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December 17, 2021

Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
2300 Yonge Street, P.O. Box 2319
Toronto ON
M4P 1E4

Dear Ms. Long,

**RE: EB-2021-0148 Enbridge Gas Inc. 2022 Rates Phase 2 and ICM Application -
Energy Probe Interrogatories**

Attached are the interrogatories of Energy Probe Research Foundation (Energy Probe) to the applicant in the EB-2021-0148 proceeding, Phase 2 of the application by Enbridge Gas Inc. to the Ontario Energy Board for the approval of its 2022 rates.

Respectfully submitted on behalf of Energy Probe.

Tom Ladanyi
TL Energy Regulatory Consultants Inc.

cc. Roger Higgin (Sustainable Planning Associates Inc.)
Petar Prazic (OEB Staff)
Ian Richler (OEB Staff)
Rakesh Torul (Enbridge Gas Inc.)

Energy Probe Research Foundation 225 BRUNSWICK AVE., TORONTO, ONTARIO M5S 2M6

Phone: (416) 964-9223 Fax: (416) 964-8239 E-mail: EnergyProbe@nextcity.com Internet: www.EnergyProbe.org

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c.15 (Sched. B);

AND IN THE MATTER OF an Application by Enbridge Gas Inc., pursuant to section 36(1) of the *Ontario Energy Board Act, 1998*, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission, and storage of gas as of January 1, 2022.

Enbridge Gas Inc. Application for 2022 Rates, Phase 2

Energy Probe Interrogatories

December 17, 2021

EGI 2022 Rates Application, Phase 2

Energy Probe Interrogatories

EP-1

Reference: Exhibit A, Tab 2, Schedule 1, Pages 2 and 3, paragraph 3

- a) Please confirm that this application is the third application for ICM funding since the MAADs decision (EB-2019-0194, EB-2020-0181, and EB-2021-0148).
- b) Please file a table listing the projects approved for ICM funding in EB-2019-0194 and EB-2020-0181 together with the one proposed in this application, EB-2021-0148, showing the capital cost of each project and the rate rider for a typical residential customer in respective rate zones.

EP-2

Reference: Exhibit B, Tab 2, Schedule 1, page 3, paragraph 11

Preamble: Enbridge has filed an addendum to its Asset Management Plan. Energy Probe is concerned that the Addendum raises into question the significance of the Asset Management Plan that was filed by Enbridge in the EB-2020-0181 proceeding for approval of its Phase 2 rate increase for 2021.

- a) Is Enbridge seeking OEB approval of the addendum to its Asset Management Plan? If the answer is yes, please explain what Enbridge would do if the OEB does not approve the addendum. If the answer is no, please explain why not.
- b) Please discuss Enbridge's understanding of the significance of OEB approval of the Asset Management Plan which was filed by Enbridge in the EB-2020-0181 proceeding if it can be amended in a subsequent year?

EP-3

Reference: Exhibit B, Tab 2, Schedule 1, page 5, Table 1

- a) Considering that total EGD Rate Zone 2022 Capital Budget is \$734.3 million please explain how and why Enbridge decided to apply for ICM funding for the two specific projects and not some other projects that it is funding with its own capital within the \$521.5 EGD rate zone threshold?
- b) Do any of the projects proposed for ICM funding generate incremental revenue? If the answer is yes, what is the amount of revenue?
- c) Were the projects proposed for ICM funding the projects of highest priority in the entire \$734.3 EGD million EGD Rate Zone budget?

- d) Please file a complete list of projects that make up the \$734.3 million EGD Rate Zone budget in the order of priority.

EP-4

Reference: Exhibit B, Tab 2, Schedule 1, page 6, Table 2

- a) Considering that total Union Rate Zones 2022 Capital Budget is \$543.1 million please explain how and why Enbridge decided to apply for ICM funding for the three specific projects and not some other projects that it is funding with its own capital within the \$455.5 Union Rate Zones threshold?
- b) Do any of the projects proposed for ICM funding generate incremental revenue? If the answer is yes, what is the amount of revenue?
- c) Were the projects proposed for ICM funding the projects of highest priority in the entire \$543.1 million Union Rate Zones budget?
- d) Please file a complete list of projects that make up the \$543.1 million Union Rate Zones budget in the order of priority.

EP-5

References: Exhibit B, Tab 2, Schedule 1, Page 20, Table 8

- a) Please confirm that 2018 Revenues are 2018 Actual Revenues at 2018 OEB Approved Rates including 2018 ICM riders. Please explain your answer.
- b) Please confirm that 2020 Revenues are 2020 Actual Revenues at 2020 OEB Approved Rates that include 2018, 2019 and 2020 OEB Approved ICM riders. Please explain your answer.

EP-6

References: Exhibit B, Tab 2, Schedule 1, page 23, Table 10 and Exhibit B, Tab 2, Schedule 3, page 13

Please confirm that the ICM eligible capital based on the 2021 AMP would be \$110.7 million (\$632.2 million less \$521.5 million). Please explain your answer.

EP-7

Reference: Exhibit B, Tab 2, Schedule 2, Appendix A, page 3

Preamble: “It operates above 30% of the specified minimum yield strength (“SMYS”).”

- a) What is the CSA Z662 Class Location of this 1.1 km of NPS 42 pipeline?
- b) What is the percent SMYS at its maximum and normal operating pressures?

EP-8

References: Exhibit B, Tab 2, Schedule 2, Appendix A, page 471; Appendix B, page 31 and Appendix C, page 147.

- a) Please confirm that the three project cost estimates referenced above use three different contingency percentages, namely 11.4%, 12% and 25%.
- b) Please explain why a different contingency percentage was used for each project estimate.
- c) Please confirm that the ICM funding requests include contingency amounts.
- d) Please list Enbridge projects previously approved for ICM funding and the amount of contingency approved by the OEB and actually used up in each project.

EP-9

Reference: Exhibit B, Tab 2, Sch. 2, Page 2

Please provide the starting and ending point, the operating pressure, and the cost of the following St. Laurent Ottawa North replacements:

- a) 9 km of NPS 12 XHP ST
- b) 2.4 km of NPS 16 XHP ST

EP-10

Reference: Exhibit B, Tab 2, Schedule 3, page 9

Preamble: The evidence indicates that ICM-eligible St. Laurent Phase 3 increased by \$48.6 million due to refinement in project scope and costing, and that ICM-eligible NPS 20 Lake Shore Replacement (Cherry to Bathurst) increased by \$42.9 million.

- a) Please file the current itemized budget for each project.
- b) Is Enbridge currently charging an ICM rider for either project? If the answer is yes, how much was collected from ratepayers by each rider in 2021?