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September 11, 2023

Ms. Nancy Marconi
Registrar
Ontario Energy Board
P.O. Box 2319
26th Floor
2300 Yonge Street
Toronto, ON
M4P 1E4

DELIVERED BY EMAIL

Dear Ms. Marconi,

RE: EB-2022-0157-Leave to Construct Application- Panhandle Regional Expansion Project- Enbridge Gas Inc.

Please find enclosed the supplemental interrogatories filed on behalf of the Ontario Greenhouse Vegetable Growers in the above noted proceeding.

If any further information is required, please do not hesitate to contact the undersigned.

Yours very truly,



Michael R. Buonaguro
Encl.

EB-2022-0157

Leave to Construct Application- Panhandle Regional Expansion Project-Enbridge Gas Inc.

OGVG INTERROGATORIES

September 1, 2022

OGVG-4

Ref: EB-2022-0157 Exhibit E Tab 1 Schedule 2 Page 1 of 1
EB-2022-0157 Exhibit E Tab 1 Schedule 3 Page 1 of 1
EB-2022-0157 Exhibit E Tab 1 Schedule 4 Page 1 of 1
Exhibit E Tab 1 Schedule 5

Preamble: EGI provides an estimate of the costs for the proposed Panhandle Regional Expansion Project (the “Project”) and the transmission related revenue stream in relation to the new capacity provided by the proposed Project to provide a stage 1 discounted cash flow analysis for the Project. OGVG is interested in whether, as a part of the stage 2 and/or 3 analyses of the impacts of the project, there is a net benefit of the Project from any net incremental storage and transmission revenue resulting from the Project.

- a) Please provide, on a best-efforts basis, the incremental storage related costs, if any, made necessary because of the new load associated with the new capacity created by the proposed Project.
- b) Please provide, on a best-efforts basis, the incremental distribution related costs made necessary because of the need to connect the new load associated with the new capacity created by the Project.
- c) Please provide a calculation of the incremental storage revenue associated with the new capacity created by the Project in the same format as the transmission revenue calculated in Exhibit E Tab 1 Schedule 4 Page 1 of 1.
- d) Please provide a calculation of the incremental distribution revenue associated with the new capacity created by the Project in the same format at the transmission revenue calculated in Exhibit E Tab 1 Schedule 4 Page 1 of 1.
- e) Please provide a discounted cash flow analysis for the Project in the format provided in Exhibit E Tab 1 Schedule 5 that includes the storage and distribution related costs and revenues provided in answers a) to d). In providing the analysis please:
 - i) provide the contract customer revenue and general service revenue on separate lines, and
 - ii) provide the analysis in excel format.

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Ref: EB-2022-0157 Exhibit E Tab 1 Schedule 7 Pages 5 to 7.

Preamble: EGI provides an analysis showing that the net present value of the economic benefits associated with the \$289.2M capital spending associated with the Project is \$257M and 1,093 jobs created.

EGI provides evidence that similar economic benefits will be created as a result of the approximately \$4.5 Billion in capital spending that will be enabled as a result of the Project, including the creation of approximately 6,900 jobs, but does not attempt to quantify the present value of the benefit.

- a) Please comment on the magnitude of the economic benefits to Ontario that are likely to be realized because of the \$4.5 Billion in capital spending expected to be enabled by the Project, relative to the \$257M in forecast economic benefits associated with the relatively smaller Project cost of \$289.2M. For example, does EGI believe it is reasonable to expect that the economic benefits of the \$4.5 Billion in capital spending enabled by the Project will be at least equal to if not exceed the \$257M in economic benefits resulting from the Project spending?
- b) Please confirm that it is EGI's evidence that, in the absence of the Project, the projected capital spending of \$4.5 Billion and forecast creation of 6,900 jobs will not occur.
- c) To what extent does EGI believe that the 25% of customers that did not provide relevant information in response to the updated 2023 EOI nevertheless represent demand for new capacity.

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Ref: EB-2022-0157 Exhibit B Tab 1 Schedule 1 Page 10 of 22
EB-2022-0157 Exhibit B Tab 1 Schedule 1 Page 13 of 22

Preamble: The contract rate (Rate M/BT4, Rate M/BT5, Rate M/BT7, Rate T-1 and Rate T-2) demand represents approximately 56% of firm demand served by the Panhandle System as of Winter 2022/2023.

It appears to OGVG that EGI's forecast for the winter 2030/31 season shows that by 2031 contract rate customers will represent 65% of the firm demand served by the Panhandle System.

- a) To what extent does EGI believe that, assuming the Project is approved, the demand for capacity on the Panhandle System by contract customers will continue to grow such that in 2031 and beyond EGI will have to build further incremental capacity?