

August 6, 2021

## Sent by EMAIL, RESS e-filing

Ms. Christine E. Long Registrar Ontario Energy Board 27-2300 Yonge Street Toronto, ON M4P 1E4

Dear Ms. Long:

Re: EB-2021-0146: EPCOR Natural Gas Limited Partnership's ("ENGLP") 2021
Annual Gas Supply Plan Updates - Aylmer and South Bruce

In accordance with the requirements under the Framework for the Assessment of Distributor Gas Supply Plans, enclosed are ENGLP's written comments in response to stakeholder questions.

Please feel free to contact me if you have any questions regarding this matter.

Sincerely,

Tim Hesselink

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TILLA

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Encl.

# EPCOR Natural Gas Limited Partnership (Aylmer and Southern Bruce)

2021 Annual Gas Supply Plan Update, EB-2021-0146

Written Comments of EPCOR Natural Gas Limited Partnership (ENGLP)

### Overview of Reply Submission

In accordance with the Ontario Energy Board ("OEB") initiated consultation to review EPCOR Natural Gas Limited Partnership's ("ENGLP") Annual Update to its five year gas supply plan and the letter received May 18, 2021 (**EB-2021-0146**), ENGLP is filing this submission in response to the stakeholder comments received from Pollution Probe and the Federation of Rental-housing Provider of Ontario ("FRPO").

ENGLP is appreciative of the submissions of Pollution Probe and FPRO and their engagement in this process. We note that comments submitted by FRPO were positive and opined that ENGLP "is demonstrating prudent risk management" in reference to the Gas Supply Plan updates. As FRPO did not submit specific questions or concerns that need to be addressed by ENGLP in this submission, the written comments which follow are intended to address specific questions and comments submitted by Pollution Probe.

#### 1. Renewable Natural Gas Purchasing

Reference: Page 1 of the Pollution Probe Submission:

ENGLP indicated that "Although ENGLP is not "purchasing" RNG as part of its supply portfolio, RNG will flow into the distribution system and does have reliability benefits. ENGLP estimates RNG will form up to 10% of the total supply." It would be helpful for EPCOR to clarify what that statement really means to EPCOR, its customers and the Ontario gas grid in general. Pollution Probe understands that when RNG is injected into the gas distribution system it ceases to be RNG and is simply natural gas (i.e. methane).

ENGLP confirms that the proposed RNG arrangement will not enable measurable emissions benefit for the province of Ontario. While RNG makes up for a negligible percentage of total natural gas supply in the province as a whole, as noted in Table 1 below, this specific RNG project is projected to comprise over 10% of the Aylmer Franchise area's annual demand at its maximum annual production volume in 2025. There are no additional costs to ENGLP customers as a result of this arrangement. Even though ENGLP will not receive any formal attribute credits for facilitating this transaction, it has engaged in this project to generally support RNG development in the province and to gain valuable experience in connecting the distribution system to RNG projects, which may facilitate similar future projects the utility's service areas.

**Table 1 - Projected RNG Production** 

Forecasted total demand for Aylmer	Forecasted RNG annual	% of 2025 annual
distribution area in 2025	production in 2025	RNG volume
(m3)	(m3)	
35,199,281	4,265,615	12.12%

#### 2. Demand Side Management (DSM)

Reference: Page 2 of the Pollution Probe Submission:

ENGLP is still at the development stage of the DSM portfolio and at this time it is considering the viability of a number of DSM offerings through the lens of Enbridge's approved 2022 DSM framework [EB-2021-0002]. Currently, ENGLP does not have enough information to inform how the developing DSM program will impact the annual demand and peak day forecast of the respective franchise areas. ENGLP will report on the impact of the DSM program in future Gas Supply Plans and annual update filings.

ENGLP appreciates Pollution Probe's recommendations regarding partner delivery. As part of its DSM submission, ENGLP will initiate stakeholder engagement at which time, there will be additional opportunity for Pollution Probe (or similar intervenor groups) to provide more detailed input into the DSM plan.

#### 3. Scorecard

Reference: Page 2-3 of the Pollution Probe Submission

In the OEB Staff Report to the Ontario Energy Board - Review of Annual Update to Natural Gas Supply Plans (EB-2020-0106), "Board staff had no concerns with the scorecard developed by ENGLP as it reflects the guiding principles underpinning the Gas Supply Framework." ENGLP will continue to follow guidance from Board Staff in adjusting the scorecards to reflect the guiding principles.

ENGLP will continue to engage cost effective methods to collect and assess relevant policy information from all levels of government and to enhance the development of scorecard metrics that support those policies within its current operating cost structure and resource constraints.

# 4. Enbridge Integrated Resource Planning (ERP)

Reference: Page 3 of the Pollution Probe Submission

It is recommended that EPCOR review the recent EB-2020-0091 (gas IRP) Decision to consider relevant Integrated Resource Planning (IRP) options that could benefit Ontario consumers in its current or future franchise areas.

ENGLP will continue to review Enbridge's approved IRP evaluation framework [EB-2020-0091] and evaluate how it will impact gas supply management in future filings. Of note, ENGLP has already implemented non-pipeline alternatives in the Aylmer service territory to meet the franchise area's peak day requirements through the procurement of local supply. ENGLP supports the inclusion of non-traditional infrastructure in asset planning where safety, reliability, and cost benefits exist.

All of which is respectfully submitted.