

Ms. Nancy Marconi
Registrar
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

January 9, 2024

EB-2023-0261 Neustadt Community Expansion Project Leave to Construct
Pollution Probe Letter regarding Technical Conference and ED Evidence Proposal

Dear Ms. Marconi:

The OEB requested comments from stakeholders on the next steps for the above-noted proceeding. Pollution Probe is also in receipt of the letters from Environmental Defence (ED) and Enbridge and the OEB pertaining to ED's request to file evidence in this proceeding. Below are Pollution Probe's comments related to both topics.

In Pollution Probe's view it is appropriate and prudent for the OEB to consider all relevant and current information at this point of the proceeding when determining the next procedural steps. Consistent with previous practice for this type of proceeding, the OEB specifically solicited stakeholder input following the Interrogatory phase and as enabled through Procedural Order No. 1.

Technical Conference

The proposed Project includes both a system expansion pipeline and a system reinforcement pipeline, each carrying significant ratepayer risk. Significant new information was provided through Enbridge's responses to Interrogatories and also following the filing of the additional information the OEB released the Phase 1 Decision (EB-2022-0200) for the Enbridge Rebasing proceeding. The OEB's Decision reiterated challenges related to several issues relevant to this project. For example, the lack of objective energy option information and modern alternatives to prospective natural gas customers in the existing communications, public open house and attachment survey.

As outlined below, some of these information gaps (e.g. survey) could be bridged through proceeding with the ED evidence proposal, plus use of a short Technical Conference and/or Oral Hearing component. Pollution Probe supports the combination of these tools which would provide the best available objective and credible information to the OEB, reduce project risks and ensure an open, credible and transparent process.

Environmental Defence Evidence Proposal

ED's evidence proposal relates directly to issues in scope for this proceeding such as project economics, attachment forecast and alternatives. In Pollution Probe's view there is insufficient information in the application to objectively indicate to the OEB what the likely energy and equipment choices will be made by consumers and businesses in this community. These concerns were recently reiterated by the OEB in its EB-2022-0200 Phase 1 Decision.

Over-estimation of the natural gas penetration estimate in comparison to relevant modern consumer choices would provide an inaccurate analysis for purposes of the required OEB EBO 188 assessment and would result in increased rate payer risks related to project economics and stranded assets. The most prudent time to consider best available information is during the Leave to Construct proceeding, since after a project is commissioned, it is not possible to turn back the clock on capital expenditures. Enbridge recently indicated that it does not believe that is Enbridge's role (as the monopoly gas utility) to consider non-gas options¹, but Ontario consumers certainly do.

Pollution Probe requests that the OEB allow ED to commission and file the evidence it has proposed, which would help mitigate information gaps and related risks in this proceeding. The choices of consumers is not retrospective, but prospective based on current, objective and unbiased information related to current energy alternatives. An objective survey based on that information is an essential element to validate real demand for the proposed project.

Respectfully submitted on behalf of Pollution Probe.



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¹ EB-2022-0249 EGI ReplyARG_HV-MBQ-Selwyn_20230823 Paragraph 31.