



Ontario
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BY EMAIL

December 1, 2021

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

Dear Ms. Long:

Re: EB-2021-0209 2022 Federal Carbon Pricing Program Application

In accordance with Procedural Order #1, please find attached the Ontario Energy Board (OEB) staff interrogatories in the above proceeding. The applicant and intervenors have been copied on this filing.

Enbridge Gas Inc.'s responses to interrogatories are due by December 15, 2021.

Any questions relating to this letter should be directed to Vince Mazzone at vince.mazzone@oeb.ca or at 416-544-5159. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Vince Mazzone
Application Policy & Conservation

Encl.

cc: All parties in EB-2021-0209

**OEB Staff Interrogatories
Enbridge Gas Inc. (Enbridge Gas)
EB-2021-0209**

Please note, Enbridge Gas is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff interrogatories and any other supporting documentation, 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*.

Staff-1

Ref 1: Exhibit A, Tab 2, Schedule 1, p. 8

In discussing the transition from the federal Output-Based Pricing System (OBPS) to the provincial Emissions Performance Standards (EPS) for eligible industrial facilities, Enbridge Gas indicates that it is still working to understand the transition plan and reserves the right to amend its application as appropriate once additional details are announced. Enbridge Gas notes certain aspects of this transition have not yet been finalized by the relevant governmental authorities and may ultimately impact the costs incurred by Enbridge Gas in complying with the Greenhouse Gas Pollution Pricing Act and EPS. Enbridge Gas further notes that any cost impacts to the Facility Carbon Charge due to a change in the estimated EPS compliance obligation will be included by Enbridge Gas in the Facility Carbon Charge – Variance Accounts for future disposition.

- a) Please advise of any updates related to the transition from the OBPS to the EPS since the filing of this application. In the event there have been updates, please explain what impact they have on this application.

Staff-2

Ref 1: Exhibit A, Tab 2, Schedule 1, p. 9

Enbridge Gas states that the only aspect of the FCPP that currently remains under development is the Federal GHG offset system regulations and offset protocols, which are anticipated to be completed fall of 2021.

- a) Please confirm whether the Federal GHG offset system regulations and offset protocols have been completed or what the new timeline is for completion.
- b) If the Federal GHG regulations and offset protocols have been completed, please explain how they will impact the FCPP going forward.

Staff-3

Ref 1: Exhibit A, Tab 2, Schedule 1, p. 16

Enbridge Gas discusses a new opportunity to reduce facility-related emissions, the development of a plan for compressor unit lifecycle replacement. Enbridge notes that as part of this long-term plan to replace identified compression, several factors are being considered in the evaluation of alternatives, including meeting the operating requirements for the storage and transmission systems, reliability, environmental compliance, and carbon reduction strategy.

- a) Please provide the status on the compressor unit lifecycle replacement opportunity. Please provide any detail available on its planned implementation.
- b) Please explain whether any costs related to this opportunity would be recovered through Enbridge Gas's FCPP application or through other avenues.

Staff-4

Ref 1: Exhibit C, p. 5

Ref 2: Exhibit C, p. 9

In table 3, Enbridge Gas provided its 2022 administration costs which are forecasted to be \$1.47M in 2022 for staffing. This compares to actual staffing costs of \$0.84M for 2020.

- a) Please provide a detailed explanation as to why Enbridge Gas is forecasting its 2022 staffing costs to increase by approximately 75% and what steps Enbridge Gas has taken to contain the growth in these costs.

Staff-5

Ref 1: Exhibit C, p. 8

In table 2, Enbridge Gas provided its 2020 regulated facility-related volumes/emissions and costs. The table shows that actual facility OBPS emissions in 2020 are approximately 40% lower than forecast but there is no explanation on why this is the case.

- a) Please explain why actual facility OBPS emissions in 2020 were considerably lower than forecast.