



BY EMAIL and RESS

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May 24, 2022
Our File: EB20220072

Attn: Nancy Marconi, Registrar

Dear Ms. Marconi:

Re: EB-2022-0072 – 2022 Annual Gas Supply Plan Update - Comments

We are counsel to the School Energy Coalition ("SEC"). These are SEC's comments on Enbridge Gas Inc.'s ("EGI") 2022 Annual Update to its Gas Supply Plan (the "Annual Update").

General Comments

As SEC has noted in its previous comments on EGI's Five-Year Gas Supply Plan and subsequent annual updates, it is impossible to properly assess the various gas supply and transportation options outside the context of an application for approval of the cost consequences which involves a full discovery process. On that basis, while SEC takes no issue with most of the analysis in the Annual Update, that should not be construed as acceptance of the eventual outcome of the plan or that the resulting cost consequences are reasonable. Nonetheless, again this year, SEC found that the Stakeholder Meeting that was held on May 5 and May 6 ("Stakeholder Meeting") was helpful in terms of providing participants with better understanding of the Annual Update as well as further insight into EGI's gas supply planning process.

Responsibly Sourced Gas

EGI includes information in its Annual Update regarding the procurement of Responsibly Sourced Gas ("RSG"). SEC submits that there is insufficient information to properly assess the CO₂ reduction potential of RSG supply. Although RSG currently constitutes a very small percentage of EGI's overall gas supply portfolio, it is important that realistic and accurate information is available for customers to assess the feasibility, benefits, and progress of incorporating RSG in EGI's gas supply plan.

EGI states that, as a general rule, every 0.8% reduction of methane intensity in the production of natural gas represents a reduction in CO₂ emissions of 3kg/GJ.¹ However, this information is not helpful because it is unclear what is the baseline it is being compared against. Moreover, the comparison does not allow for a full assessment of the CO₂ emissions per unit of RSG in comparison to EGI's overall natural gas supply portfolio. As such, SEC would ask EGI in its next annual update to make available comparisons between CO₂ emission of its RSG supply and that of its overall gas supply portfolio.

¹ Day 1 Transcript, p.82 lines 27-28; Annual Update, p.32

Timing of Next Five-Year Gas Supply Plan

During the Stakeholder Meeting, EGI commented that it was considering its options as it relates to the timing of its next Five-Year Gas Supply Plan (2024-2028) which will commence in November, 2024. The expectation is that EGI would have to begin its preparation in 2023 and file its application in early 2024.² The problem is there is a strong possibility the OEB will not be able to render a decision on EGI's rebasing application with sufficient lead time for its findings to be incorporated into the next Five-Year Gas Supply Plan.

EGI expects to file its rebasing application later this year for a term beginning in 2024. The OEB's decision on the rebasing application will be important part of the development of EGI's next Five-Year Gas Supply Plan. The rebasing application will consider a number of key elements that are essential inputs to EGI's next Five-Year Gas Supply Plan, such as the underlying design day methodologies and demand forecasts.³ Having the decision of its rebasing application rendered sufficiently in advance of the filing of that plan is very important.

Possible alternatives mentioned at the Stakeholder Meeting include EGI filing an additional annual update to its the current Five-Year Gas Supply Plan and deferring the filing of the next plan to 2025, assuming EGI receives OEB approval of rebasing application in early 2024.⁴ SEC believes this may be a reasonable solution, but regardless, urges the OEB to consider the interplay between the two processes and consult with EGI and all stakeholders.

Yours very truly,
Shepherd Rubenstein P.C.

Fred Zheng

cc: Ted Doherty, SEC (by email)
Interested Parties (by email)

² Day 1 Transcript, p.75 lines 7-8

³ Day 1 Transcript, p.60 lines 3-7

⁴ Day 1 Transcript, p.76 lines 13-19