

SCOTT POLLOCK
T 613.787.3541
spollock@blg.com

Borden Ladner Gervais LLP
World Exchange Plaza
100 Queen St, Suite 1300
Ottawa, ON, Canada K1P 1J9
T 613.237.5160
F 613.230.8842
blg.com



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By electronic filing

November 29, 2022

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

Dear Ms. Marconi

Re: Enbridge Gas Inc. (“EGI”)
EGI 2023 Federal Carbon Pricing Program
Board File #: EB-2022-0194

Please find attached Canadian Manufacturers and Exporter’s interrogatories in the above-noted proceeding.

Yours very truly

A handwritten signature in blue ink, appearing to read 'Scott Pollock', is written over a light blue horizontal line.

Scott Pollock
SP/tb

c. Vincent Caron (CME)

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an application by
Enbridge Gas Inc., for an order or orders for gas
distribution rate changes related to compliance
obligations under the Greenhouse Gas Pollution
Pricing Act, S.C. 2018, c. 12, s. 186.

**INTERROGATORIES OF
CANADIAN MANUFACTURERS & EXPORTERS (“CME”)
TO ENBRIDGE GAS INC. (“EGI”)**

Interrogatory CME-1

Ref: Exhibit A, Tab 2, Schedule 1, p. 16 of 20.

At page 16, table 3, EGI outlined the alternatives for facility related emissions reductions that it does currently believe are feasible. It estimates the capital costs of compressor fuel switching and own use gas fuel switching to RNG blend as costing \$0 in capital costs, as well as \$0.7 million per year and \$127 million per year in incremental O&M costs respectively.

- (a) Please describe what additional O&M activities would be required, and break out the cost of each activity to show how the O&M costs for both were arrived at.
- (b) CME wishes to better understand how EGI calculated the cost per tonne of GHG emissions. CME would specifically like to understand how the compressor fuel switch to RNG project, which has a higher forecast emissions reduction, an equivalent capital cost, and a lower forecast incremental O&M cost compared to the own use gas initiative could have the equivalent \$/tonne saving. Could EGI therefore please show all of its calculations relating to rows 4 and 5 of Table 3.

Interrogatory CME-2

Ref: Exhibit A, Tab 2, Schedule 1, p. 18

At page 18, EGI stated “If Enbridge Gas procures EPU’s at a lower price than the excess emissions charge, the difference between these two costs will be recorded in the FCCVAs and Enbridge Gas will seek to dispose of those amounts through a future FCPP application.

- (a) Please confirm whether EGI is forecasting the procurement of any EPU’s at a lower price than the excess emissions charge, or if the current forecast is that 0 EPU’s will be confirmed, with the result that if any are procured, they will be recorded in the FCCVAs.

- (b) If EGI is not forecasting the purchase of EPU's in 2023, please explain why in greater detail. As CME understands the evidence provided, EPU's may be more limited in 2023, but will still be open for entities to purchase on the market at a cost that will be less than the emissions charge.

Interrogatory CME-3

Ref: Exhibit A, Tab 2, Schedule 1, p. 19;

At page 19, EGI stated "Additional administrative costs may be incurred, such as increased staffing, and legal and consulting costs, in order to pursue and acquire EPU's."

At page 11, EGI stated "For 2023, staffing costs are currently estimated to be approximately \$1.45 million. These fully allocated costs are for the 6.5 FTEs that comprise the Carbon Strategy team in 2022 plus one additional FTE. This level of staffing reflects the incremental level of effort Enbridge Gas has experienced to date and expects to continue in order to facilitate compliance with the GGPPA and EPS Regulation in 2023, including the incremental effort to evaluate and procure EPU's, as well as to support the Company in understanding and responding to new federal and provincial regulations related to GHG emission reductions."

- (a) Please elaborate on why EGI is of the view that incremental effort will be required to evaluate and procure EPU's and support EGI's understanding of regulations when the previous years have required EGI's administrative staff to evaluate other measures (such as OBPS offsets and eligible Recognized Units) and navigate significant changes to the regulation of carbon (such as the switch from the OBPS to EPS).

Interrogatory CME-4

Ref: Exhibit C, Tab 1, Schedule 1, p. 4; Exhibit C, Tab 1, Schedule 1, p. 10.

- (a) Please provide a single table that includes EGI's actual administration costs for 2019-2021, its 2022 actuals to date and forecast spend for December, 2022, and its forecast 2023 administration costs, split out into the categories in Table 1 and Table 3.