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October 19, 2021

To: All Parties to EB-2020-0091 (Enbridge Gas Inc. Integrated Resource Planning Proposal)

All Other Interested Parties

Re: Integrated Resource Planning Technical Working Group (EB-2021-0246) - Call for Nominations for Non-Utility Members

This letter initiates the OEB's process to establish an Integrated Resource Planning Technical Working Group ("Working Group") and seeks nominations from individuals interested in participating on the Working Group as non-utility members.

Background:

The OEB's July 22, 2021 <u>Decision and Order</u> established an Integrated Resource Planning (IRP) Framework for Enbridge Gas Inc. (Enbridge). Integrated resource planning involves consideration of both traditional facility solutions and alternative supply- or demand-side solutions to meet Enbridge's identified natural gas system needs. The IRP Framework provides direction on the OEB's requirements for IRP for Enbridge.

The Decision and Order (Chapter 10) required the OEB to establish an IRP Technical Working Group led by OEB staff, to provide input on IRP issues that will be of value to both Enbridge in implementing IRP, and to the OEB in its oversight of the IRP Framework. The Working Group is expected to support an efficient and transparent implementation of this initial phase of the IRP Framework. Enbridge retains the sole responsibility to make final system planning decisions and bring forward project applications to the OEB for approval.

Work Priorities

The Decision and Order identifies the following as near-term priorities for the Working Group:

 Consideration and implementation of IRP pilot projects, to better understand how IRP can be implemented to avoid, delay or reduce facility projects.

- Enbridge is expected to select and deploy two IRP pilot projects by the end of 2022.
- Enhancements or additional guidance in using the Discounted Cash Flow-plus (DCF+) economic evaluation methodology to assess and compare the costs and benefits of using either facility solutions or IRP alternatives to meet system needs.
 - Section 8.3 of the IRP Decision and Order discusses the DCF+ methodology.

On an annual basis, the Working Group will also be expected to review and comment on a draft of Enbridge's annual report on its IRP activities.

Other potential areas of work for the Working Group may include addressing:

- Learnings from natural gas IRP in other jurisdictions
- Performance metrics for IRP
- Accounting treatment of IRP costs
- Treatment of stranded assets in system planning
- Other activities relevant to the IRP Framework, as identified by the Working Group or as directed by the OEB

More information regarding IRP for Enbridge and learnings to date from other jurisdictions can be found in additional documents filed in the IRP proceeding,¹ including the expert reports prepared by ICF International, Guidehouse Inc., and Energy Futures
Group.

Working Approach

The IRP Technical Working Group is expected to work collaboratively, under the coordination of OEB staff, to provide input on the issues described above for consideration by Enbridge and the OEB as appropriate. A terms of reference and workplan will be established during the initial meetings of the Working Group.

It is anticipated that the Working Group will meet on approximately a monthly basis initially, with meetings to be scheduled at a time convenient for members, to commence in fall 2021 shortly after the selection of members. It is anticipated that meetings will typically be held by video conference. Frequency of meetings going forward and the timing of any deliverables for the Working Group will be determined in consultation with the Working Group members. The Working Group is expected to be in operation for a

¹ EB-2020-0091

minimum of two years, during the implementation of this first-generation IRP Framework.

Members may be asked to take on additional work between meetings, depending on their experience and the tasks at hand.

Membership and Invitation to Nominate Non-Utility Working Group Members

Membership on the IRP Technical Working Group is expected to include Enbridge, OEB staff, and non-utility members (independent experts and experienced stakeholders). Representatives from EPCOR Natural Gas Limited Partnership and the Independent Electricity System Operator may also participate.

The OEB invites interested stakeholders or individuals with relevant experience and qualifications to nominate themselves or a third party to participate on the Working Group as non-utility members, by completing and filing a <u>nomination form</u>.

As per the Decision and Order, Working Group members are expected to have relevant demonstrable technical expertise that relates to and informs the activities to be addressed by the working group.

This could include experience in one or more of the following areas:

- Natural gas system planning
- Technologies/solutions that may be advanced as IRP alternatives to traditional facility infrastructure investment (e.g., gas demand response, geotargeted energy efficiency, market-based supply-side alternatives, renewable/compressed natural gas, storage)
- Cost-benefit analysis

Related experience in the electricity sector in similar areas may also be of value. Knowledge of the Ontario market and policy context for Enbridge's IRP activities will be valuable; however, the OEB will also consider nominations for candidates with experience in IRP outside of Ontario.

It is the OEB's intent that the Working Group consider the perspectives of a range of interests impacted by Enbridge's IRP activities, and the OEB will make selections with a view to achieving a diversity of expertise and experience among members. However, Working Group members will be expected to provide input and advice based on their experience and technical expertise, and not to advocate specific commercial interests,

or on behalf of specific parties they have represented before the OEB in various proceedings.

Based on the nominations received and the factors described above, the OEB will determine the Working Group members, including selecting non-utility members and confirming representation from Enbridge and OEB staff (and ENGLP and the IESO, as appropriate). As per the IRP Decision and Order, the Working Group will be kept to a manageable size to ensure timely and effective consultation, and it is expected that there will be approximately 10 members.

Nomination forms for the IRP Technical Working Group must be submitted to the OEB by November 8, 2021. Instructions on making the submissions are set out below.

Cost Awards

Cost awards will be available under Section 30 of the *Ontario Energy Board Act, 1998* to eligible persons in relation to their participation in the Working Group, based on the criteria set out in the OEB's <u>Practice Direction on Cost Awards</u>, including analyst/consultant fees that are in accordance with the OEB's tariff. OEB staff will provide guidance as necessary regarding the maximum number of hours and eligible activities that may be claimed. Costs awarded will be recovered from all rate-regulated natural gas distributors based on their respective distribution revenues.

How to File Materials

Stakeholders are responsible for ensuring that any documents they file with the OEB **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

Please quote file number, **EB-2021-0246** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the <u>OEB's online filing portal</u>.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address
- Please use the document naming conventions and document submission standards outlined in the <u>Regulatory Electronic Submission System (RESS)</u>
 <u>Document Guidelines</u> found at the <u>Filing Systems page</u> on the OEB's website

Stakeholders are encouraged to use RESS. Those who have not yet <u>set up an account</u>, or require assistance using the online filing portal can contact registrar@oeb.ca for assistance

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to the IRP Technical Working Group, stakeholders should include Michael Parkes at Michael.Parkes@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

Sincerely

Original signed by

Christine E. Long Registrar