

Ms. Nancy Marconi
Registrar
Ontario Energy Board
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Toronto, ON M4P 1E4

March 14, 2024

EB-2023-0343 East Gwillimbury Community Expansion Project Leave to Construct
Pollution Probe Letter regarding ED Evidence Proposal

Dear Ms. Marconi:

The OEB requested comments from stakeholders on the evidence proposal by Environmental Defence (ED). Below are Pollution Probe's comments.

One of the strengths of the OEB process is to ensure that there is sufficient relevant and objective information available on the public record to support consideration and analysis of the issues for each proceeding. In Pollution Probe's view it is appropriate, prudent and in the public interest for the OEB to encourage and consider the relevant, objective and current information needed to objectively inform OEB Decisions.

The OEB is aware that effort has been and continues to be required by the OEB and stakeholders to bring forward information/evidence that is current, relevant and objective in recent Enbridge proceedings. The provision of stakeholder evidence and expert testimony provides a more accurate evidentiary record, particularly in cases where Enbridge evidence is inaccurate, incomplete or overly biased in favour of natural gas and related capital infrastructure. Issues have included information/evidence related to consumer education (e.g. provided during consultation and expansion surveys) and correct information on modern technologies in lieu of natural gas or the related incremental capital expenditures. Recent examples include natural gas biased consumer information provided during community expansion surveys and technical information on modern consumer technology options/costs such as heat pumps.

For example, Enbridge recently testified to the OEB that a cold climate air-source heat pump (ccASHP) would not operate below -15 degrees Celsius¹ as a suggestion to the OEB that a heat pump was not a modern alternative to a conventional natural gas furnace. It should be surprising and concerning when one of the largest rate payer funded utilities can't be relied on to provide accurate, factually correct information on modern energy options. Readily available industry information² validates that a ccASHP operates at or below -30 degrees Celsius (at above 100% efficiency) and it is hopefully common understanding that a ccASHP can easily be installed instead of a natural gas furnace for typical heating

¹ Final Transcript EB-2022-0200 Enbridge Gas Rebasing Vol 11, Page 74 lines 16-28.

² Including evidence and expert testimony in EB-2022-0200 and additional materials made available to the OEB such as NRCan and/or CanmetENERGY documents.

application (plus the added benefit of efficient and cost-effective cooling in the summer). Limited, biased costs information was also filed by Enbridge in recent proceedings which over-estimated costs and under-estimate annual benefits of a ccASHP compared to a traditional natural gas furnace. Ontario consumers count on Enbridge to provide factually correct and objective information and it is not in the public interest when incorrect, misleading or biased information is provided.

It is particularly interesting that one of Enbridge's principle concerns related to other parties filing evidence is that Enbridge believes it will be biased. The OEB clearly has the ability to consider Enbridge and any other stakeholder evidence based on the facts provided and typically considers any biases that appear behind the evidence filed. Denying parties the same opportunity Enbridge has to file relevant evidence, undermines the objectivity built into the process and skews the information on the public record.

Enbridge spends considerable sums of ratepayer funds on advertising the benefits of natural gas and alignment with a Net Zero Energy Transition³. Enbridge has suggested that it is not the role of the monopoly gas utility to provide information to Ontario consumers related to any option other than natural gas. However, Enbridge does actually provide consumer information related to non-gas options, but only selectively when those limited options suggest that natural gas is the optimal solution. Recently, Enbridge added rows to their comparison tables for heat pumps but has failed to provide the information in comparison to a natural gas furnace option.

Assessment of these issues has been flagged as a general issue for consideration in Phase 2 of EB-2022-0200 and also may be included if the OEB convenes a generic proceeding on updates to certain EBO 188 assumptions in the future. Proceeding now on selective information in a biased manner may appear convenient in the short term, but this ignores the relevant factual information that consumers will eventually encounter when they start exploring real modern options. Creating an economic analysis (i.e. PI calculation) based on false or biased information will not actually improve the real economics of this project. It will only result in further declines below 1.0 in the portfolio PI as has been witnessed by the OEB in recent years.

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.

Over-estimation of the natural gas penetration estimate in comparison to relevant modern consumer choices will provide an inaccurate analysis for purposes of the project assessment and would result in increased ratepayer 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.

³ In addition to advertising, survey material and other promotion of natural gas over other options, Enbridge invested over \$600,000 of ratepayer funds into a Net Zero natural gas study that compared natural gas to other options (reference: EB-2022-0200 Exhibit I.1.2-CCC-3 Attachment 1)

Enbridge recently indicated that it does not believe that is Enbridge's role (as the monopoly gas utility) to consider non-gas options⁴, but Ontario consumers certainly do. Energy policy in Ontario is moving away from the old siloes of information toward fuel-agnostic, integrated solutions for Ontario consumers. Leaving Enbridge behind as Ontario progresses based on objective, modern information and options is not an option.

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 and economic impacts for the proposed project.

Respectfully submitted on behalf of Pollution Probe.



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⁴ E.g. EB-2022-0249 EGI ReplyARG_HV-MBQ-Selwyn_20230823 Paragraph 31.