there is “a robust natural gas storage market available to the EGI franchise”.<sup>30</sup> Those stakeholders suggest that the OEB should add to its business plan a review of the Ontario storage market “to ensure that ratepayers are not paying monopoly rents for this service”. Similar submissions were made in the 5-Year Gas Supply Plan consultation. EGI repeats and relies on its submissions in that consultation explaining why it is not necessary or appropriate to revisit the findings from the 2006 NGEIR Decision.<sup>31</sup> In any event, this is not an issue that has been explored in any meaningful way in this 2021 Annual Update process to support any OEB decision to re-open the NGEIR Decision at this time.

#### **D. Public Policy Initiatives & Pilots**

29. The third topic discussed at the Stakeholder Conference covered the ways that the 2021 Annual Update and gas supply plan supports and is aligned with public policy.<sup>32</sup> Among the subjects discussed were the Voluntary RNG Program and the Low-Carbon Energy Project (hydrogen blending). EGI also introduced its plans to consider including Sustainable Natural Gas (SNG) in its supply portfolio in coming years, noting that strictly speaking that is not an item required by public policy.

30. Most of the stakeholder comments on this topic focus on SNG.

31. By way of background, EGI has been closely monitoring the development of new certifications which measure a natural gas producer’s conformance to a number of standards. These standards measure the impacts to environmental, social, and governance (ESG) attributes including air and water quality, carbon emissions, and relations with Indigenous communities. The certifications are issued to producers of natural gas and give their customers assurance that the certified natural gas is responsibly sourced. Natural gas that is certified by these standards is referred to as SNG. One example of an emerging

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<sup>30</sup> CCC/VECC Comments, page 3.

<sup>31</sup> EB-2019-0137 EGI Reply Submission, November 18, 2019, at paras. 68-72. Reproduced at Appendix A, pages 8-9.

<sup>32</sup> EGI Presentation, slides 20-26 and 1Tr.82-97. See also the 2021 Annual Update evidence at pages 17-19 and 25-26.

SNG certification is Equitable Origins EO100TMCertification. The EO100TMCertification process evaluates natural gas producers based on their impacts to water, air, wildlife, indigenous relations, and working conditions for employees.<sup>33</sup>

32. SNG is a very cost-effective solution to improving ESG within the natural gas sector. While the exact pricing of commercial arrangements remains fluid, EGI understands the premiums to be in the \$0.05/GJ to \$0.15/GJ range.<sup>34</sup> Sourcing SNG as a portion of EGI's system gas supply portfolio would therefore have negligible price impacts compared to conventional natural gas. EGI is investigating SNG frameworks and exploring opportunities for the potential inclusion of SNG within its system supply portfolio as early as November 1, 2021.<sup>35</sup>
33. EGI would like to support the expansion of these certification programs as it can help develop this as a standard practice within the natural gas production industry should more producers recognize the value it could bring in doing business with the utility. As explained at the Stakeholder Conference, "[w]hile Enbridge is not involved in the production of natural gas, we are a major purchaser of gas in the North American market and for this reason, we do feel we can play a role to support ESG improvements within the natural gas sector and can do so by purchasing SNG as part of our portfolio."<sup>36</sup>
34. A common concern raised by stakeholders is that the term "sustainable" natural gas might be misleading because it implies that the procured natural gas would be zero-carbon (like RNG) or low-carbon.<sup>37</sup>
35. EGI acknowledges that natural gas that is certified as "sustainable" under existing standards will not be zero-carbon and may not be lower carbon than existing natural gas supply. EGI therefore agrees that it would be appropriate to use a different term. The Company is

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<sup>33</sup> 2021 Annual Update evidence at page 25. EGI provided a copy of the EO1000TM certification criteria during the Stakeholder Conference.

<sup>34</sup> 1Tr.93-94.

<sup>35</sup> 2021 Annual Update evidence at page 26.

<sup>36</sup> 1Tr.90.

<sup>37</sup> See, for example, Anwaatin Comments, page 5; BOMA Comments, page 2; ED Comments, page 1; IGUA Comments, page 2; LPMA Comments, page 3; and SEC Comments, page 1.

considering alternative descriptors (the terms “responsible natural gas” and “certified natural gas” have been used by others<sup>38</sup>) and will report further in the 2022 Annual Update.

36. In addition, several stakeholders made comments about whether EGI should proceed with procurement of SNG at this time. On one hand, Anwaatin highlights several benefits of SNG and requests that the OEB direct EGI to set “meaningful targets” for the procurement of SNG, in part as a means of demonstrating support of the rights of First Nation and Indigenous Peoples and as a means to stimulate the growth of SNG options.<sup>39</sup> On the other hand, several stakeholders (including IGUA, SEC and CCC/VECC) assert that EGI has not yet established the value of SNG for ratepayers, and that any future procurement should require more evidence and/or OEB approval.<sup>40</sup> ED submits that EGI should only pursue SNG procurement if it is a lowest-cost carbon emission reduction strategy.<sup>41</sup>
37. EGI acknowledges stakeholder concerns about adding SNG to the gas supply portfolio if this will result in higher costs (even where the additional cost increment is very low). The Company continues to believe in the value of SNG, and would be interested in understanding OEB Staff’s perspective on this issue.
38. At this time, EGI does not plan to include SNG in its gas supply portfolio for 2021 unless the Company determines that some amount of SNG can be procured without incremental cost (as compared to “non-certified” natural gas supply). Should EGI wish to pursue including SNG in its gas supply portfolio in 2022 or beyond, then the Company will include further evidence and support for its plans in future Annual Updates. As indicated in this 2021 Annual Update process, the Company wishes to obtain broad support for its plans before procuring meaningful volumes of SNG. In EGI’s view, the very low incremental cost of SNG (as compared to non-certified gas) does not support the administrative overhead that would come with the creation of a framework, targets, pre-approval, or a voluntary program for SNG.

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<sup>38</sup> 1Tr.93.

<sup>39</sup> Anwaatin Comments, pages 6-7.

<sup>40</sup> IGUA Comments, pages 2-3; SEC Comments, pages 1-2; and CCC/VECC Comments, page 4. See also the comments from LPMA, which suggest a Voluntary SNG Program be proposed and approved, similar to the Voluntary RNG Program – LPMA Comments, page 3.

<sup>41</sup> ED Comments, page 2.

39. Also on the topic of public policy, Anwaatin and NWCOG provided comments and suggestions related to natural gas expansion to unserved communities (referred to as “community expansion”). Anwaatin submits that EGI should provide “additional detail as to expected or anticipated community expansion plans, the sources of funding for expansion and the criteria used to evaluate communities that may be ... candidates for expansion”.<sup>42</sup> NWCOG submits that the “Community Expansion” component of the Annual Update should be expanded to describe how community expansion is considered and what plans exist beyond the Ontario Government’s Community Expansion Program.<sup>43</sup>
40. As described at the Stakeholder Conference, while EGI’s gas supply plan is responsive to community expansion plans (to ensure that gas supply exists to serve new communities as required), the gas supply team and the gas supply plan itself do not make decisions about what community expansion projects to pursue.<sup>44</sup> Therefore, EGI does not believe that the requested additional details about community expansion plans (including decision-making criteria) is an appropriate or necessary part of Annual Updates to the 5-Year Plan. EGI notes that the OEB has a separate proceeding (EB-2019-0255) where the OEB is considering “Potential Projects to Expand Access to Natural Gas Distribution”, including projects proposed by EGI.
41. Finally on this topic, CCC/VECC suggest that EGI should include a section in future Annual Updates (and the upcoming rebasing application) addressing “green gas” types of projects or gas supply initiatives.<sup>45</sup> EGI does not agree that a separate new section of the Annual Updates is required, but does agree that any new or updated information about RNG, hydrogen, SNG or similar gas supply initiatives will be included in each Annual Update.

## **E. Market, Demand and Portfolio Changes**

42. The “Market, Demand and Portfolio Changes” topic at the Stakeholder Conference covered the peak day and annual demand forecasts for each rate zone for the next five years, along with the committed supply assets to meet the forecast demand and any forecast excess/(shortfall). As evidenced by the amount of evidence and length of presentation on

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<sup>42</sup> Anwaatin Comments, pages 4-5.

<sup>43</sup> NWCOG Comments, page 2.

<sup>44</sup> 1Tr.102-104.

<sup>45</sup> CCC/VECC Comments, page 4.

this topic, it is the key substantive part of the Annual Update. Through the evidence and presentation EGI provided details about the Company's current supply portfolio, and about options available to meet future forecast shortfalls.<sup>46</sup>

43. Stakeholders did not raise any specific concerns with the Market, Demand and Portfolio Changes information from the 2021 Annual Update.

44. Stakeholders do note a number of items where different or additional information is requested for future Annual Updates. The additional items proposed are as follows:

- a. More comparative information, including tables showing changes in annual and design day forecasts from the previous version and a description of any changes that impact the need or lack of need for infrastructure projects.<sup>47</sup>
- b. Detailed information about heating degree day sensitivities, including to show how a 1% change in a rate zone would impact total demand and system gas demand.<sup>48</sup>
- c. A restatement of the future demand forecast for the power sector (gas-fired generators) to address factors that could impact the forecast including a higher carbon price and updated demand assumptions.<sup>49</sup>
- d. Integration of the pending IRP Framework decision (EB-2020-0091) into the 2022 Annual Update filing.<sup>50</sup>

45. Before responding to the specific requests, EGI notes that it has met the OEB's Filing Requirements for Annual Updates to the 5-Year Plan in the materials filed in this consultation.<sup>51</sup>

46. EGI agrees that the 2022 Annual Update will reflect any relevant impacts from the OEB's Decision in the IRP Framework proceeding. However, it should be noted that the initial gas supply impacts from the IRP Framework are expected to be modest. EGI expects that it will take time before implementation of the IRP Framework will result in significant changes to the demand forecast (on a rate zone basis). Moreover, given EGI's proposed approach to

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<sup>46</sup> EGI Presentation, slides 28-41 and 1Tr.126-150. See also the 2021 Annual Update evidence at pages 19-45 and Appendices C and G.

<sup>47</sup> ED Comments, pages 2-3.

<sup>48</sup> LPMA Comments, page 4.

<sup>49</sup> OSEA Comments, pages 2-3

<sup>50</sup> PP Comments, pages 4 and 9.

<sup>51</sup> Framework, page 20.

start IRP implementation with pilot projects, it may be some time before any significant “supply side IRPAs” which might impact the gas supply plan are implemented.

47. EGI does not agree that it is necessary or appropriate for the gas supply plan (or Annual Updates) to indicate how changes in demand forecasts would impact the need or lack of need for infrastructure projects. The gas supply team procures capacity to meet in-franchise demand requirements, taking into account the Company’s and the OEB’s gas supply planning Guiding Principles. It is up to the service provider (including EGI’s transmission group) to determine whether the requested capacity will be supplied through existing or new facilities. However, where new facilities are required, EGI will likely be required to make a longer-term commitment, and this will be considered in the determination of which gas supply option is best suited to meet an identified future need.
48. EGI will update the future demand forecast for power sector customers (as well as for other customers) in each Annual Update. To the extent that underlying assumptions such as carbon pricing change (as will be the case if and when the Federal Government enacts its announced increases to carbon pricing), that will be reflected in the updated forecasts. It should be noted, however, that power sector customers generally supply their own natural gas commodity, so their impact on the gas supply plan is minimal or non-existent. EGI does not believe that any restatement of the demand forecast for the 2021 Annual Update is necessary, because any changes to the future consumption forecast for power sector customers would not impact gas supply plans for 2021.
49. It is not clear to EGI that the level of granularity in the other additional information proposed by stakeholders (such as more comparative information, and more details about heating degree day sensitivities) is necessary or appropriate for Annual Update filings. That being said, if OEB Staff deem it appropriate, the Company is prepared to provide comparative information about changes in demand forecasts and more detailed information about heating degree day sensitivities in future Annual Updates.

#### **F. Contracting Changes**

50. In the “Contracting Changes” part of the Stakeholder Conference presentation, EGI provided details about the three significant contracting decisions made in 2020 (Vector and NGTL

renewals in the EGD rate zone and NEXUS capacity to connect to Clarington in the Union rate zones).<sup>52</sup>

51. No stakeholder raised any concerns with the Company's contracting changes that we described in the 2021 Annual Update.

52. FRPO raises two issues relevant to the contracting changes topic.

53. First, FRPO generally asserts that EGI has not provided sufficient or required information about the choices available for contracting decisions.<sup>53</sup> No other party made a similar submission.

54. EGI disputes FRPO's assertion. The Company has provided all information required by the Framework, and has answered many additional questions from FRPO and other stakeholders. FRPO made similar submissions in the 5-Year Plan process about "missing information", and EGI provided a detailed response as to why the information provided is sufficient and appropriate. EGI repeats and relies on these earlier submissions.<sup>54</sup>

55. FRPO makes several suggestions about information that EGI should provide that goes beyond what is contemplated in the Framework.

56. First, FRPO submits that EGI should provide "annualized bill impacts" of supply options, in addition to landed cost analysis. EGI does not agree.<sup>55</sup> Relying on evidence of bill impacts to evaluate gas supply options will mask the true comparison of cost between options because of the fact there are multiple rate classes and other costs included in customer bills that will make a true comparison of cost between options difficult. This would lessen EGI's ability to show differences between options. In any event, EGI does show bill impacts in the option comparison tables and the impact of all options is <1%. As can be clearly seen in Table 8, 10, 13 and 17 of the 2021 Annual Update evidence, landed cost and annual cost is

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<sup>52</sup> EGI Presentation, slides 42-47 and 2Tr.5-13. See also the 2021 Annual Update evidence at pages 45-50 and Appendices D to F.

<sup>53</sup> FRPO Comments, pages 1-3.

<sup>54</sup> EB-2019-0137 EGI Reply Submission, November 18, 2019, at paras. 23-27. Reproduced at Appendix A, pages 6-7.

<sup>55</sup> As a preliminary point, contrary to FRPO's assertions, EGI notes that Dawn Parkway costs were included in the analysis considering a change from long-haul to short haul capacity to serve Union North, and load balancing requirements were not impacted by this conversion.



a more effective and meaningful way to evaluate the cost implications of options available to meet average day requirements and design day requirements, respectively, since it shows more granular differences between options.<sup>56</sup>

57. FRPO also asks the OEB to require EGI to consider strategic deliveries at potential supply points as a way for EGI to cost-effectively meet supply requirements.<sup>57</sup> The example given is deliveries made to Parkway, Ojibway and Vector. In this circumstance, FRPO is asking for a solution to a problem that does not exist. EGI has indicated that it currently considers different receipt points for gas supply<sup>58</sup> – the Company will continue to do so where appropriate, taking into account its own and the OEB's Guiding Principles for gas supply. There is no need to take into account avoided facilities costs when evaluating gas supply options, unless new facilities would otherwise be required in the case of some, but not all, options. Where that is the case, then the principles and expectations set out in the pending IRP Framework will apply.

58. FRPO further submits that EGI should be required to submit evidence in future Annual Updates setting out the cost to purchase fixed price gas contracts in place of market-based storage services.<sup>59</sup> FRPO requests that EGI be required to submit a variety of monthly data to support this item. As explained at the Stakeholder Conference, EGI's purchase decisions related to market-based storage capacity for the EGD rate zone are consistent with the analysis and recommendations from a prior ICF study.<sup>60</sup> EGI has not increased the amount of market based storage capacity in recent years, even though the ICF study would support procurement of additional storage. EGI notes that the market-based storage for the EGD rate zone has contributed to stable and cost effective gas prices for customers over the past several years and that market conditions have not materially changed since the time of the ICF study. Therefore, EGI does not believe that it is necessary to revisit this approach, at least until rebasing when the gas supply portfolio is harmonized and load balancing requirements are assessed at a consolidated level.

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<sup>56</sup> Note that landed cost is only used for average day growth, which does not impact transportation within EGI's system such as Dawn Parkway requirement. For analysis of options to meet peak day growth, EGI considers Dawn to Parkway costs in its analysis, and looks at cost per year and not landed cost as the basis of comparison, as seen in Tables 8, 10 and 13 of the 2021 Annual Update evidence.

<sup>57</sup> FRPO Comments, pages 6-7.

<sup>58</sup> 1Tr.165-168.

59. Finally, FRPO includes lengthy comments about the NEXUS contract costs and FRPO's efforts to get more details about how the NEXUS costs increased because of construction cost overruns.<sup>61</sup> While FRPO advances a general complaint about EGI not providing requested information, the fact is that EGI did provide all requested information about the NEXUS costs during and following the Stakeholder Conference. No party including FRPO objects to the NEXUS contract costs that are included in the gas supply plan and in gas supply costs.<sup>62</sup>

### **G. Performance Metrics**

60. The final topic addressed at the Stakeholder Conference was EGI's Performance Metrics for the first 2 years of the 5-Year Plan. The Performance Metrics results were presented in evidence and summarized at the Stakeholder Conference.<sup>63</sup>

61. Stakeholders did not raise concerns about any of the EGI's Performance Metrics results for the past two years. However, several stakeholders include comments and suggestions about how the Performance Metrics could be amended for future years.

62. BOMA submits that improvements to the Performance Metrics scorecard could be made to provide goals and/or context to measure reported results.<sup>64</sup>

63. PP suggests that the Performance Metrics scorecard could be enhanced by adding metrics, providing greater context on the desired range or results for each metric and quantifying the tangible benefits related to the outcomes achieved.<sup>65</sup> PP also indicates that the Performance Metrics scorecard should include more measures related to "public policy".

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<sup>59</sup> FRPO Comments, pages 8-9.

<sup>60</sup> 2Tr.11-12 and 23-24.

<sup>61</sup> FRPO Comments, pages 3-5.

<sup>62</sup> In its Comments, IGUA indicates that, having reviewed the information provided, it takes no issue with the NEXUS costs and rates: IGUA Comments, pages 1-2.

<sup>63</sup> EGI Presentation, slides 46-49 and 2Tr.40-44. See also the 2021 Annual Update evidence at page 55 and Appendix H.

<sup>64</sup> BOMA Comments, pages 1-2.

<sup>65</sup> PP Comments, pages 6-7.

64. FRPO proposes that EGI should add criterion related to load balancing and reduction of “Utilized Demand Charge” over time.<sup>66</sup> No details are provided about the specific Performance Metrics that would be included.

65. For the 2022 Annual Update, EGI will consider Stakeholder feedback on the existing Performance Metrics, and consider whether it is appropriate to add any items and also whether it would be possible and helpful to add some guidance as to target results for some of the Performance Metrics.

All of which is respectfully submitted this 25<sup>th</sup> day of May 2021.

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<sup>66</sup> FRPO Comments, page 10.



**OEB Consultation to Review Natural Gas Supply Plans**

**Reply Submission of Enbridge Gas Inc.**

**EB-2019-0137**

November 18, 2019

**B. Regulatory Process & Cost Consequences**

12. After extensive consultation over the course of a year and a half, built upon the insight and recommendations of several previous regulatory initiatives<sup>13</sup>, the Board released the Framework on October 25, 2018. During the Board's consultation to develop the Framework a number of stakeholders suggested "the process should follow more of an adjudicative approach rather than the stakeholder model..."<sup>14</sup> The Board ultimately found that "the information contained in the review and assessment of gas supply plans is intended to inform other related applications and provide a basis of understanding about the plans for the OEB when it is deciding on related applications."<sup>15</sup> The Board confirmed "the assessment of the gas supply plans will not result in a decision on the costs or cost recovery."<sup>16</sup>

13. The Board clarified its expectations in a letter dated July 25, 2019 initiating a Consultation to Review Natural Gas Supply Plans ("Initiation Letter"). The Board noted it was in receipt of correspondence requesting expansion of the Plan review process set forth in the Framework, and also noted similar requests regarding process were made during the development of the Framework. In the Initiation Letter, the Board declined to add further process steps, indicating such steps "were ultimately not included in the Gas Supply Framework and the OEB is not persuaded that it is necessary to make provisions for them now."<sup>17</sup>

14. The 5 Year Gas Supply Plan consultation and review process represents a significant expansion of the gas supply review processes in place prior to implementation of the Framework. Prior to 2019 and amalgamation, Enbridge Gas Distribution Inc. ("EGD") and Union Gas Limited ("Union") filed their Gas Supply Memoranda in their Annual Rates<sup>18</sup> applications. EGD also filed some related gas supply evidence in these applications, while Union filed an Incremental Transportation Contracting Analysis in its annual Disposition of

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<sup>12</sup> While some of the responses included in this Reply Submission are fairly lengthy, in order to provide proper context and explanation, the length of these submissions should not be viewed as an indication of widespread stakeholder criticism of EGI's Plan.

<sup>13</sup> Framework, pages 5-6.

<sup>14</sup> Framework, page 2.

<sup>15</sup> *Ibid.*

<sup>16</sup> *Ibid.*

<sup>17</sup> Initiation Letter, page 2.



Deferral Account Balances applications.<sup>19</sup> Both the Gas Supply Memoranda and the Incremental Transportation Contracting Analysis were submitted to the Board for informational purposes; not for explicit approval. All information included in those documents has been transferred in expanded form to the 5 Year Gas Supply Plan. Importantly, the Board's new process under the Framework now requires EGI to go beyond the information provided in those previous documents by including new or expanded sections such as the Supply Option Analysis. The process as envisioned has met the "need for the Board to receive enhanced information and data" on this area of EGI's business as requested by FRPO in their comments.<sup>20</sup>

15. EGI explained at the Stakeholder Conference, "[a]s set out in the Framework, there will not be any specific approvals of the cost consequences of the Plan."<sup>21</sup> This is appropriate. Point in time approval of gas supply costs would be difficult to implement, because (as described below), "the costs associated with gas supply plans are always changing."<sup>22</sup>
16. Despite the Board's previous direction, several parties continue to question the Board's use of a stakeholder consultation approach to reviewing distributors' gas supply plans, instead calling for the use of an adjudicative approach. VECC provided its views at the Stakeholder Conference that issues ultimately "need to get resolved not by a staff report but by something in front of the Board."<sup>23</sup> SEC submitted comments "[t]he Board must ensure the annual gas supply updates are considered and tested through a hearing process."<sup>24</sup> Similar comments suggesting the Board's process should result in a Decision were brought forward by FRPO, who argued the Board "must ultimately approve the decisions of the utility".<sup>25</sup>
17. EGI submits that the foundation of the Board's process for the review of gas supply plans, namely the use of a stakeholder consultation rather than an adjudicative approach, remains appropriate. Though EGI expects this new process will evolve within the high-level

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<sup>19</sup> EB-2017-0086 (EGD) & EB-2017-0087 (Union).

<sup>20</sup> EB-2018-0105.

<sup>21</sup> FRPO Comments, page 1.

<sup>22</sup> 1Tr. 12.

<sup>23</sup> *Ibid.*

<sup>24</sup> 1Tr. 18.

<sup>25</sup> SEC Comments, page 2.

<sup>26</sup> FRPO Comments, page 6.

construct set by the Framework, the stakeholder consultation approach is an effective one that takes account of the dynamic nature of gas supply planning and the challenges inherent to regulating such activities on a granular, prospective basis.

18. Gas supply costs, be they commodity, transportation, or market-based storage costs, are a function of market prices. By way of example, slide 34 of EGI's Day 1 Stakeholder Day Presentation showed updated costs for a number of options considered in one of EGI's Supply Option Analyses. As explained by Ms. Liberty, "you can see that it is very fluid, and we expect that market pricing and forecasts will change over time. The analysis is very theoretical, because it is prepared so far in advance, and when it is time to make a decision we will take a deeper look at all options."<sup>26</sup> This dynamic was also noted by SEC, who observed that "the nature of gas supply decision-making is often very fact specific and their reasonableness can only be evaluated at the time the decisions are made or are expected to be made."<sup>27</sup>
19. It is difficult to approve gas supply costs on a prospective basis through an adjudicative process because the facts at hand change daily if not minute-to-minute and are not conducive to the timelines required for a full adjudicative review. Typically, the final decision on a future transaction will not be made until after submission of the Plan and/or its Annual Updates, because the final decision will make use of the best and most current information. The Board appears to acknowledge this reality on page 1 of the Framework, stating "[t]he responsibility for delivering reliable supply to customers in a prudent manner remains with the distributors. Distributors manage and execute their plans and adjust their activities to address changes to demand and supply conditions."
20. It is unrealistic to expect the Board to pre-approve a specific course of action based on information affected by minute-to-minute market fluctuations. Situations may arise where continuing to comply with a Board Order would be more costly for ratepayers. To avoid that situation, gas distributors would have to frequently seek permission to diverge from Board Orders in order to remain prudent in their administration of the gas supply function as new information becomes known. In practice, this approach is unmanageable as it would require

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<sup>26</sup> 1Tr. 89-90.

<sup>27</sup> SEC Comments, page 1.



frequent hearing and re-hearing of the same or similar decisions. Such a process would not create optimal decisions in the planning or execution phases of EGI's Plan and would create undue risks and burdens for the Board, gas distributors and ratepayers, who will ultimately bear any resulting incremental costs.

21. While the Framework is clear that the review process will not result in a decision on costs or cost recovery<sup>28</sup>, it does state the review process "will provide the main OEB assessment of the cost consequences using the criteria set out in the Framework"<sup>29</sup>. EGI submits this expectation should be read together with the statement in the Framework that review of the Plan will "focus on determining whether or not a distributor has successfully balanced all of the guiding principles,"<sup>30</sup> including the principle of cost-effectiveness. Taking these items together, EGI anticipates the Board's focus on cost consequences "using the criteria set out in the Framework" will be to assess the degree to which the Plan is cost-effective, and the degree to which cost-effectiveness is balanced against other Guiding Principles. The Board offered clarification of its assessment of whether or not a gas distributor had demonstrated cost-effectiveness, stating:

For clarity, cost-effectiveness does not necessarily mean the "lowest cost," reliability does not mean "reliable at any cost" and support for public policy does not mean "support at any cost" or "any level of reliability." Rather, the intent is to strike a balanced approach to the benefit of the customers.<sup>31</sup>

22. Parties have suggested EGI has highlighted QRAM as an opportunity to undertake discovery and testing of the cost consequences of implementing the Plan. CME submitted "EGI's witness did indicate that there would be other opportunities to investigate costs and the gas supply plan more fulsomely in forums such as QRAM applications."<sup>32</sup> FRPO and SEC's submissions echoed this point.<sup>33</sup> This is not the point EGI was trying to convey. EGI agrees with the statement made by CME<sup>34</sup> and SEC<sup>35</sup> that QRAM is meant to be a summary mechanistic process. In its evidence at the Stakeholder Conference, EGI was simply pointing to the fact that cost consequences of some gas supply decisions will be reviewed in

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<sup>28</sup> Framework, page 2.

<sup>29</sup> Framework, page 13.

<sup>30</sup> *Ibid.*, page 7.

<sup>31</sup> *Ibid.*, page 8.

<sup>32</sup> CME Comments, page 2.

<sup>33</sup> FRPO Comments, pages 7-8 and SEC Comments, page 2.

<sup>34</sup> CME Comments, page 2.



other proceedings. To that point, at the reference noted by VECC and FRPO, Ms. Liberty specifically referred to her understanding that "the deferral application process, as well as the QRAM process...do speak to differences between actuals and plans."<sup>35</sup>

23. In its submission, FRPO claims that a variety of cost related information required by the Framework is missing in the Plan.<sup>37</sup> EGI disagrees. The Framework provides a list of cost related information to be included in the Plan's description(s) of Supply Option Analyses. As explained in the following paragraphs, EGI's Plan includes this information.

24. Under the heading "Supply Option Analysis" <sup>38</sup>, the Framework directs that distributors will provide information that supports their planning decisions, including the following:

- A description of the costs associated with the various options considered and how the final option(s) was/were chosen;
- Analysis of the bill impact of options considered and how these compare to the chosen option(s), including a description of the considerations used to determine the final plan;
- A description of how the options considered (and chosen) impact price volatility and predictability and how the distributor determined what level of volatility was deemed acceptable for customers;
- A description of the various options considered to deliver reliable supply to customers and why the final option(s) was/were chosen;
- Analysis of the cost and bill impact of options considered and how these reliability options compare to the chosen option(s), including a description of the considerations used to determine the final plan; and
- A description of the distributor's approach to balancing reliability and flexibility within a plan and what the cost and risk trade-offs are associated with their approach.<sup>39</sup>

25. Below is an example from the Plan that demonstrates how EGI has met the above-noted requirements in the Supply Option Analysis section of the Framework. On pages 45 through 48 of the Plan, EGI presents a Supply Option Analysis for meeting design day in the Enbridge CDA. This section presents:

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<sup>35</sup> SEC Comments, page 2.

<sup>36</sup> 1 Tr. 26.

<sup>37</sup> FRPO Comments, page 7.

<sup>38</sup> Framework, page 9.

<sup>39</sup> FRPO Comments, page 7.

- A series of available options to meet design day demands;
  - The aggregate annual costs for each option;
  - Incremental bill impacts for each option;
  - The reliability of each option;
  - The impact each option will have on the diversity and flexibility of the gas supply portfolio, which form critical components of EGI's risk mitigation approach and can in turn impact long-term cost-effectiveness and reliability;
  - A detailed description of the ways in which these variables were balanced, including description of the trade-offs that were made; and,
  - A preferred planning strategy, or a selection of the option which EGI intends to proceed with based on the information available at the time the Plan was developed, subject to changes in supply, demand, market variables or other relevant variables (e.g. system constraints, new options becoming available).
26. With the exception of price volatility, which was addressed implicitly in EGI's discussion of portfolio diversity, every piece of information expected by the Board (and referenced by FRPO) is explicitly provided. The same approach was taken in each of the EGI Supply Option Analyses presented. Contrary to FRPO's suggestion, there are no "missing elements" relating to costs in the Plan.<sup>40</sup>
27. In EGI's view this approach to costs, as requested by the Board and responded to by EGI, is entirely appropriate with a focus on the relevant decisions at hand rather than the aggregate costs of the gas supply portfolio. As noted on page 7 of the Plan, the key elements of the Plan "have been developed over a long period of time, and as a result, changes to the portfolio are limited to changes in demand requirements, contract expiries, and new opportunities as they become available in the market." To present the full costs of all upstream activities as though they were under review would be unproductive, as the majority of assets are already in place and are not available for reconsideration within the duration of the Plan due to the terms associated with EGI's contracts, which are purposefully staggered and diverse.

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<sup>40</sup> *Ibid.*



67. EGI believes the process it has implemented is appropriate and effective. The process strikes an appropriate balance between gathering sufficient information to support making cost-effective decisions and protecting the information of bidders, to avoid concerns of bias. EGI strives for continuous improvement in the design and delivery of the blind RFP process and will make changes and updates as appropriate. Where these changes are significant, EGI will report upon them in its Gas Supply Plan Annual Updates.

G. NGEIR

68. On the topic of gas storage, a number of stakeholders advance positions related to the Board's decision in the Natural Gas Electricity Interface Review (NGEIR) proceeding from 2006.<sup>100</sup>

69. Energy Probe asserts that because EGD and Union have amalgamated, it is now appropriate for all cost-based storage held by Union (100 PJ) to be available to the EGD rate zone at cost-based rates.<sup>101</sup> This position was expressly rejected by the Board in the MAADs Decision. The Board found the status quo would continue for the deferred rebasing period such that excess utility storage from the Union rate zones could be sold at market rates, with 90% of the benefit to be assigned to Union rate zone customers.<sup>102</sup> There is no basis to revisit that determination now.

70. Two stakeholders assert the Board should take steps now to reconsider the NGEIR Decision. VECC indicates the amalgamation of the two legacy utilities and harmonization of their gas supply plans provides an opportunity to review the "NGEIR policies".<sup>103</sup> FRPO alleges the storage market in Ontario is not competitive and says that this supports re-opening the NGEIR Decision.<sup>104</sup>

71. There is no need for the findings of the NGEIR Decision to be re-opened or re-examined. As discussed in the MAADs proceeding, the Competition Bureau reviewed the proposed

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<sup>100</sup> EB-2007-0551, Decision with Reasons, November 7, 2006.

<sup>101</sup> Energy Probe Comments, page 6.

<sup>102</sup> MAADs Decision (EB-2017-0306/0307), at pages 50-51.

<sup>103</sup> VECC Comments, page 3.

transaction between Enbridge and Spectra Energy in connection with its mandate to determine whether a proposed merger "prevents or lessens, or is likely to prevent or lessen, competition substantially". The fact the Competition Bureau issued a "no action" letter and did not review its decision within the following year represents a clear conclusion that the merger and resulting common control of the underlying distribution, transmission and storage businesses (including the unregulated storage business) did not have a substantial detrimental competitive impact on market participants.<sup>105</sup>

72. In any event, the Board appears to have already decided it is not appropriate or necessary to revisit the NGEIR Decision during the deferred rebasing term. During the MAADs proceeding, several parties argued for the NGEIR Decision to be revisited (and FRPO also argued for the reopening of STAR).<sup>106</sup> In response, the Board determined issues with respect to review of the NGEIR Decision and STAR "are outside of the scope of [the MAADs] proceeding".<sup>107</sup> Importantly, the Board did not stipulate these items should be addressed in different or later proceedings, as was the case for many other items raised in the MAADs proceeding but not resolved in that forum (examples of items the Board noted for review in later proceedings include, Unaccounted for Gas (UAF), treatment of impact of accounting changes, rate design to allocate rate adjustments between fixed and variable charges, cost allocation and a consolidated Utility System Plan).<sup>108</sup> Had the Board wished for EGI to address items related to the NGEIR Decision (or STAR) during the deferred rebasing term, then the MAADs Decision would have indicated that. It did not.

#### H. Public Policy and the Scope of the Gas Supply Plan Review

73. The Board's Public Policy Guiding Principle states that "[t]he gas supply plan will be developed to ensure that it supports and is aligned with public policy where appropriate"

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<sup>104</sup> FRPO Comments, pages 8-10. EGI does not agree with the attacks made by FRPO against the evidence from the NGEIR Decision – however, because there is nothing on the record of this proceeding relating to the "examples" given by FRPO, a detailed rebuttal is not provided in this Reply Submission.

<sup>105</sup> See Exhibit JT3.11 in EB-2017-0306/0307.

<sup>106</sup> See MAADs Decision, Appendix A, which summarizes the comments made by parties on these topics.

<sup>107</sup> MAADs Decision, page 48.

<sup>108</sup> MAADs Decision, pages 53, 47, 42, 41 and 34.