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September 1, 2022

Delivered by Email & RESS

Ms. Nancy Marconi, Registrar
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Marconi:

**Re: Panhandle Regional Expansion Project
Interrogatories of the Association of Power Producers of Ontario (“APPrO”)
OEB File No.: EB-2022-0157**

We are counsel to the Applicant in the above-noted proceeding (the “Proceeding”).

Pursuant to the OEB’s Procedural Order No. 1, enclosed please find interrogatories to the Applicants in the above noted proceeding.

Please do not hesitate to contact the undersigned if you have any questions.

Yours very truly,

BORDEN LADNER GERVAIS LLP

A handwritten signature in black ink that reads 'Colm Boyle'. The signature is written in a cursive, flowing style.

Colm Boyle

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, Schedule B; and in particular section 90(1) and section 97 thereof;

AND IN THE MATTER OF IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, Schedule B; and in particular section 90(1) and section 97 thereof;

AND IN THE MATTER OF an application by Enbridge Gas Inc. for an order granting leave to construct natural gas pipelines in the Municipality of Chatham Kent and Essex County.

INTERROGATORIES

Filed: September 1, 2022

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1 **APPrO-2**

2 **References:**

3 N/A

4 **Preamble:**

5 The 2021 APO from the IESO expects gas-fired generation to increase from 12 TWh annually in
6 2021 to 31 TWh by 2026 and nearly 34 TWh in 2030.

7 **Question:**

- 8 a) Given the substantial increase in gas requirements to provide that amount of gas-fired
9 generation, how much of that forecasted future gas-fired generation is included in the needs
10 assessment for the Panhandle Regional Expansion Project (“Project”)? If it is not included,
11 please explain why.

1 **APPrO-3**

2 **References:**

3 Exhibit C, Tab 1, Schedule 1

4 **Preamble:**

5 N/A

6 **Questions:**

7 a) Is it possible to increase the existing capacity of the Panhandle system through more
8 moderate modifications to manage future demand growth? Please provide any additional
9 analysis or studies that Enbridge has undertaken that are not included in the current
10 application.

11 b) Did Enbridge consider increasing the maximum operating pressure on the existing pipe
12 lines to increase capacity? If so, why was this option rejected?

1 **APPrO-4**

2 **References:**

3 Exhibit B, Tab 1, Schedule 1, Attachment 1 – “Panhandle Regional Expansion Project Expression
4 of Interest and Capacity Request Form”

5 **Preamble:**

6 N/A

7 **Questions:**

8 a) Given the need for new electricity generation capacity in the Southwestern region of the
9 province, did Enbridge’s EOI include any potential new gas-fired generation companies or
10 other electricity generation companies?

11 b) Did Enbridge canvass the IESO to determine what amount of new (or expanded) gas-fired
12 generation may materialize in the region? If so, please provide any documents provided to
13 or received from the IESO.

1 **APPrO-5**

2 **References:**

3 IESO Annual Planning Outlook

4 **Preamble:**

5 N/A

6 **Questions:**

- 7 a) If energy output from gas-fired generation is expected to increase by more than 20 TWh
8 annually between now and 2030 – as it currently laid out in the IESO’s APO – can the
9 current configuration of the Panhandle pipeline accommodate that level of demand growth?
10 And, if not, has Enbridge worked with the IESO to study the reliability implications?
- 11 b) Given that many gas-fired generators are located across the province, does the inability of
12 the Panhandle system to manage future growth have any impact on large gas-fired
13 generation facilities in other parts of the province?
- 14 c) Please provide any system-wide impacts on the province’s electricity sector that have been
15 undertaken by Enbridge or the IESO in response to the capacity shortfall in the Panhandle
16 system.
- 17 d) Has Enbridge undertaken any analysis on the impact to the variable operating costs of gas-
18 fired generators – both within the southwestern region of the province and elsewhere – due
19 to supply constraints in the Panhandle system? If so, please provide the analysis.

1 **APPrO-6**

2 **References:**

3 Exhibit B, Tab 1, Schedule 1, Page 7 of 19

4 Exhibit B, Tab 2, Schedule 1, Page 9 of 16

5 **Preamble:**

6 “There are additional industrial customers requesting Panhandle System capacity but which were
7 not part of the EOI process. These additional customers are not currently included in the demand
8 forecast for the Project due to the preliminary nature of their requests, but their requests provide
9 further support for the growing need for capacity on the Panhandle System.”

10 “The general service (Rate M1 and Rate M2) demand consists of residential, commercial, and
11 small industrial customers. Approximately 45% of the firm demand served by the Panhandle
12 System is for the general service customers.

13 The contract rate (M/BT4, M/BT5, M/BT7, T-1 and T-2) demand accounts for about 55% of the
14 firm demand served by the Panhandle System. The contract rate demand consists of power
15 generation, greenhouse and large commercial/industrial. The current mix is 29% power generation,
16 52% greenhouse and 19% large commercial/industrial customers.”

17 **Questions for IESO:**

18 a) Please provide a high-level estimate of the potential demand that is not included in this
19 application, but may materialize over the next decade.

20 b) Please provide the additional capacity that may be required based on preliminary requests
21 that were not included in Enbridge’s current forecast for the Panhandle system.

22 c) What will the future split be between the “System General Service Market” and “System
23 Firm Contract Market” with: (i) current forecasts; and (ii) the potential demand that is not
24 included in the application over the next decade?

25 d) What will the future demand mix be with: (i) current forecasts; and (ii) the potential
26 demand that is not included in the application over the next decade?

1 **APPrO-7**

2 **References:**

3 Exhibit B, Tab 1, Schedule 1, Page 7 of 19

4 **Preamble:**

5 “This conclusion is further reinforced by the Company’s expectation that any capacity created on
6 the Panhandle System could also be relied upon in the future to support transmission and
7 distribution of renewable natural gas and/or hydrogen gas volumes.”

8 **Question:**

9 a) Has Enbridge undertaken any studies on forecasted growth of hydrogen or RNG in
10 Ontario? If so, please provide these reports.

1 **APPrO-8**

2 **References:**

3 Exhibit B, Tab 1, Schedule 1

4 **Preamble:**

5 “As noted in the IESO’s December 2021 Annual Planning Outlook, the Brighton Beach
6 Generating Station (“BBS”) will play a particularly critical role in meeting localized power
7 generation needs between 2024 and 2028. With demand for electricity continuing to grow, it is
8 expected that the BBS will continue to play a significant role in meeting the region’s electricity
9 supply needs beyond 2028. It is Enbridge Gas’s understanding that these near-term and longer-
10 term needs have driven the request for incremental firm service from this customer.”

11 **Questions for Elenchus / CRA / IESO:**

12 a) Does Enbridge expect the BBS generating station to operate beyond 2030?

13 b) Has Enbridge discussed the long-term operation of the BBS with the IESO?

14 c) Has Enbridge discussed the reliability implications to Ontario’s electricity grid of the
15 retirement of the BBS by 2030 or earlier? Please provide any analysis Enbridge provided
16 or received from the IESO.