



# **ONTARIO ENERGY BOARD**

## **STAFF SUBMISSION ON REQUEST FOR CONFIDENTIALITY**

**ENBRIDGE GAS INC.  
2021 Deferral and Variance Account Disposition and  
Earnings Sharing Application  
EB-2022-0110**

**July 22, 2021**

## Background

On August 30, 2018, the Ontario Energy Board (OEB) approved the amalgamation of Enbridge Gas Distribution Inc. (EGD) and Union Gas Limited (Union Gas).<sup>1</sup> The companies amalgamated to form Enbridge Gas Inc. (Enbridge Gas) on January 1, 2019. Following the amalgamation, Enbridge Gas maintained the existing rates zones of EGD and Union Gas (the EGD rate zone, and the Union North West, Union North East and Union South rate zones).<sup>2</sup> Enbridge Gas also maintained most of the existing deferral and variance accounts for each rate zone.

In the 2019 Utility Earnings and Disposition of Deferral and Variance Accounts (DVAs) proceeding (2019 DVA proceeding), Enbridge Gas agreed as part of the settlement proposal to provide documentation summarizing its request for proposal (RFP) process for market-based storage capacity acquired for 2019 utilization for the former EGD rate zone. Given the commercially sensitive nature of the information provided in the documentation, parties (intervenors and applicant) agreed that it would be appropriate to treat the unredacted versions of the documentation as confidential pursuant to the OEB's *Practice Direction on Confidential Filings*.<sup>3</sup> In its Decision on the Settlement Proposal in the 2019 DVA proceeding, the OEB approved the confidentiality request noting that the information was commercially sensitive with respect to future storage procurement and related negotiations.<sup>4</sup>

In the 2020 Utility Earnings and Disposition of DVAs proceeding (2020 DVA proceeding), Enbridge Gas requested confidential treatment of similar storage RFP information as was provided in the 2019 DVA proceeding. In the 2020 DVA proceeding, the OEB issued a Decision on Confidentiality in which it granted the confidentiality request of Enbridge Gas. The OEB noted that similar information was determined to be confidential in a previous proceeding (2019 DVA proceeding) and reiterated the commercially sensitive nature of the information.<sup>5</sup>

In the current application (2021 Utility Earnings and DVA proceeding), Enbridge Gas has provided similar information as in the 2019 and 2020 DVA proceedings regarding 2021 market-based storage services for the EGD rate zone. The documentation filed

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<sup>1</sup> EB-2017-0306 / 0307 Decision and Order August 30, 2018, application by Enbridge Gas Distribution and Union Gas Limited to amalgamate under the OEB's policy on mergers, acquisition, amalgamation and divestiture (MAADs Decision).

<sup>2</sup> Collectively Union North West, Union North East and Union South are referred to as the Union rate zones.

<sup>3</sup> EB-2020-0134, Settlement Proposal, January 5, 2021, p. 12.

<sup>4</sup> EB-2020-0134, Decision on Settlement Proposal, January 25, 2021, p. 9.

<sup>5</sup> EB-2021-0149 Decision on Confidentiality, August 16, 2021.

summarizes Enbridge Gas's process for the review of RFP responses that were received in January 2021 with offers from three different counterparties with multiple terms, prices and injection/withdrawal parameters. The RFP process was conducted by Guidehouse Inc., a third party, in line with the recommendations of OEB staff and intervenors in Enbridge Gas's five-year gas supply plan review.<sup>6</sup> Enbridge Gas has filed the bids received and those that were selected confidentially with the OEB, pursuant to the OEB's *Practice Direction on Confidential Filings* and requested confidential treatment of these documents. In Procedural Order No. 1 issued on July 18, 2022, the OEB made provision for submissions on Enbridge Gas's request for confidentiality in accordance with the process outlined in the *Practice Direction on Confidential Filings*.

OEB staff understands the sensitive nature of the information provided in the RFP responses and has no concerns with the confidential treatment of the documents. The OEB has previously approved Enbridge Gas's request for confidentiality related to similar documentation in the 2019 and 2020 DVA proceedings.

– All of which is respectfully submitted –

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<sup>6</sup> EB-2019-0137, Final OEB Staff Report to the Ontario Energy Board, March 26, 2020.