



PUBLIC INTEREST ADVOCACY CENTRE
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December 1, 2021

VIA E-MAIL

Christine E. Long
Board Secretary and Registrar (registrar@oeb.ca)
Ontario Energy Board
Toronto, ON

Dear Ms. Long:

**Re: EB-2021-0209 – Enbridge Gas Inc. 2022 Federal Carbon Pricing Program Application
Interrogatories of the Vulnerable Energy Consumers Coalition (VECC)**

Please find attached the interrogatories of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Yours truly,

A handwritten signature in black ink, appearing to read 'Mark Garner', is written over a light blue horizontal line.

Mark Garner
Consultants for VECC/PIAC

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REQUESTOR NAME **VECC**
TO: **Enbridge Gas Inc. (EGI)**
DATE: **December, 1 2021**
CASE NO: **EB-2021-0209**
APPLICATION NAME **2022 Federal Carbon Pricing Program Application**

VECC -1

Reference: Exhibit A, Tab 2, Schedule 1, pages 12

“Customers that hold an Exemption Certificate must provide a copy to Enbridge Gas no later than two weeks in advance of the first day of the month in which they wish to have their consumption volumes exempted from the Federal Carbon Charge”

- a) If a customer remits a Certificate after the deadline described above but for which the Certificate covers a prior period are they eligible for a refund? If so is this an adjustment made to the variance account for this change?

VECC -2

Reference: Exhibit A, Tab 2, Schedule 1, page 8.

EGI explains that: *“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 GGPPA and EPS”*

- a) Please explain what aspects have not been finalized and how they impact the implementation of EGI’s compliance with the GGPPA and EPS.
- b) EGI notes that any cost impacts due to change in the estimated EPS compliance obligation will be included in the Facility Carbon Charge – Variance Account. Does EGI have an estimate of the possible range of costs that might be incurred due to this uncertainty?

VECC -3

Reference: Exhibit A, Tab 2, Schedule 1

Table 3
Facility-Related Emission Reduction Project Summary

	Opportunity	Total Estimated Capital Cost (\$millions)	Estimated Emissions Reductions – 2020 (tCO ₂ e)	Forecasted Emissions Reductions – 2022 (tCO ₂ e)	Forecasted Emissions Reductions – 10-yr Cumulative (tCO ₂ e)	Cost per Tonne of GHG Emissions (\$/tCO ₂ e) ²⁶
1	Online Monitoring	0.05	218	N/A ²⁷	1,100	-32
2	Air Filters	0 ²⁸	0 ²⁹	184	1,500	-47 ³⁰
3	Plant J Twinning (Electric Drive)	70.00	N/A ³¹	N/A	N/A	105
4	Re-wheeling Turbines	17.19	N/A ³²	N/A	N/A	191

- a) Please provide the cost-benefit analysis that was undertaken for projects 3 (Plant J) and project 4 (Re-wheeling).
- b) Are there any projects being planned and for which costs are currently being booked to account for future recovery? If so please detail these and provide an estimate of the annual costs for each of the next two years.

VECC -4

Reference: Exhibit A, Tab 2, Schedule 1

- a) Does EGI expect that GHG Emission Reduction and OBPS/EPS program cost delivery will form a distinct part of its upcoming cost of service application and with detailed supporting evidence?
- b) If yes, can EGI provide an outline of the expected areas to be addressed in that evidence.

VECC -5

Reference: Exhibit C,

Table 1
2020 Administration Costs (\$millions)

Cost Element	2020 Forecasted Costs ⁹	2020 Actual Costs ¹⁰			Variance
		EGD Rate Zone	Union Rate Zones	Total	
IT Billing System	0.40	0.17	0.14	0.31	(0.09)
Staffing Resources	0.80	0.52	0.32	0.84	0.04
Consulting and External Legal Support	0.20	0.08	0.05	0.13	(0.07)
GHG Reporting and Verification	0.10	0.04	0.02	0.06	(0.04)
Bad Debt	1.84	0.84	0.29	1.13	(0.71)
Other Miscellaneous Costs	0.20	0.02	0.01	0.04	(0.16)
Interest ¹¹	N/A	0.02	0.01	0.02	0.02
Total	3.54	1.70	0.85	2.54	(1.00)

Table 3
Forecast 2022 Administration Costs

Cost Element	2022 Forecast Costs (\$millions)		
	EGD Rate Zone	Union Rate Zones	Total
IT Billing System	0.00	0.06	0.06
Staffing Resources	0.91	0.56	1.47
Consulting & External Legal Support	0.19	0.11	0.30
GHG Reporting & Verification	0.03	0.02	0.05
Bad Debt	3.47	1.49	4.96
Other Miscellaneous Costs	0.09	0.06	0.15
Total	4.69	2.30	6.99

- a) Please provide a table showing the 2021 GGEADA forecast balances.
- b) Are the 2020 balances the first time the GGEADA account has been proposed for disposition?
- c) Has the Board ordered annual disposition of this account and if not, what impediments are there to disposition of the account at the time of rebasing?

VECC -6

Reference: Exhibit A, Tab 2, Schedule 1

- a) What initiatives have EGI introduced to limit the costs for administration of the GHG programs?

VECC -7

Reference: Exhibit C, pages 6, 12

- a) Please explain how the bad debt figures (2020 and 2022 forecast) attributable to the carbon tax is calculated and distinguished from “regular” (i.e., forecasted into rates) bad debt due to circumstances and regulatory requirements related to COVID-19 and winter moratorium bad debt?

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