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BY E-MAIL

November 18, 2022

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Marconi:

**Re: Enbridge Gas Inc. (Enbridge Gas)
Application for Panhandle Regional Expansion Project Approval
OEB File Number: EB-2022-0157**

In accordance with Procedural Order No. 3, please find attached OEB staff interrogatories on the Enbridge Gas Reply to Intervenor Evidence filed by Environmental Defence in the above proceeding. The attached document has been forwarded to the applicant and to all other registered parties to this proceeding.

Yours truly,

Original Signed By

Zora Crnojacki
Senior Advisor, Natural Gas Applications

Encl.



OEB Staff Interrogatories

ENBRIDGE GAS REPLY TO ENVIRONMENTAL DEFENCE INTERVENOR EVIDENCE

Application for Panhandle Regional Expansion Project Approval

EB-2022-0157

November 18, 2022

OEB Staff Interrogatories

Enbridge Gas Reply Evidence to Environmental Defence Intervenor Evidence Enbridge Gas Inc. EB-2022-0157

Please note, Enbridge Gas Inc. is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff interrogatories and any other supporting documentation, do not include personal information (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's *Rules of Practice and Procedure*.

ISSUE 2.0 PROJECT ALTERNATIVES

2.0 Staff.1- Enbridge Gas Inc. Reply Evidence

Ref: Enbridge Gas Inc. Reply Evidence, page 6, paragraph iii) 14

Preamble:

Enbridge Gas notes that the results of its 2021 Residential Single Family End Use Study indicate that 77% of customers prefer natural gas for home heating in a new home.

Questions:

- (a) Please provide a copy of Enbridge gas Inc. 2021 Residential Single Family End Use Study.
- (b) Is Enbridge Gas aware of any additional recent empirical data sources (e.g. data on installed space heating systems in new construction, builder/end user surveys, etc.) that could form an improved basis for input assumptions in the DCF test regarding expected customer space heating market share in residential new construction in Ontario (in the presence or absence of natural gas availability)? If so, please provide references or links.

2.0 Staff.2- Enbridge Gas Inc. Reply Evidence

Ref: Enbridge Gas Inc. Reply Evidence, page 4, paragraph 9

Preamble:

Enbridge Gas notes that “it is not appropriate to include the result of Dr. McDiarmid’s assessment in the E.B.O. 134 economic evaluation since it is not consistent with and therefore not additive to the results of Stages 1 and 3 with respect to the pipeline in question.”

Questions:

- (a) With the exception of Dr. McDiarmid’s treatment of incremental revenues, please clarify why Enbridge believes that the Stage 2 NPV result calculated by Dr. McDiarmid would not be consistent with or additive to the results of Enbridge Gas’s Stages 1 and 3 results (recognizing that Enbridge disagrees with some of the input assumptions in Dr. McDiarmid’s Stage 2 calculation, and the calculated Stage 2 NPV result).

2.0 Staff.3- Enbridge Gas Inc. Reply Evidence

Ref: Enbridge Gas Inc. Reply Evidence, page 5, paragraph 11

Preamble:

Enbridge notes that “if no incremental general service premises attach to the natural gas system and all-electric configurations were chosen instead, there would be no benefit in Stage 2 to incremental general service customers from the natural gas expansion project. Consequently, there would also be no cost in Stage 2 to incremental general service customers from the natural gas expansion project. The cost of the proposed transmission pipeline project is already included in Stage 1.”

Question:

Please provide the results of Enbridge’s Stage 1 NPV calculation under this assumption (i.e. no incremental revenues from general service customers).

2.0 Staff.4- Enbridge Gas Inc. Reply Evidence

Ref: Enbridge Gas Inc. Reply Evidence, page 6, paragraph ii) 13; [“Refining Enbridge’s IRP Cost Effectiveness Test”](#) (presentation by Chris Neme to IRP Working Group, March 22, 2022), slides 12-17

Preamble:

Enbridge Gas indicates that “Dr. McDiarmid inappropriately nullifies incremental Project revenues in Stage 2”

Question:

Please confirm that Enbridge Gas’s existing approach to the treatment of project revenues (i.e., counting project revenues from customers as a benefit in stage 1 but not removing this benefit in stage 2) has been identified as a methodological concern by members of the OEB’s Integrated Resource Planning Working Group.