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BY EMAIL

September 14, 2023

Ms. Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Registrar@oeb.ca

Dear Ms. Marconi:

**Re: OEB Staff Submission on Proposed Issues List
Enbridge Gas Inc. (Enbridge Gas)
Integrated Resource Planning (IRP) Pilot Projects Application
OEB File Number: EB-2022-0335**

Please find attached OEB staff's submission on a proposed issues list in the above referenced proceeding, pursuant to Procedural Order No. 1.

Yours truly,

Stephanie Cheng
Application Policy & Conservation

Encl.

cc: All parties in EB-2022-0335



ONTARIO ENERGY BOARD

OEB Staff Submission on Proposed Issues List

Enbridge Gas Inc.

IRP Pilot Projects Application

EB-2022-0335

September 14, 2023

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Introduction and Summary

In 2021, the Ontario Energy Board (OEB) established a first-generation Integrated Resource Planning (IRP) Framework to provide direction on the OEB’s requirements as Enbridge Gas considers IRP to meet its system needs.¹ Section 12 of the IRP Framework states that “*Enbridge Gas is expected to develop and implement two IRP Pilot Projects. The pilots are expected to be an effective approach to understand and evaluate how IRP can be implemented to avoid, delay, or reduce facility projects.*”²

In response, Enbridge Gas has designed IRP Pilot Projects to implement a mix of demand-side and supply-side IRP Alternatives (“IRPAs”) in the communities of Parry Sound (Parry Sound Pilot Project) and the City of Sarnia and Town of Plympton-Wyoming (Southern Lake Huron Pilot Project). The Pilot Projects are intended to provide learnings regarding future IRPA design, performance, and potential for scalability. Moreover, Enbridge Gas expects that the Pilot Projects will defer the need for additional pipelines and/or traditional facility infrastructure which would otherwise be necessary to address system constraints in the two communities.

In this application, filed on July 19, 2023, Enbridge Gas seeks OEB approval of (i) the cost consequences for the Parry Sound Pilot Project and the Southern Lake Huron Pilot Project and (ii) the proposed accounting treatment to record costs of these Pilot Projects in the IRP costs deferral accounts for later disposition and recovery.

On August 8, 2023, the OEB issued a Notice of Hearing for this application.

On September 7, 2023, the OEB issued Procedural Order No. 1 that, among other things, provided parties the opportunity to file submissions on the proposed issues list for this proceeding.

Below, OEB staff sets out a proposed issue list for consideration by the OEB and all parties.

Proposed Issues List

Issue 1.0: Project Need

1.1: Will the Pilot Projects assist in understanding and evaluating how IRP can be implemented to avoid, delay or reduce facility projects?

1.2 Are objectives developed for each Pilot Project appropriate?

Issue 2.0: Project Alternatives

2.1: Is Enbridge Gas’s IRP pilot project selection process, selection criteria, and

¹ EB-2020-0091, Decision and Order, July 21, 2021 (“IRP Framework Decision”).

² IRP Framework Decision, Appendix A, p. 24.

decisions to select the Parry Sound and Southern Lake Huron communities appropriate?

2.2: Will the Pilot Projects selected give Enbridge Gas the ability to apply learnings to future IRPA design, performance and have the potential for scalability?

Issue 3.0: Proposed Project

3.1: For each Pilot Project, has Enbridge Gas appropriately described the identified system need in the Asset Management Plan, and the baseline facility alternative?

3.2: Has Enbridge Gas appropriately described how each Pilot Project meets the IRP Framework Guiding Principles?³

3.3: Are Enbridge Gas's proposed demand-side and supply-side IRPAs for each Pilot Project appropriate?

3.4: Is Enbridge Gas's proposed spending appropriately allocated between the IRPAs (e.g., efficiency programs vs. electrification measures vs. advanced technologies) for each Pilot Project?

3.5: Are Enbridge Gas's proposed program designs for IRPAs (e.g., measures included, sectors targeted, incentive levels, marketing and outreach strategy, attribution approach between DSM and IRP) appropriate for each Pilot Project?

3.6: Are Enbridge Gas's proposed evaluation, measurement, and verification objectives and methodologies appropriate for each Pilot Project? Do they enable Enbridge Gas to determine the effectiveness of IRPAs and to report on the results of the IRP pilot projects?

3.7: Is the timeframe for each Pilot Project appropriate?

Issue 4.0: Project Cost and Economics

4.1: Is Enbridge Gas's proposed budget for each Pilot Project appropriate?

4.2: Is Enbridge Gas's economic analysis for each Pilot Project appropriate?

4.3: Is Enbridge Gas's proposed approach to cost allocation and cost recovery appropriate and consistent with the intended use of the two OEB approved IRP Operating Cost and Capital Cost Deferral Accounts?

Issue 5.0: Stakeholdering

5.1: Has Enbridge Gas appropriately engaged with stakeholders on each Pilot Project?

³ EB-2020-0091, IRP Framework Decision, Appendix A, p. 5.

Issue 6.0: Other

6.1: Are there appropriate milestones/ checkpoints/ metrics in place to ensure Enbridge Gas is monitoring and adjusting the design of a Pilot Project on a timely basis to optimize project performance and achieve the intended project outcomes?