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June 16, 2024

VIA E-MAIL

Ms. Nancy Marconi
Registrar (registrar@oeb.ca)
Ontario Energy Board
Toronto, ON

Dear Ms. Marconi:

Re: Consultation to Review 2024 Annual Update to Five-Year Natural Gas Supply Plan of Enbridge Gas Inc. (EGI)
Ontario Energy Board File No. EB-2024-0067

In accordance with the Ontario Energy Board (OEB) letter dated April 22, 2024, these are VECC's questions pertaining to the above-noted matter. We apologize for the delay in filing.

Yours truly,

Mark Garner
Consultants for VECC/PIAC

VECC-1

Reference: Plan pg. 16

"It is expected that Vector will hold an open season in Q1 2024 to solicit interest from shippers for both projects."

a) Did EGI bid into this open season and if so, what were the results?

VECC-2

Reference: Plan pg. 19

“Panhandle has filed an appeal with the United States Court of Appeals for the District of Columbia for a review of the Compliance Order and the refund that Panhandle was directed to pay to its customers. Enbridge Gas will continue to monitor Panhandle’s appeal process and any revisions to the reimbursement will be reflected in the next applicable QRAM.”

- a) What is EGI’s potential liability associated with this appeal?

VECC-3

Reference: Plan pg. 20

“The demand forecast underpinning this Annual Update includes the federal carbon charge in the price-related demand driver variables used in its regression analysis. Enbridge Gas assumes \$65 per tCO₂e in 2023, escalating at a rate of \$15/tCO₂e per year until reaching \$170/tCO₂e in 2030.”

- a) What is the impact on a m³ of natural gas (general service classes) for a change of \$15/tCO₂e?

VECC-4

Reference: Plan pg. 25, Table 3

Table 3
Design Day Demand Forecast

<u>Line No.</u>	<u>Rate Zone (TJ/d)</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>
		(a)	(b)	(c)	(d)	(e)
1	EGD	4,101	4,118	4,135	4,153	4,170
2	Union North West	138	140	141	141	142
3	Union North East	460	453	456	457	461
4	Union South	3,396	3,460	3,515	3,652	3,674

- a) What are the drivers to the relatively larger increase in design day requirements in Union South as compared to the other rate zones?

VECC-5

Reference: Plan pg. 27, Table 5

Table 5
Sources of Supply

Line No.	Particulars (TJ)	2023/24 (a)	2024/25 (b)	2025/26 (c)	2026/27 (d)	2027/28 (e)
	<u>EGD</u>					
1	Appalachia	43,087	42,970	42,970	42,970	43,087
2	Chicago	33,021	32,931	32,931	32,931	33,021
3	Niagara Region	73,471	73,270	73,270	73,270	73,471
4	Dawn	81,303	82,986	83,521	83,793	83,637
5	Peaking/Seasonal	77	76	93	111	128
6	WCSB	97,062	96,799	96,813	97,115	97,099
7	Total EGD	328,021	329,031	329,597	330,189	330,444
	<u>Union North West</u>					
7	WCSB	16,301	15,651	13,439	16,730	14,378
	<u>Union North East</u>					
8	Appalachia	19,308	19,255	19,255	19,255	19,308
9	Dawn	6,309	7,505	9,920	6,550	9,045
10	WCSB	2,708	2,700	2,700	2,700	2,708
11	Total North East	28,325	29,460	31,875	28,506	31,061
	<u>Union South</u>					
12	Appalachia	38,615	38,510	38,510	38,510	38,615
13	Chicago	38,615	38,509	38,509	38,509	38,615
14	Niagara Region	7,723	7,702	7,702	7,702	7,723
15	Dawn ⁽¹⁾	39,044	38,437	38,401	38,027	37,664
16	U.S. Mid-Continent	22,011	21,950	21,950	21,950	22,011
17	WCSB	8,821	8,797	8,797	8,797	8,821
18	Total South	154,828	153,905	153,870	153,495	153,448
19	Total Supply Forecast	527,476	528,048	528,781	528,920	529,330

- a) The source of supply for most areas follows a recognizable trend or pattern. We have highlighted three unusual phenomena where supplies increase (decrease) and then decrease (increase) in an irregular pattern (i.e., in the Union North West and Union North East Dawn supplies). What accounts for this irregularity in the model's outputs?

VECC-6

Reference: Plan pgs. 50-

- a) The Enbridge CDA/EDA would appear to have similar transportation and supply alternatives as the Union NDA/EDA. For the purpose of gas supply planning what are the differences in available resources for these two areas? Please explain (in a general waul) the gas supply planning differences for these Union and Enbridge supply areas.

VECC-7

Reference: Plan pg. 53

"The Union North rate zone demand and supply balance which identifies Enbridge Gas's design day position is outlined in Table 13. It should be noted that the table includes increased peak-day reliance on LNG in the Union NDA, which allows Enbridge Gas to shift STS withdrawals to manage peak day requirements in the Union NCDA."

- a) Is the LNG facility referred to in this reference the Hagar LNG Liquefaction and Storage Facility? If yes, is this a regulated or non-regulated asset?

VECC-8

Reference: Plan pg. 65

"As Table 23 shows, the annual demand for the EGD rate zone is expected to increase by roughly 2,891 TJ over the five years, or roughly 10 TJ/d of average day demand and the Union rate zones is expected to decrease by 1,701 TJ over the five years or roughly 3 TJ/d. As a result, Enbridge Gas is not currently seeking to increase gas supply assets to serve annual demand changes and will rely upon increased purchases at Dawn to meet this growth."

- a) What are the main drivers for the decreasing trend in the Union rate zones? In which Union rate zones and among which rate classes are these declining trends most prevalent?

VECC-9

Reference: Plan pg. 79, Table 31.

Table 31
Actual vs. Planned Unutilized Capacity

Line No.	Particulars (PJ)	2020/21			2021/22			2022/23		
		Actual	Plan	Variance	Actual	Plan	Variance	Actual ¹	Plan	Variance
1	EGD	-	-	-	-	-	-	-	-	-
2	North West	6.0	9.7	(3.8)	6.0	13.6	(7.7)	4.0	13.9	(6.4)
3	North East	3.0	5.9	(3.0)	1.9	1.8	0.1	4.7	2.4	(3.6)
4	South	19.6	-	19.6	9.5	-	9.5	18.6	-	18.6
5	Total unutilized capacity	28.5	15.6	13.0	17.4	15.5	1.9	27.3	16.3	8.5

- a) Both EGD and Union South planned for no unutilized capacity. EGD zones were able to actualize that plan whereas the South experienced significant actual unutilized capacity. What were the reasons for this difference in performance?

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