

Elson Advocacy

September 22, 2023

BY RESS

Nancy Marconi

Registrar

Ontario Energy Board

2300 Yonge Street, Suite 2700, P.O. Box 2319

Toronto, Ontario M4P 1E4

Dear Ms. Marconi:

Re: EB-2022-0111 – Enbridge Gas Inc. – Bobcaygeon Pipeline Project

I am writing on behalf of Environmental Defence pursuant to *Procedural Order #1* to request that a technical conference be held in this matter. A number of the interrogatory responses raise important additional questions that impact the project economics and the financial risks for ratepayers. We have provided some examples of the topic areas we would like to address below:

- Details relating to the responses to Enbridge's survey (I.ED.9);
- The basis for the estimate of costs to convert to gas as communicated to customers in Enbridge's survey (I.ED.12);
- The basis for excluding the costs of mains that will be required for new developments that form part of the connection/revenue forecast while still including the full forecast revenue associated from those incremental customers in the DCF calculations (I.ED.22);
- The basis for excluding normalized reinforcement costs in the calculation of the profitability index and in the DCF tables despite EBO 188 requiring that they be included (I.ED.22);¹
- The basis for the average use assumptions underlying the revenue forecast, including the apparent assumption that customers will have higher consumption than Enbridge's average and the assumption that newly constructed homes will be no more efficient than the existing stock (and therefore have the same consumption as the current average) (I.ED.27);
- How Enbridge will track and report on variances in average use, and potential revenue shortfalls arising therefrom over time, and who will bear those risks as between the shareholder and ratepayer in light of the average use variance account (I.ED.27);

¹ EBO 188, Schedule B, s. 2.1.

- The details and appropriateness of Enbridge's analysis of the potential for heat pumps to impact the number of customers attaching to the system and the number that leave before the end of the revenue horizon (I.ED.28);
- Clarifications regarding questions that Enbridge appears to have misinterpreted (I.ED.36 & I.ED.1); and
- The justification for Enbridge's contention that natural gas is the most affordable heating fuel in Ontario and the appropriateness of communicating that conclusion to municipalities and customers (I.ED.1 & I.ED.3).

We believe that evidence coming out of a technical conference, including on the above topics, would assist the OEB in considering this application and in fulfilling its mandate to protect the interest of ratepayers.

Yours truly,



Kent Elson

cc: Parties in the above proceeding