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October 22, 2021

Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Long

Re: Enbridge Gas Inc. ("EGI")
Application for Multi-Year Natural Gas Demand Side Management Plan (2022 to 2027)
Board File #: EB-2021-0002

Pursuant to Procedural Order No. 3 dated September 9, 2021, we submit the following Interrogatories for EGI on behalf of Canadian Manufacturers & Exporters ("CME").

Yours very truly

A handwritten signature in blue ink, appearing to read 'Scott Pollock', is written over a light blue horizontal line.

Scott Pollock

enclosure

c. Asha Patel (EGI)
Dennis O'Leary (Aird & Berlis LLP)
EB-2021-0002 Intervenors
Mathew Wilson (CME)

ONTARIO ENERGY BOARD

Enbridge Gas Inc.

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

AND IN THE MATTER OF an Application by Enbridge Gas Inc., pursuant
to section 36(1) of the *Ontario Energy Board Act, 1998*, S.O. 1998, for an
order or orders approving its Demand Side Management Plan for 2022-
2027

**INTERROGATORIES OF
CANADIAN MANUFACTURERS & EXPORTERS (“CME”)
TO ENBRIDGE GAS INC. (“EGI”)**

Issue #6: Does Enbridge Gas’s proposed budget, including program costs and portfolio costs result in reasonable rate impacts while addressing the OEB’s stated DSM objectives in its letter issued on December 1, 2020, including having regard to consumers’ economic circumstances?

Interrogatory # 6.CME.1

Ref: Exhibit B, Tab 1, Schedule 1, page 6 of 14

At page 6, EGI states that proposed budget programs will formulaically increase 3% above inflation for the 2023-2027 period.

- (a) Given that inflation has increased dramatically in the past year, has EGI considered increases that are less than 3% above inflation? If yes, please describe, if not, explain why not.
- (b) Is there a rate of inflation at which EGI would consider reducing the year over year increases to be, for instance, equivalent to inflation rather than 3% above inflation? Please describe fully.

Interrogatory # 6.CME.2

Ref: Exhibit C, Tab 1, Schedule 1, page 15 of 66

At page 15, EGI explains its proposed re-allocation of DSM funds between programs.

- (a) In EGI’s proposal, please confirm whether the re-allocation of funds between programs has any impact on the shareholder incentives that can be earned for those programs.

- (b) In EGI's proposal, how would EGI prevent or guard against the practice of reallocating funds between programs to maximize shareholder incentive rather than maximizing DSM results or cost efficiency?

Interrogatory # 6.CME.3

Ref: Exhibit C, Tab 1, Schedule 1, page 24 of 66

At page 24, EGI explains its proposal with respect to ETEE and DSM funding. EGI stated "it is appropriate that some costs, such as existing DSM administration and overheads, should be reallocated to, or from, the DSM plan/budget to reflect such shared costs."

- (a) In EGI's proposal, please confirm whether the re-allocation of funds between ETEE and DSM has any impact on the shareholder incentives that can be earned for those programs.

Interrogatory # 6.CME.4

Ref: Exhibit D, Tab 1, Schedule 1, page 1 of 26

At page 1, EGI stated that the plan has been developed to be responsive to the OEB's expectation for modest budget increases.

- (a) When determining the plan budget, did EGI determine the budget and yearly increases first, and decide the DSM programs upon which to spend the budget second, or was the budget and yearly increases determined first, and the budget required to meet those programs determined second?

Issue #1: Does Enbridge Gas's 2023-2027 DSM Framework and DSM Plan adequately respond to previous OEB direction and guidance on future DSM activities (e.g., DSM Mid-Term Review Report, 2021 DSM Decision, OEB's post-2021 DSM guidance letter)?

Interrogatory # 1.CME.5

Ref: Exhibit E, Tab 1, Schedule 1, page 2 of 5

At page 2 of 5, EGI quotes from the Board's DSM letter, which stated that one of the reasons DSM savings efficiency is decreasing may be the result of EGI striving to meet a number of different priorities.

- (a) Please describe EGI's different priorities, and how they are consistent with the objectives of rate payer funded DSM.
- (b) To the extent not already in the evidence, please describe how EGI's plan addresses the issue of competing priorities in order to achieve more natural gas saving efficiency for the cost.

Issue #4: Is Enbridge Gas's proposed DSM Plan term of 2023-2027 appropriate?**Interrogatory # 4.CME.6**

Ref: Exhibit D, Tab 1, Schedule 1, pages 5-6.

At pages 5 and 6, EGI proposes a midterm assessment of the plan. EGI stated that the midpoint assessment should have a "limited scope". However, one topic available at the midterm review is "Any other changes to the DSM Plan deemed appropriate by Enbridge Gas for program offerings to ensure they are meeting customer needs and the objectives for the offerings."

- (a) Please reconcile EGI's proposal that the mid-term review with the expansive scope of the proposed topic.
- (b) In EGI's proposal, would other parties be able to raise any other changes to the DSM that they deem appropriate for the program offerings, or only those changes deemed appropriate by EGI?

Issue # 17: Is Enbridge Gas's stakeholder engagement proposal reasonable, including its engagement with Indigenous communities?**Interrogatory #17.CME.7**

Ref: Exhibit E, Tab 1, Schedule 5, pages 4 of 44

At page 4, EGI stated that 9 in depth interviews were conducted with industrial customers. It stated that 9 interviews were conducted, 2 of which were large non participants and 7 of which were large participants.

- (a) Did EGI conduct any "in-depth" interviews with non-large industrial customers? If so, has a similar report been prepared with respect to those interviews? If so, please provide.
- (b) If EGI did not conduct in-depth interviews with non-large industrial customers, please explain why not.