ONTARIO ENERGY BOARD

Enbridge 2022-2027 DSM Plan and DSM Framework

POLLUTION PROBE INTERROGATORIES to Green Energy Coalition & Environmental Defence (Energy Futures Group Evidence)

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EB-2021-0002

Pollution Probe Interrogatories to GEC & ED (Energy Futures Group Evidence)

Note: Format below is (ISSUE #)-(PARTY ACRONYM)-(Evidence Party)-(IR#)

5-PP-GEC/ED-1

Reference: Page 13

"Enbridge's 2023- 2027 planned level of savings are slightly below even the constrained potential forecast by the study – despite the fact that Enbridge is forecasting to spent roughly double (on average, over five years) the potential study's constrained budget level."

- a) Please describe the key contributing factors leading to these DSM portfolio efficiency issues (e.g. increased O/H, fixed costs, incentives, etc.).
- b) Please highlight what controls could be included in the DSM Framework and/or EB-2021-0002 decision to structurally fix the issue of declining performance (e,g. cap fixed costs as a ratio of incentive costs, link to incentive payment, outsource delivery to another delivery agent such as IESO, etc.).
- c) Previous DSM plans approved by the OEB included a set of metrics/rules that the portfolio needed to comply with (e.g. variable to fixed costs ratio). Would going back to that approach be a step forward or backwards? Please explain.

5-PP-GEC/ED-2

- a) Would amortizing DSM costs make them more comparable to traditional pipeline capital investments? If no, why not.
- b) Would amortizing DSM costs make them more aligned with proposed IRP alternative treatment under the recent gas IRP Decision in EB-2020-0091? If not, why not.
- c) If the OEB decides that amortizing DSM costs makes sense, would it be better to use a proxy average measure life for the portfolio like is done for pipelines (e.g. pipeline amortization is typically 40 years even though specific pipeline life may be longer or shorter)?

EB-2021-0002

Pollution Probe Interrogatories to GEC & ED (Energy Futures Group Evidence)

5-PP-GEC/ED-3

If the Enbridge DSM plan is not able to meet the policy objectives of the OEB and Province of Ontario, what options does the OEB have to mitigate those gaps?

5-PP-GEC/ED-4

Reference: Page 13

"Enbridge's proposal to support the development of gas heat pumps, as part of its Low Carbon Transition program, should be rejected"

- a) Is EFG recommending that the OEB include a condition in the DSM Framework excluding gas fired heat pumps from DSM funding in 2023-2027 or a condition that it be excluded from DSM consideration in general?
- b) If the OEB accepts that gas heat pumps not be included within DSM funding, where should the current funding be allocated to produce the best DSM benefits?

5-PP-GEC/ED-5

Reference: Figure 2: Enbridge Historic and Planned DSM Spending

Please provide a copy of the Figure 2 graph with the y-axis truncated to show the range \$100 million to \$160 million.

5-PP-GEC/ED-6

Reference: Figure 1: Figure 1: Enbridge Historic and Forecast Annual Gas Savings

Please provide a copy of the Figure 1 graph with the y-axis truncated to show the range 80 million m3 to 120 million m3.

<u>16-PP-GEC/ED-7</u>

- a) Is it best practice for DSM programs to be coordinated with, co-delivered with and/or delivered by relevant delivery partners to maximize results and cost-effectiveness? If not, why not.
- b) Would EFG recommend that the OEB require Enbridge to develop and deliver its DSM programs with all relevant delivery partners including but not limited to IESO, industry associations, municipalities, etc. If not, why not.
- c) What are the costs and consequences related to delivering DSM programs in a silo without effective partnership coordination?