

ISSUE 2: PROJECT ALTERNATIVES**REF:** Exhibit A, Tab 2, Schedule 1, Attachment 1

Exhibit B, Tab 1, Schedule 1, Pages 1-2 and 7, Table 2

AND EB-2022-0081 Natural Gas Facilities Handbook, p. 32-33

Preamble: We would like to understand the assessment of the project need and alternatives considered in this application. The referenced pages of the Natural Gas Facilities Handbook provide the Board's expectation for information to be filed in respect of Project Need and Alternatives. The content of the application does not provide the reader with the necessary understanding to determine the appropriateness of the sizing proposed in this application. In the above references, the number of customers, their forecasted load and location are not provided in conjunction with the existing and proposed assets to provide sufficient system pressure to feed the forecasted customers. Without this information, no one, including the Board can determine if the proposed facilities are appropriate.

We are particularly interested in proposed assets in the area bounded by Woodbine Ave., Ravenshoe Rd., York Durham Line and Mount Albert Rd. In order to have the critical data and information for this assessment, we request the following information:

- 1) Please provide a high-pressure main map that includes:
 - a) all high-pressure pipelines (greater than 440kPa) in the map area shown in the East Gwillimbury Community Expansion Project ("EGCEP") in the referenced Attachment 1
 - b) the size of the high-pressure pipes
 - c) the maximum and minimum operating pressure of the pipelines in the system
- 2) For the high-pressure system(s) shown in these maps that are proposed to provide service to proposed piping, please provide:
 - a) The results of the winter peak simulation for the high-pressure system for the winter of 2023/24 providing:
 - i) the set pressure and design hour flow at the outlet of the station(s) feeding the system(s)
 - ii) the pressure at the low point of the system(s)

- 3) Please provide a map of the proposed stations and pipelines to be added to the pipeline systems ensuring that those the following information for these assets.
- a) Pipelines are identified by:
 - i) Size
 - ii) Material
 - iii) Maximum operating pressure
 - b) Stations are identified by:
 - i) Minimum design inlet
 - ii) Station design capacity with an outlet pressure of 440kPa
- 4) For each respective segment of pipe proposed, please provide:
- a) the forecasted customers by customer type as defined in Table 2
 - b) the forecasted design day hourly load by customer type at the end of the 10-year forecast
 - c) the outlet pressure at low point of on the pipeline at the end of the 10-year forecast
 - d) the remaining capacity at that location using a minimum pressure of 210 kPa at the end of the 10-year forecast

ISSUE 3 PROJECT COST AND ECONOMICS

REF: Exhibit E, Tab 1, Schedule 1 including Table 1

Preamble: From Table 1, we calculate that the estimate for Outside Services accounts for approximately 28% of the pre-contingency total estimate for the project. However, we cannot find any additional information as to the nature of these outside services, their necessity and how EGI would exert cost control over these services. We would like to understand this category.

- 5) Please describe these services and provide a breakdown of the individual components of the services.
- a) Please provide a cost estimate for these services at the component level and identify the source of the estimate.
 - i) In the cost estimate of this breakdown, please note if contingency is added to any individual components or in aggregate of the sub-total of outside services.

- 6) For each project applied for in this Phase 2 of the Ontario Regulation 24/19 new community expansion projects (e.g. Selwyn, Bobcaygeon, etc.), please provide in a tabular format:
- a) The amount estimated for Outside Services in the application
 - i) As a dollar amount
 - ii) As a percentage of the pre-contingency total estimate
 - b) The amount currently estimated
 - c) For each of the projects, please provide and describe if there are any additional types of Outside Service components than were identified in answer to question 5
- 7) For each project applied for in this Phase 2 of the new community expansion projects (e.g. Selwyn, Bobcaygeon, etc.) including East Gwillimbury, please provide in a tabular format:
- a) The percentage contribution of the revenue from customer gas charges to the overall cost of the project
 - b) The percentage contribution of the System Expansion Surcharge (SES) to the overall cost of the project
 - c) The percentage contribution of Ontario regulation 24/19 funding to the overall cost of the project

Preamble: A technique to understand the level of risk in outcomes for forecasting is sensitivity analysis. While there is no specific evidence as to the range of error associated with forecast vs. actual customer attachments over a 10 year period, a common practice is to use a standard percentage, such as 20%, to estimate the impact of change in forecast on outcomes. To inform the Board appropriately on the recovery risks at the end of the Rate Stability Period ("RSP"), we would like to understand the risk at a 20% range of variance.

- 8) Please provide the PI and resulting NPV of the net streams if:
- a) The actual number of attachments for all classes of customers is increased by 20% in every year
 - b) The actual number of attachments for all classes of customers is decreased by 20% in every year