

EB-2022-0200

Enbridge Gas Inc.

Application to change its natural gas rates and other charges beginning January 1, 2024

DECISION ON CONFIDENTIALITY

July 12, 2023 (Revised July 24, 2023)

Enbridge Gas Inc. filed an application with the Ontario Energy Board under section 36 of the *Ontario Energy Board Act*, *1998* seeking approval for changes to the rates that it charges for natural gas distribution, transportation and storage, beginning January 1, 2024. Enbridge Gas has also applied for approval of an incentive rate-making mechanism for the years 2025 to 2028.

Enbridge Gas, the Industrial Gas Users Association (IGUA) and OEB staff have each requested confidential treatment of certain information in this proceeding.

The OEB's findings with respect to these requests are set out in this Decision on Confidentiality.

Requests for Confidential Treatment

Enbridge Gas Request for Confidentiality of Certain Interrogatory Responses

Pursuant to Procedural Order No. 1, Enbridge Gas responded to interrogatories filed by intervenors and OEB staff on March 8, 2023. Enbridge Gas requested confidential treatment for portions of its interrogatory responses. Enbridge Gas also requested that certain information be redacted on the basis that it is irrelevant.

Irrelevant Information

Enbridge Gas has proposed redaction of certain information in the following interrogatory responses on the ground of irrelevance:

Exhibit	Location
2.6-SEC-110	Attachment 1
5.3-IGUA-29	Attachments 1, 2

Table 1

Enbridge Gas stated that the redacted information at 2.6-SEC-110 relates to other Enbridge Inc. business units that are not the subject of the application.

Enbridge Gas stated that the redacted information at 5.3-IGUA-29 relates to unregulated business activities that are not relevant to the determinations to be made in this proceeding. Enbridge Gas further stated that the redacted information at 5.3-IGUA-29 is also confidential as it relates to activities that may be undertaken in the competitive market.

Findings

The OEB finds that the proposed redactions at 2.6-SEC-110, Attachment 1 are related to assets of unregulated businesses and the information is irrelevant. However, the headings related to the irrelevant information shall be unredacted in order to identify the category of information being redacted. Enbridge Gas shall file with the OEB a non-confidential version of 2.6-SEC-110, Attachment 1 with the headings relating to the irrelevant information unredacted.

The OEB finds that the proposed redactions in 5.3-IGUA-29, Attachments 1 and 2 are prima facie relevant. However, the OEB finds that the redactions in 5.3-IGUA-29, Attachments 1 and 2 are commercially sensitive and grants Enbridge Gas's request for confidential treatment.

Confidential Information

The interrogatory responses for which confidential treatment was sought are categorized based on their nature. No parties objected to Enbridge Gas's requests.

1. Expert Hourly and Task-Specific Pricing

Enbridge Gas requested confidential treatment of hourly and task-specific pricing information from experts in the following interrogatories:

Table 2

Exhibit	Location
1.2-CCC-3	Attachment 2
1.12-SEC-94	Attachment 1

Enbridge Gas stated that the hourly and task specific pricing information from the experts is information that is presumptively considered to be confidential under the OEB's Practice Direction on Confidential Filings.

Enbridge Gas requested that access to the unredacted version of these confidential filings not be granted to consultants retained by other parties in the proceeding as access to the commercially sensitive information could provide other consultants some commercial advantage unrelated to the proceeding.

Findings

The OEB finds that the redactions in 1.2-CCC-3, Attachment 2 except for the redactions on pages 42, 49, 52, 61, 64, 121, 125, 157, 158, and 216 are commercially sensitive and grants Enbridge Gas's request for confidential treatment. The OEB finds the redactions in 1.2-CCC-3, Attachment 2, pages 42, 49, 52, 61, 64, 121, 125, 157, 158, and 216 shall be limited to dollars and hours figures only. Enbridge Gas shall file with the OEB a non-confidential version of 1.2-CCC-3, Attachment 2 with redactions limited to dollars and hours figures at pages 42, 49, 52, 61, 64, 121, 125, 157, 158, and 216.

The OEB finds the redacted pricing information in 1.12-SEC-94, Attachment 1 is commercially sensitive and grants Enbridge Gas's request for confidential treatment. Given that the redacted information is contract pricing information, the OEB grants Enbridge Gas's request that it not be provided to other consultants, even if they have signed the OEB's Declaration and Undertaking. Intervenors and OEB staff are directed to ensure that the redacted information is not provided to consultants they have retained.

2. Locations of Security Risks at Enbridge Gas Sites

Enbridge Gas requested confidential treatment of the locations of security risks at certain Enbridge Gas sites in the following interrogatory response:

Table 3

Exhibit	Location
1.2-SEC-80	Attachment 1

Enbridge Gas stated that the redacted information relates to safety and security and that there is a potential risk to identifying security risks at sites accessible to the public.

Findings

The OEB finds that the redactions in 1.2-SEC-80, Attachment 1 relate to site security and therefore grants Enbridge Gas's request for confidential treatment.

3. Clean Fuel Regulation (CFR) Credits – Volume and Pricing Information

Enbridge Gas requested confidential treatment of volume and pricing information about CFR credits in the following interrogatory response:

Table 4

Exhibit	Location
1.10-SEC-18	Attachment 2

Enbridge Gas stated that the market for CFR credits is in its infancy and releasing the volume of credits that Enbridge Gas expects to generate or the potential sale price of CFR credits in a developing and illiquid market puts Enbridge Gas at a disadvantage competitively when negotiating sales.

Findings

The OEB finds the redacted information in 1.10-SEC-18, Attachment 2 is commercially sensitive and grants Enbridge Gas's request for confidential treatment.

4. Capacity Utilized under Customer Contracts

Enbridge Gas requested confidential treatment of information relating to actual capacity utilized (GJ/d) under customer contracts on the peak summer day and peak winter day over the past five years in the following interrogatory response:

Table 5

Exhibit	Location
1.11-ED-77	Attachment 1

Enbridge Gas stated that the redactions are customer-specific information outside of the Storage and Transportation Access Rule reporting requirements which relate to contract parameters and not usage information and is presumptively considered to be confidential under the Practice Direction.

Findings

The OEB finds the redacted information in 1.11-ED-77, Attachment 1 is commercially sensitive and grants Enbridge Gas's request for confidential treatment.

5. Contractor Pricing and Profit Margin Calculations

Enbridge Gas requested confidential treatment of contractor pricing information and profit margin calculations in the following interrogatory responses:

Table 6

Exhibit	Location
1.12-FRPO-18	Attachments 1, 2
1.12-SEC-92	Attachment 1

Enbridge Gas stated that the redacted information at 1.12-FRPO-18 relates to specific contract pricing details and terms for the Sudbury Replacement project and includes information about the contractor's profit margin. Enbridge Gas stated that the redacted information at 1.12-SEC-92 relate to bids and specific contract/compensation request amounts from a contractor on the GTA Project.

Enbridge Gas argued that disclosing the information would make negotiations and contracting more difficult as contractors expect that pricing details, bids and negotiations will be held in confidence.

Enbridge Gas further stated that confidential treatment of the redactions at 1.12-SEC-92 was approved by the OEB when the Post-Construction Financial Report was originally filed.

Findings

The OEB finds that the redactions in 1.12-FRPO-18, Attachments 1 and 2, and 1.12-SEC-92, Attachment 1 relate to pricing information that is commercially sensitive and grants Enbridge Gas's requests for confidential treatment.

6. Values Used in Enbridge Gas's Enterprise Value Framework

Enbridge Gas requested confidential treatment of information that sets out the specific values used by Enbridge Gas (across multiple business units) in determining outputs from the risk matrix in the following interrogatory response:

Table 7

Exhibit	Location
2.6-CCC-49	Page 3

Enbridge Gas stated that it invested heavily to develop an industry leading approach for the application of its value framework which aims to support and improve Enbridge Gas's relative competitiveness in its various business units. Enbridge Gas added that sharing this information could prejudice the commercial position of the other business units who leverage the framework; and result in financial loss where other operators

leverage the information to improve cost effectiveness and out-compete Enbridge Gas in opportunities to provide services to customers.

Findings

The OEB finds the redacted information in 2.6-CCC-49, page 3 is commercially sensitive and grants Enbridge Gas's request for confidential treatment.

7. Specific Customer Names

Enbridge Gas requested confidential treatment of the names of specific customers in the following interrogatory response:

Table 8

Exhibit	Location
2.6-ED-100	Attachment 2

Enbridge Gas stated that customer names are treated as confidential under section 5 of the Gas Distribution Access Rule and under sections 1.6 and 2.3.17 of the Natural Gas Reporting and Record Keeping Requirements. Enbridge Gas further stated that this information is presumptively considered to be confidential under the Practice Direction.

Findings

The OEB grants Enbridge Gas's request for confidential treatment of the specific customer names in 2.6-ED-100, Attachment 2.

8. Financial Information of Enbridge Inc.

Enbridge Gas requested confidential treatment of disaggregated non-public financial information of Enbridge Inc. in the following interrogatory response:

Table 9

Exhibit	Location
4.4-VECC-56	Page 2, Table 2

The redacted information relates to annual costs for each Enbridge Inc. central function by year from 2018 to 2023 and is presumptively considered to be confidential. Enbridge Gas submitted that this is non-public financial information of an unregulated entity (Enbridge Inc.) that is a reporting issuer, and public disclosure of such financial information outside of prescribed financial reporting mechanisms may provide information not otherwise available; and further, disclosure could prejudice the competitive position and negotiations of Enbridge Inc. and its subsidiaries and business partners. Enbridge Gas added that the information is presumptively confidential under the Practice Direction.

Findings

The OEB finds that the redacted non-public financial information in 4.4-VECC-56, page 2, Table 2 is commercially sensitive and grants Enbridge Gas's request for confidential treatment.

9. Dataset from S&P Global Ratings

Enbridge Gas requested confidential treatment of data sets purchased by Concentric from S&P Global Ratings and included in the responses to the following interrogatory responses:

Table 10

Exhibit	Location
5.3-STAFF-218	Attachment 1
5.3-IGUA-61	Attachment 1

Enbridge Gas stated that Concentric has only received consent for the content to be filed confidentially and that the information is presumptively considered to be confidential under the Practice Direction.

Findings

The OEB finds that the redacted information in 5.3-STAFF-218, Attachment 1 and 5.3-IGUA-61, Attachment 1 is commercially sensitive and grants Enbridge Gas's request for confidential treatment.

Enbridge Gas Request for Confidentiality of Guidehouse Model

On March 22, 2023, Enbridge Gas filed a letter, on its own behalf and on behalf of Guidehouse. Attached to its letter was a detailed overview of the Low-Carbon Pathways model and inputs used for the Low-Carbon Pathways model from Guidehouse. On behalf of Guidehouse, Enbridge Gas requested confidential treatment of commercially sensitive information in the following documents attached to its letter:

- March 22, 2023 Enbridge Gas letter, Exhibit A, Guide, pages 14-17
- March 22, 2023 Enbridge Gas letter, Exhibit B, Model Inputs, pages 30-31

In the Guidehouse letter attached to Enbridge Gas's letter, Guidehouse stated that the specific model constraints in the guide and the existing generation capacity and planned capacity in the model inputs are commercial information that could prejudice its competitive position and result in significant loss to Guidehouse. Guidehouse also stated that the information is considered presumptively confidential.

No objections to this confidentiality request were filed.

On April 13, 2023, Enbridge Gas filed a letter stating that with the filing of its undertaking responses on April 6, 2023, it is no longer requesting confidential treatment of the redactions to the model inputs.

Findings

The OEB finds that the proposed redactions to the detailed overview of the Low-Carbon Pathways model in Exhibit A of Enbridge Gas's March 22 letter are commercially sensitive and grants Enbridge Gas's request on behalf of Guidehouse for confidential treatment.

Enbridge Gas Request for Confidentiality of Certain Undertaking Responses

On April 6, 2023 and April 12, 2023, Enbridge Gas filed responses to undertakings from the technical conference. Enbridge Gas requested confidential treatment for portions of its undertaking responses. Enbridge Gas's confidentiality requests are categorized by irrelevant information and confidential information.

Irrelevant Information

Enbridge Gas requested confidential treatment of certain irrelevant information related to the following undertaking responses:

Exhibit	Location
JT5.10	Attachments 1, 2
JT5.15	Attachment 1
JT7.23	Attachment 1

Table 11

Enbridge Gas stated that portions of the redacted information in JT5.10 and JT5.15 relate to other Enbridge Inc. business units that are not the subject of the application. Enbridge Gas stated that the irrelevant information in JT5.10 is also commercially sensitive or proprietary information about other Enbridge Inc. business units that if released, could impact Enbridge Inc.'s competitive position.

Enbridge Gas stated that the redacted information at JT7.23 relates to unregulated business activities that are not relevant to the determinations to be made in this proceeding. Enbridge Gas further stated that the redacted information at JT7.23 is also confidential as it relates to activities that may be undertaken in the competitive market.

Findings

The OEB finds that the redacted information in JT5.10, Attachment 1 and JT5.15, Attachment 1 related to other Enbridge Inc. business units is irrelevant. However, the OEB finds that the headings of the irrelevant information shall be unredacted in order to identify the category of information being redacted. Enbridge Gas shall file with the OEB a non-confidential version of JT5.10, Attachment 1 and JT5.15, Attachment 1 with the headings of the irrelevant information unredacted.

The OEB finds that the minor redaction on page 5 of JT5.10, Attachment 2 is not necessary on the basis of relevance, but will accept the redaction on the basis that the information is commercially sensitive.

The OEB finds that the redacted information in JT7.23, Attachment 1 is prima facie relevant and denies Enbridge Gas's request for redaction on the basis of relevance. However, the OEB finds that the redactions in JT7.23, Attachment 1 are commercially sensitive and grants Enbridge Gas's request for confidential treatment.

Confidential Information

Enbridge Gas requested confidential treatment of information in the following two undertaking responses.

Exhibit	Location
JT5.10	Attachments 1, 2
JT7.21	Page 2

Table 12

Enbridge Gas stated that the redacted information at Attachment 1 of JT5.10 includes detailed calculations that underpin the Enbridge Gas value framework and proprietary code developed to derive values in Copperleaf. Enbridge Gas stated that the redacted information at Attachment 2 of JT5.10 includes specific values, formulas and workbooks used in developing and implementing the Enbridge Gas risk matrix.

Enbridge Gas stated that sharing this redacted information could prejudice the commercial position of the business units that leverage the value framework and risk

matrix and operate in a competitive environment, and could result in significant financial loss.

Enbridge Gas stated that the redacted information at JT7.21 relates to Lakeside total units and unit pricing for 2019 to 2022. Enbridge Gas stated that this information is commercially sensitive to Lakeside and revealing this information would be prejudicial to Lakeside in any competitive bidding process or negotiation. Enbridge Gas also stated that disclosure of this information may disadvantage Enbridge Gas in any future competitive bidding process that Enbridge Gas undertakes for services that Lakeside provides.

No objections to these confidentiality requests were filed.

Findings

The OEB finds that the redacted information in JT5.10, Attachment 1 (other than the information found to be irrelevant above) and in JT5.10, Attachment 2 is commercially sensitive. The OEB grants Enbridge Gas's requests for confidential treatment of this information.

The OEB finds that the redacted information in JT7.21, page 2 is commercially sensitive and grants Enbridge Gas's request for confidential treatment of this information.

IGUA Request for Confidentiality of the Strategic Transition Model

On May 11, 2023, IGUA filed the evidence of Dr. Asa Hopkins of Synapse Energy Economics Inc., provided at Exhibit M8, addressing the topic of business risk in respect of capital structure. With this evidence, IGUA filed the strategic transition model, in live Excel format, that informs and is described in the evidence.

IGUA requested confidential treatment of the model on the basis that it is an underlying model of a consultant retained by a third party and therefore presumptively considered to be confidential. IGUA stated that the nature of the model and its use by Dr. Hopkins in development of his evidence and opinions in the evidence is not confidential and nor is the information contained in the model. IGUA stated that the model itself as structured is proprietary.

No objection to the confidentiality request was filed.

Findings

The OEB grants IGUA's request for confidential treatment of Dr. Hopkin's strategic transition model on the basis that it is proprietary and therefore commercially sensitive information.

<u>OEB Staff Request for Confidentiality of Certain Interrogatory Response on Non-Energy</u> <u>Transition Intervenor Evidence</u>

On May 15, 2023, OEB staff and intervenors filed responses to interrogatories on nonenergy transition related evidence. OEB staff redacted certain information on the basis of relevance in N.M1.EGI-1, Attachment 1.

OEB staff redacted certain information in the Statement of Work entered into by the OEB and InterGroup provided at Exhibit N.M1.EGI-1, Attachment 1. OEB staff stated that the redacted information relates to InterGroup's pricing under the contract and that this information is not relevant to the proceeding. OEB staff requested that in the alternative, if the OEB determined the information is relevant, it be treated as confidential as it relates to Intergroup's unit pricing and billing rates and is presumptively confidential under the Practice Direction.

Findings

The OEB grants OEB staff's request for redaction of the consultant pricing information on the basis that it is not relevant.

IGUA Request for Confidentiality of Certain Interrogatory Response on Non-Energy Transition Intervenor Evidence

On May 15, 2023, in its responses to interrogatories, IGUA redacted certain information on the basis of relevance at N.M5.EGI-29, Attachment 1.

IGUA redacted certain information in the retainer agreement between IGUA and Emrydia, provided at N.M5.EGI-29, Attachment 1. IGUA stated that the redacted information specifies the commercial parameters (i.e., hourly rate, payment timing and risk sharing arrangements) for the retainer and is not relevant to the interrogatory. IGUA also stated that the information is commercially sensitive, and that the pricing information is presumptively confidential under the Practice Direction.

Findings

The OEB grants IGUA's request for redaction of the consultant pricing information on the basis that it is not relevant.

Enbridge Gas Request for Confidentiality of Certain Information Filed following the Settlement Conference

On June 28, 2023, Enbridge Gas filed responses to supplementary requests for information that were made during the Settlement Conference process. Enbridge Gas requested confidential treatment of certain information at I.ADR.17, Attachment 1.

The attachment is a Benchmarking Study of an independent review of Enbridge Gas's Alliance Partner contracts and associated spend and to identify applicable industry best practices and recommendations for potential improvements. Enbridge Gas stated that the redacted information relates to highly commercially sensitive information regarding the Alliance Partnership contracts and proprietary and confidential information related to Wood Mackenzie. Enbridge Gas stated that sharing the redacted information could prejudice the commercial position of Enbridge Gas, the Alliance Partners, and/or Wood Mackenzie and could give other industry competitors an undue advantage in negotiations.

Enbridge Gas requested that the unredacted version of this confidential filing not be provided to the City of Kitchener even if a Declaration and Undertaking is signed and filed. Enbridge Gas stated that the City of Kitchener has contracted with the same Alliance Partners for construction services and could leverage the confidential information in future procurement negotiations with construction contractors.

No objection to the confidentiality request was filed and the City of Kitchener did not respond to Enbridge Gas's request to withhold the information from the City.

Findings

The OEB grants Enbridge Gas's request for confidential treatment on the basis that the information is commercially sensitive. The OEB also grants Enbridge Gas's request that the confidential information not be provided to any person working for or on behalf of the City of Kitchener regardless of whether they signed and filed the OEB's Declaration and Undertaking.

THE ONTARIO ENERGY BOARD ORDERS THAT:

 Subject to the limitations described in the findings, Enbridge Gas's requests for confidential treatment are granted. Enbridge Gas shall provide individuals that have signed and filed a Declaration and Undertaking with unredacted versions of the materials, with the following exceptions:(a) Enbridge Gas is not required to provide the confidential information in 1.2-CCC-3, Attachment 2 and 1.12-SEC-94, Attachment 1 to consultants retained by intervenors and OEB staff, regardless of whether they have signed and filed a Declaration and Undertaking; (b) Enbridge Gas is not required to provide the confidential information in I.ADR.17, Attachment 1 to the City of Kitchener or to any person working for or on behalf of the City, regardless of whether they have signed and filed a Declaration and Undertaking; and c) in accordance with the Practice Direction, Enbridge Gas is not required to provide unredacted versions of the information that has been found above to be irrelevant (namely, the redacted information in 2.6-SEC-110, Attachment 1, JT5.10, Attachment 1 and JT5.15, Attachment 1), to anyone, including individuals that have signed and filed a Declaration and Undertaking.

- Enbridge Gas's requests for confidential treatment of the redactions in 5.3-IGUA-29, Attachments 1 and 2, JT5.10, Attachment 2 and JT7.23, Attachment 1 on the basis of relevance is denied.
- 3. Enbridge Gas shall file revised non-confidential versions of 1.2-CCC-3, Attachment 2, 2.6-SEC-110, Attachment 1, JT5.10, Attachment 1, and JT5.15, Attachment 1, as described in the findings.
- 4. The Industrial Gas Users Association's request for confidential treatment of Dr. Hopkin's strategic transition model is granted. The Industrial Gas Users Association's shall provide individuals that have signed and filed a Declaration and Undertaking with unredacted version of the model.
- 5. OEB staff's request for the redactions in N.M1.EGI-1, Attachment 1 on the basis of relevance is granted. In accordance with the Practice Direction, OEB staff is not required to provide unredacted versions of this information to anyone, including individuals that have signed and filed a Declaration and Undertaking.
- 6. The Industrial Gas Users Association's request for the proposed redactions in N.M5.EGI-29, Attachment 1 on the basis of relevance is granted. In accordance with the Practice Direction, the Industrial Gas Users Association is not required to provide unredacted versions of this information to anyone, including individuals that have signed and filed a Declaration and Undertaking.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **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 <u>Rules of Practice and Procedure</u>.

Please quote file number, **EB-2022-0200** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the <u>OEB's online</u> filing portal.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the <u>Regulatory Electronic Submission System (RESS)</u> <u>Document Guidelines</u> found at the <u>File documents online page</u> on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet <u>set up an</u> <u>account</u>, or require assistance using the online filing portal can contact <u>registrar@oeb.ca</u> for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the <u>File</u> <u>documents online page</u> of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the <u>Practice Direction on Cost Awards</u>.

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Khalil Viraney at <u>Khalil.Viraney@oeb.ca</u> and OEB Counsel, Michael Millar at <u>Michael.Millar@oeb.ca</u> and Ian Richler at <u>Ian.Richler@oeb.ca</u>.

Email: registrar@oeb.ca Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, July 12, 2023 (Revised July 24, 2023)

ONTARIO ENERGY BOARD

Nancy Marconi Registrar