

August 16, 2023

Sent by EMAIL, RESS e-filing

Ms. Nancy Marconi Registrar Ontario Energy Board 27-2300 Yonge Street Toronto, ON M4P 1E4

Dear Registrar:

Re: EPCOR Natural Gas Limited Partnership ("EPCOR") - Brockton Expansion – Leave to Construct – Response to Intervenor Applications - EB-2022-0246

The Notice of Application, issued July 24, 2023 by the Ontario Energy Board (OEB), outlined that anyone wishing to be an intervenor must register to be an intervenor by August 14, 2023. EPCOR Natural Gas Limited Partnership (EPCOR) is confirming that it has reviewed intervention requests from Enbridge Gas Inc. ("Enbridge") and Environmental Defence ("ED"), both dated August 14, 2023.

EPCOR has no objections to the intervenor request filed by Enbridge. EPCOR does not object to ED request to participate as an intervenor but would like to comment at this time on their intention to file certain intervenor evidence. ED has stated the following regarding their proposed intervenor evidence:

Environmental Defence seeks to submit evidence relating to the risk that the revenue forecast will not materialize due to customers choosing to adopt alternatives to fossil methane gas heating over time, especially electric heat pumps. This will include evidence on the cost-effectiveness of electric heat pumps versus traditional gas equipment on an annual and lifetime basis. This evidence directly relates to the financial risks for customers under issue three of the generic issues list for leave to construct applications. The evidence also relates to potential conditions of approval under issue seven in that conditions may be warranted relating to appropriate communications to potential new customers on the cost-effectiveness of various heating options.

Environmental Defence will be in a better position to define the scope of evidence that it seeks to submit following the receipt of interrogatory responses. Those responses may help to reduce the scope of intervenor evidence that is required. We therefore propose to submit an estimate of the scope and cost within one week of receiving the interrogatory responses. In any event, we anticipate that the evidence can be developed quickly (i.e. in a few weeks) and for a very modest cost (i.e. between \$0 and \$10,000).

ED's proposal appears to be consistent with four similar Enbridge community expansion projects which like the Brockton Project were also selected to be eligible to receive funding assistance as part of the Government of Ontario's Natural Gas Expansion Program ("NGEP"):

- Selwyn Community Expansion Project, EB-2022-0156
- Mohawks of the Bay of Quinte Community Expansion Project, EB-2022-0248
- Hidden Valley Community Expansion Project, EB-2022-0249
- Bobcaygeon Community Expansion Project, EB-2022-0111

On April 17, 2023, the OEB denied ED's evidence proposal within the three similar NGEP-funded community expansion proceedings¹ and Enbridge Gas has included a similar request in the Bobcaygeon Project, currently under consideration².

EPCOR notes that in denying ED's evidence proposal, the OEB's April 17, 2023 letter stated that Enbridge's projects are the subject of the NGEP which was created through the *Access to Natural Gas Act*, 2018, to provide funding for projects to connect previously unserved communities to natural gas service that would otherwise be uneconomic. The OEB also questioned whether ED's proposed evidence which consisted of cost-effectiveness analysis would be sufficient to assess choice between electric heat pumps and natural gas furnaces, where matters such as potential consumer uptake of energy solutions require the canvassing and support of the community. For the same reasons, ED's evidence proposal should be denied by the OEB in this proceeding.

EPCOR submits that it is also questionable whether ED's evidence proposal is relevant to this Brockton LTC application and whether associated costs should be borne by the utility in light of the prior ruling of the OEB, referenced directly above.

Sincerely,

Tim Hesselink, CPA
Senior Manager, Regulatory Affairs
EPCOR Natural Gas Limited Partnership
(705) 445-1800 ext. 2274
THesselink@epcor.com

¹ EB-2022-0156/EB-2022-0248/EB-2022-0249 - Decision on Intervenor Evidence and Confidentiality, April 17, 2023

² EB-2022-0111 - Response to Requests for Intervenor Status, August 8, 2023