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June 17, 2024

EB-2024-0111 Enbridge Rebasing Application – Phase 2
Pollution Probe Interrogatories to Applicant

Dear Ms. Marconi:

In accordance with OEB direction, please find attached Pollution Probe's Interrogatories to the Applicant for the above noted proceeding. Appendix A has been filed in parallel.

Pollution Probe is providing its Interrogatories early in an attempt to be helpful to Enbridge and all parties. Pollution Probe has excluded questions it understands will be included by other parties, including certain questions deferred by Enbridge from Phase 1 to Phase 2.

Respectfully submitted on behalf of Pollution Probe.

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EB-2024-0111

ONTARIO ENERGY BOARD

Enbridge Gas Inc.
Rebasing Phase 2

POLLUTION PROBE INTERROGATORIES

June 17, 2024

Submitted by: **Michael Brophy**

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Consultant for Pollution Probe

1.1-PP-1

Reference: The OEB has approved interim 2024 rates that reflect the impacts of all determinations in Phase 1. The impact of the approvals requested in Phase 2 is that the revenue requirement and revenue deficiency would increase by $17.8 million. As shown in Table 1, this is primarily driven by the inclusion of the Dawn to Corunna Project in rate base, with modest impacts also seen from the implementation of the updated storage cost allocation methodology. [Phase 2 E1/T3/S1, Page 5]

a) Enbridge indicates that the revenue requirement and revenue deficiency would increase by $17.8 million based on Phase 2 Issues and Application. Please confirm if this is a 2025 impact only or related to the rate impacts over the 2025-2028 period.

b) The Phase 2 proceeding includes other issues beyond those noted above which would impact revenue requirement and revenue deficiency, e.g. Price Cap Incentive Rate-Setting Mechanism, Incremental Capital Module, proposed changes to the RNG program, etc. Please update table 1 to include all the items in the Phase 2 proceeding that will impact revenue requirement and revenue deficiency. For each item, please indicate the revenue requirement and revenue deficiency for each year of the term (i.e. 2025-2028). For items where the values are unknown at this time, please use a question mark to indicate.

1.1-PP-2

Enbridge has Filed a Motion to Review the Phase 1 Rebasing Decision [EB-2024-0078] and filed a Divisional Court Appeal related to the Phase 1 OEB Decision.

a) Please summarize the current state of both those actions and when Enbridge expects a decision for both.

b) What incremental impact would there be on the 2025-2028 revenue requirement and revenue deficiency if Enbridge is successful in the relief it is requesting in the Motion and Appeal.

c) Please prove a summary of impact of Motion and Appeal on the 2025-2028 term and relevance to issues included in Phase 2.

1.3-PP-3

Reference: Enbridge Gas requested that the OEB review and vary its decision to reduce the 2024 capital budget envelope by $250 million. At this time, with the 2024 year well underway and no decision on the review motion likely before late in the year, Enbridge Gas has determined that it will not challenge the capital budget reduction as any

different direction would be difficult to implement. Additionally, in response to the OEB's direction in the Decision for Enbridge Gas to focus on asset life extensions, the Company has made a proposal in "Phase 2" of the Application (EB-2024-0111) for eligibility and treatment of qualifying asset life extension investments as being eligible for incremental capital module ("ICM") treatment in appropriate circumstances. This proposal helps balance the challenges that Enbridge Gas will face under the reduced capital budget envelope. [EB-2024-0078 Enbridge Gas Fresh as Amended Motion for Review and Variance, Page 11]

a) Please provide the amounts of capital disallowance that would be mitigated (for each year of the term) by Enbridge's ICM proposal in Phase 2 from the baseline OEB Phase 1 Decision to reduce the 2024 capital budget envelope by $250 million.

b) Is Enbridge still pursuing in the Divisional Court Appeal, a reversal of the 2024 capital budget envelope reduction by $250 million? If yes, would a positive decision for Enbridge duplicate the ICM treatment requested in Phase 2? If not, why not.

1.3-PP-4

Reference: Enbridge Gas has filed this updated Phase 2 evidence as soon as possible following the Phase 1 Decision, taking into account the timing of Bill 165 which had direct impacts on the scope of Phase 2. [Phase 2 E1/T3/S1, page 7-8]

a) Please describe how the elements in Bill 165 impact the Phase 1 OEB Decision implementation by Enbridge.

b) Please provide the change (i.e. change from OEB Phase 1 Decision) in revenue requirement and revenue deficiency impact resulting from Bill 165 being implemented for the 2024-2028 period, by year.

c) Please describe how the elements in Bill 165 impact any of the issues in this Phase 2 proceeding.

1.10-PP-5

Issue 18 indicates: Are the energy transition safe bet proposals with capital spending in the IRM term that were not addressed in Phase 1, such as the Energy Transition Technology Fund and the Low-Carbon Renewable Natural Gas Program, appropriate?

Below is a table summary of the Enbridge Safe Bets.

Enbridge 'Safe Bet'	Resolved in Phase 1?
Maximizing Energy Efficiency	Outstanding
Investing in Renewable Natural Gas (RNG)	Outstanding
RNG upgrading	Outstanding
Working Decarbonizing the Industrial and Transportation Sectors	Outstanding
Carbon Capture and Sequestration (CCS)	Outstanding
Natural Gas Vehicle (NGV) Program	Resolved in Phase 1
Integrating Gas and Electric System Planning	Outstanding
Supporting Consumer Choice and the Energy Transition Journey	Outstanding
Low Carbon Energy Project (LCEP) Phase 2	Outstanding
Energy Transition Technology Fund (ETTF)	Outstanding
Maintaining the Gas System – via Integrated Resource Planning (IRP) and Scope 1 & 2 emissions reductions focus	Outstanding

a) Please confirm that this remains the current list of Enbridge Safe Bets. If incorrect, please provide the changes Enbridge proposes to make.

b) Please provide an update against each of the 'outstanding' Safe Bets' in the table and indicate the reference for each that Enbridge has proposed to address in its Phase 2 application.

c) For each Safe Bet Enbridge proposes to address in Phase 2, please provide the funding per year over the CRM term that Enbridge has allocated in its application.

d) What is Enbridge's plan for any of the 'outstanding' Safe Bets that are not addressed in Enbridge's Phase 2 evidence.

1.10-PP-6

Reference: Enbridge Gas is committed to supporting greenhouse gas (GHG) emissions reduction in Ontario. While the province is on track to achieve its 2030 emissions reduction target of 30% below 2005 levels, the post-2030 target of net-zero will be challenging to meet. [Phase 2 E1/T10/S7, page 2]

a) Please provide a list of initiatives and programs directly undertaking by Enbridge in the past 5 years to reduce Ontario greenhouse gas (GHG) emissions. For each item, please provide the cost and net GHG reductions per year achieved.

b) Does Enbridge have a plan to support Net Zero by 2050 in Ontario? If yes, please provide a copy.

c) Does Enbridge use lifecycle GHG accounting for calculating GHG emissions and reductions? If not, why not.

d) Are all the initiatives currently being delivered by Enbridge to support GHG reductions in Ontario specific to reducing fossil fuel use? If no, please provide a list of those that are not dependent on reducing fossil fuel use.

1.10-PP-7

Reference: The ETTF will support the further development of various low-carbon hydrogen production technologies for both central production and distributed on-site production. [Phase 2 E1/T10/S7, page 6]

a) Hydrogen technology development is already conducted on a global scale with billions in funding. What material incremental role and influence would the ETTF have in this context.

b) Why is the role of rate payers and the regulated utility to fund hydrogen production technologies?

1.10-PP-8

References:

Regardless of the energy transition pathway that is chosen, the target is only achievable with significant focus on technology development and investments in innovative technologies, which must be made immediately. [Phase 2 E1/T10/S7, page 2]

ETTF can be used to support further development of alternative technologies such as gasification to enable access to a variety of feedstocks (e.g., agriculture waste, forestry residues, municipal solid waste), thus increasing supply, and over time, lowering cost. [Phase 2 E1/T10/S7, page 6]

a) Has Enbridge conducted a scan of technology development and/or innovation programs already underway in any of the judications below? If yes, please provide a copy of all the related materials (reports, slide decks, internal/external memos, etc.).
    - Ontario
    - Canada
    - North America
    - Globally

b) Please provide a list of list of technology innovation funded by Enbridge in the past 10 years and for each item, please provide the funding contribution by Enbridge account (e.g. capital, O&M, DSM, IRP, etc.) and the outcomes achieved per project.

c) Please provide the details related to the RNG technologies noted above in Enbridge's evidence and explain what role Enbridge would play if this is a technology applicable on a global scale.

1.10-PP-9

Reference: The ETTF will be used to advance and accelerate research, development, demonstration, and commercialization of low-carbon technologies in line with Canada and Ontario's Energy Transition and GHG emissions reduction goals. [Phase 2 E1/T10/S7, page 2]

a) Please provide the definition Enbridge is using to define 'Energy Transition'.

b) Please explain why a gas utility is best placed to lead funding to advance and accelerate research, development, demonstration, and commercialization of low carbon technologies.

c) Please explain why gas ratepayer funding could not be simply allocated to IESO, the OEB, MaRS or other suitable third party to advance and accelerate research, development, demonstration, and commercialization of low carbon technologies.

d) An electric cold-climate air source heat pump (electric ccASHP) is one of the most popular technology innovations of the past decade. Please provide Enbridge's calculations comparing total lifecycle costs and GHG emissions for a ccASHP vs. a gas furnace and air conditioning for a new construction home in the greater Toronto area (or an Ontario proxy location if more convenient for Enbridge).

1.10-PP-10

Reference: "Enbridge Gas serves new or upgraded natural gas service requests from customers on the understanding that these customers are sufficiently informed about the available energy and technology solutions and that they have chosen the alternative that best suits their needs" [EB-2022-0200 2.6-Staff-81, part (c)].

Enbridge notes above and in recent expansion projects that it is not Enbridge's role to provide information on non-gas technology options to consumers and that Enbridge is relying on others that are more suitable in the market to inform Ontario energy consumers of non-gas technology options.

Why does it make sense for Enbridge to advance and accelerate research, development, demonstration, and commercialization of low carbon technologies, when Enbridge has indicated that it does not believe the gas utility has a responsibility to provide non-gas technology information to Ontario consumers?

1.10-PP-11

References:

“The OEB expects that the IRP pilot projects will be selected and deployed by the end of 2022 as proposed by Enbridge Gas. The detailed consideration of IRP pilot projects should commence shortly after the issuance of the IRP Framework with input being sought from the IRP Technical Working Group…” [EB-2020-0091 OEB Decision and Order (July 22, 2021), p. 90]

Enbridge has indicated ongoing delays in the development and launch of Enbridge pilot projects noted above. [EB-2022-0335 EGI_LTR_IRP_Pilots_20221222 and EGI_Ltr_ IRP Pilot Projects_Status Update_20240430]

a) Please provide an update on the status of the two IRP Pilots required to be implemented per the OEB EB-202-0091 Decision.

b) Enbridge has had challenges developing and launching the two IRP innovation pilots since the OEB EB-2020-0091 Decision in mid-2021. Please explain why Enbridge expects other innovation projects to be more successfully implemented than the IRP Pilots.

c) Enbridge has not yet received approval from the OEB to consider non-gas alternatives (e.g. electric ASHPs) as part of the IRP Framework. Given that the majority of innovative technologies are non-gas (i.e. electric), why would Enbridge be well positioned to advance and accelerate research, development, demonstration, and commercialization of low carbon technologies, when Enbridge is not in a position to implement any of these technologies.

d) Is Enbridge still requesting that the OEB enable electric IRP alternatives as part of the IRP Framework? If not, why not?

e) Please provide a list of IRP alternatives implemented by Enbridge to-date and the projects that were deferred or removed as a result.

1.10-PP-12

References: Currently, the Research and Innovation Fund (RIF) included in the 2023 to 2025 OEB-approved DSM Plan provides some funding support for technology research, development, and pilots for energy conservation. [Phase 2 E1/T10/S7, page 2]

a) Please provide a list of the RIF projects undertaken and provide (actual or estimated) the following information for each:
   - Project name
   - Description
   - List of partners and delivery agent
   - Cost (Enbridge share and total cost)
   - Status (e.g. implemented, in-progress, under assessment)
   - Outcomes achieved (gas m3 reductions, GHG reductions, BCA results, etc.)

b) Please provide a copy of the proposed governance for the ETTF and actual governance for RIF.

c) Enbridge has an existing Research & Development (R&D) group. Please provide a summary of the existing Enbridge R&D group focus, capacity and funding sources, plus indicate how this group would deliver on RIF and the proposed ETTF.

1.10-PP-13

Reference: "…important GHG – emissions-reducing elements of energy transition like renewable natural gas (RNG), hydrogen, carbon capture utilization and storage (CCUS) and end-use innovations outside of the current DSM Framework, also require significant technology development in the province…" [Phase 2 E1/T10/S7, page 3]

a) Does Enbridge have any specific project proposals identified related to the ETTF? If yes, please provide any documentation related to each.

b) Enbridge indicated that it is already undertaking a $16 million Hydrogen Study and expects it to be complete by 2027. Please provide an update on the Hydrogen Study, including the expected costs, completion date and progress to-date.

c) Why would Enbridge not wait until the results of the Hydrogen Study are available before spending additional ratepayer funding in this area?

d) Please provide references indicating the OEB has the authority to approve ratepayer funding for CCUS.

1.10-PP-14

Reference: Enbridge Gas supported the development of the hybrid heating systems including smart controllers to optimize cost, increase efficiency and reduce GHG emissions. This technology has now been fully commercialized and has been installed in 100+ homes in London. [Phase 2 E1/T10/S7, page 3]

a) Please provide the report related to the London pilot project including hybrid heating.

b) Please provide the cost summary for the project and which accounts (e.g. capital, O&M, DSM, IRP, etc.) the Enbridge portion was allocated to.

c) Please provide all benefits and BCA or related analysis resulting from the project.

1.10-PP-15

Reference: [Phase 2 E1/T10/S7, page 3] To address the energy transition needs and support customer choices, the ETTF will prioritize technology innovation initiatives that:

a) Reduce GHG emissions;
b) Provide safe, reliable and affordable low-carbon options for customers;
c) Are outside of those needs already funded through DSM;
d) Are compliant with industry codes and standards;
e) Range from pre-commercial to commercial activities; and
f) Cover residential, commercial, and industrial sectors, with appropriate pace of commercialization timeline.

a) Please provide a definition (and source if available) for the term ”low-carbon”.

b) Please explain how Enbridge will avoid ‘dead-end’ technologies that “Reduce GHG emissions”, but do not actually enable Net Zero.

c) Please indicate if Enbridge would support changing the first criteria from “Reduce GHG emissions” to “produce Net Zero emissions”. If not, why not.

1.10-PP-16

Reference: Regardless of the pathway to reach net-zero target by 2050, low-carbon fuels such as RNG and low-carbon hydrogen will play an important role in the energy mix. [Phase 2 E1/T10/S7, page 5]

a) Please explain how low-carbon fuels can achieve net-zero if they have a lifecycle emissions value greater than zero.

b) Enbridge noted in Phase 1 that ‘gas-tight is hydrogen-tight’. Please explain what this means and provide the documentation Enbridge is relying on to make this statement.

c) Please provide an update on the Low Carbon Energy Phase 2 Project and indicate whether Enbridge still intends to request approval for this project from the OEB.

1.13-PP-17

Reference: To harmonize, Enbridge Gas will allocate a portion of its average of monthly averages of materials and supplies working capital inventory balance to unregulated storage operations using a composite allocation rate based on the equally weighted proportion of the Company’s unregulated storage assets an unregulated storage O&M expenses relative to total assets and O&M expenses. [Phase 2 E1/T13/S2, page 6]

a) Please provide the storage assets and O&M costs by regulated and unregulated operation and provide an example of how these would be used for allocation purposes.

b) Please provide a copy of all assets/operational documents, strategic plan or equivalent that covers total integrated storage (i.e. regulated and unregulated).

c) Please provide a summary of the annual gas storage flows for the past 10 years broken into regulated and unregulated.

1.13-PP-18

a) Please provide a copy of the RFP and contract related to the Enbridge Gas Inc: Unregulated Storage Cost Allocation study.

b) Please describe the level of access and review that EY had to all regulated and unregulated information in conducting the Unregulated Storage Cost Allocation study.

1.13-PP-19

Please explain how the Enbridge Gas's proposed harmonized unregulated storage cost allocation methodology is to be applied to the Dawn to Corunna Replacement Project costs.

1.13-PP-20

Reference: Table 1 Enbridge Gas Storage Space. [Phase 2 E1/T13/S4, Attachment 1, Table 1]

a) Does Table 1 include storage space used for all regulated and unregulated activities. If not, please provide an updated copy indicating what capacity is used for each set of activities.

b) When Enbridge undertakes an unregulated storage enhancement to a storage asset (e.g. like done in EB-2020-0074), how is the impact applied to regulated and unregulated storage capacity, respectively.

1.16-PP-21

References: Enbridge has indicated that it believes that it needs to do better job directly communicating DSM information when expanding to new customers/communities and committed to "ensuring that when we [Enbridge] go out to communities, as part of trying to attract them as new customers, that they understand the conservation service that we offer and that that would be available to them at that point in time. So when they do their conversion we don't lose that opportunity". [Final Transcript EB-2021-0002 EGI DSM Vol 3 March 30 2022. Page 87 line 25 to page 88 line 2.]

a) Please provide the incremental DSM materials and information directly provided to prospective new customers when conducting system expansion projects.

b) Please provide any analysis Enbridge has conducted to show that DSM program uptake in system expansion communities has increased as a result of any improved direct communication on DSM.

1.16-PP-22

Reference: In its Phase 1 Decision and Order [EB-2022-0200, Decision and Order, December 21, 2023, p.47.], the OEB directed Enbridge Gas to review the energy comparison information in its informational and marketing materials, including its website, [Phase 2 E1/T16/S1, Page 1]

a) To determine whether it fully discloses what is being compared and on what basis, and what assumptions are being used for the comparison;
b) To make any necessary corrections to the information, or remove the information completely; and,
c) To file a report on the review it undertook and the actions it took as a result of the review.

a) Please identify and provide a copy of the communication and marketing materials directly provided to prospective customers, including community expansion projects related to the following:
    - DSM programs and incentives
    - IRP programs and incentives
    - Complimentary energy efficiency and non-gas technologies (including IESO programs, government programs, etc.)
    - Comparison of equipment costs and/or annual energy costs
    - Information specific to air source heat pumps and related incentives

b) Please identify and provide a copy of the communication and marketing materials directly provided to existing customers, related to the following:
    - DSM programs and incentives
    - IRP programs and incentives
    - Complimentary energy efficiency and non-gas technologies (including IESO programs, government programs, etc.)
    - Comparison of equipment costs and/or energy costs
    - Information specific to air source heat pumps and related incentives

c) Please identify and provide a copy of the materials provided via the Enbridge website related to the following:
    - DSM programs and incentives
    - IRP programs and incentives
    - Complimentary energy efficiency and non-gas technologies (including IESO programs, government programs, etc.)
    - Comparison of equipment costs and/or energy costs
    - Information specific to air source heat pumps and related incentives

d) Please identify and provide a copy of the training materials and communications delivered directly to HVAC contractors for communities undergoing a system expansion projects, related to the following topics:
   - Promotion of natural gas, benefits and related incentives
   - DSM programs and incentives
   - Complimentary energy efficiency and non-gas technologies (including IESO programs, government programs, etc.)
   - Comparison of equipment costs and/or energy costs
   - Information specific to air source heat pumps and related incentives

1.16-PP-23

Reference: The purpose of this evidence is to present Enbridge Gas's review of the energy comparison information it produces. [Phase 2 E1/T16/S1, Page 1]

a) Please indicate what staff positions conducted the review of the energy comparison information Enbridge Gas produces.

b) Please provide the list of third parties involved in the review of the energy comparison information Enbridge Gas produces and indicate their scope/role.

c) Please provide a table of the input and feedback received from stakeholders on the energy comparison information Enbridge Gas produces, and indicate how each element was considered in the review.

d) Please provide a list and source information for external information sources used to validate or compare again the information Enbridge produces.

1.16-PP-24

Reference: Figure 1: Residential Annual Heating Bill (Rate 1) – January 2024. [Phase 2 E1/T16/S1, Figure 1]

a) Please confirm that the values in Figure 1 are simply a conversion from a natural gas estimate to other fuel sources. If incorrect, please explain what else is applied.

b) Please confirm that the electricity comparison uses baseboard electric resistance as the reference and that all the examples are for space heating only.

c) Please explain why an air source heat pump (ASHP) and cold climate air source heat pump (ccASHP) are not included in Figure 1.

d) Please provide a version of Figure 1 including a cold climate air source heat pump (ccASHP)

1.16-PP-25

References: Enbridge filed its 'Pathways to Net Zero Emissions for Ontario' report dated June 2022 (Guidehouse Inc.) in Phase 1 [EB-2022-0200, Exhibit 1, Tab 10, Schedule 5, Attachment 2]. After the Net Zero Report was filed on October 31, 2022 there were errors and gaps identified by stakeholders. Multiple report updates were filed by Enbridge with the OEB as outlined below.

- Guidehouse Report (version 1) filed October 31, 2022
- Guidehouse Report (version 2) filed March 17, 2023
- Guidehouse Report (version 3) filed April 21, 2023

[EB-2022-0200 Exhibit I.1.10-PP-20c] - Enbridge Gas has shared the Guidehouse Report via: Meetings with the following external stakeholders:

• Association of Power Producers of Ontario (APPrO) • Building Knowledge • Canadian Gas Association (CGA) • City of Kingston • City of Ottawa • City of Toronto • Canadian Manufacturers and Exporters (CME) • Environment and Climate Change Canada (ECCC) • Halton Hills Chamber of Commerce • Independent Electric System Operator (IESO)	• Industrial Gas Users Association (IGUA) • National Energy Roundtable • Natural Resources Canada • Ontario Electrification and Energy Transition Panel • Ontario Energy Association (OEA) • Ontario Energy Board (OEB) • Ontario Ministry of Energy • Ontario Ministry of Environment, Conservation and Parks • Ontario Power Generation (OPG) • Ottawa Hydro • The Atmospheric Fund (TAF) • Windsor Chamber of Commerce

In addition, broad based communications were used to share the report, including news articles, social media posts and conferences.

a) Was the Net Zero report or findings presented to any additional stakeholders beyond the list above? If yes, please provide the incremental stakeholders and indicate what date the information was shared.

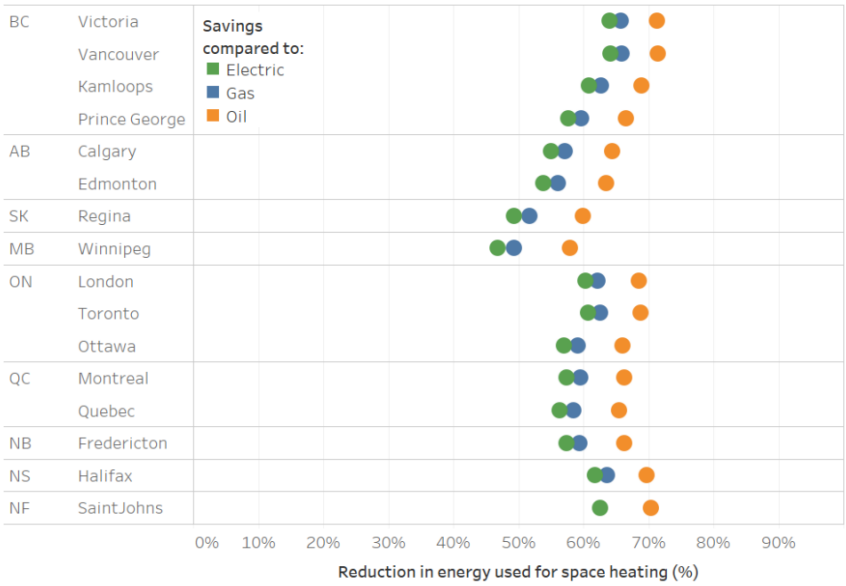
b) From the list of stakeholders above where Enbridge shared the original Net Zero report information, please indicate which stakeholders were provided updated information based on the final revisions to correct the report. For each, please provide a copy of the materials provided to inform them of the errors corrected.

c) Please provide a copy of all materials updating/correcting the communications to share the original report findings, including news articles, social media posts and conferences.

1.16-PP-26

Reference: EB-2022-0200 Exhibit J11.5 reference to Canmet Report source. Also available directly via gid_329701.pdf (canada.ca)

Figure 1: Energy Savings (percentage) for a ccASHP compared to natural gas, oil and baseboard electric.



The CanmetENERGY cold-climate air source heat pump (ccASHP) Report shows a ccASHP is 50% to 70% more efficient than natural gas, oil or resistance (i.e. baseboard) electric.

a) Please indicate whether this information for ccASHPs has been shared with any stakeholders including (prospective or existing) customers as part of the information related to heat pumps. If it was, please provide a copy of the information/materials provided to consumers.

b) This information was provide in EB-2022-0200 based on a 2022 Study. If Enbridge has a more recent/relevant study/information that provides a different savings rate for ccASHPs vs. natural gas, oil or electric resistance heating, please provide a copy.

1.16-PP-27

Reference: Enbridge expansion project applications for EB-2022-0248 and EB-2022-0156.

Examples from 2023 Natural Gas Expansion Projects:

Hastings County (EB-2022-0248)

Project Initial Capital Cost per customer	$59,836
NPV of O&M Cost (gas) per customer	$5,787
NPV of other expenses per customer	$11,793
Project Cost per customer	**$77,416**

Selwyn Expansion Project (EB-2022-0156)

Project Initial Capital Cost per customer	$51,752
NPV of O&M Cost (gas) per customer	$3,494
NPV of other expenses per customer	$22,091
Project Cost per customer	**$77,337**

The tables above include summary information from two sample Enbridge expansion project applications approved in 2023. Please indicate any revisions to the numbers in the table that Enbridge believes are required and the updated data references.

1.16-PP-28

Reference: PollutionProbe_IR_AppendixA_EnbridgeAd_GlobeandMailMay24-2024.

a) Please provide details on the advertising campaign on promoting natural gas infrastructure, including the run of Net Zero advertising noted above.

b) Please provide the overall budget in 2024 and costs for 2023 related to the advertising campaign on promoting natural gas infrastructure, including the run of Net Zero advertising noted above. Please provide what portion of those costs are covered by each cost center (e.g. capital, O&M, DSM, IRP, etc.)

c) Please explain the purpose of the advertising campaign on promoting natural gas infrastructure, including the run of Net Zero advertising noted above.

1.16-PP-29

Reference: Enbridge Gas has no ability to cause consumers to fully convert to non-natural gas solutions (such as electric ccASHPs). [Phase 2 E1/T16/S1, Page 1]

a) Please define the term “ability” as noted above and explain Enbridge’s ability to cause customers to convert to natural gas solutions.

b) Does Enbridge have the ability to cause consumers to partially convert to non-natural gas solutions? Please explain.

c) Please explain the difference between providing consumer information on energy choices (including non-gas) and causing consumers to fully convert to non-natural gas solutions

1.16-PP-30

Reference: Enbridge Gas understands that there is a wide range of potential upfront costs required to convert a home to an electric ccASHP, and therefore the energy comparison between natural gas and an electric ccASHP is best done by including upfront costs. [Phase 2 E1/T16/S1, Page 5]

a) Please explain the elements included in converting an electrically heated home to a central natural gas furnace and air conditioning vs. converting to a ccASHP. Please comment on the level of complexity associated with making these conversions.

b) Please explain the elements and complexity included for a new construction home when installing a central natural gas furnace and air conditioning vs. a ccASHP.

1.16-PP-31

Please confirm that an HVAC contractor is typically engaged to assess and install the HVAC system regardless of which of the following it is. If this is incorrect, please explain why.

• A natural gas furnace • An ASHP • An oil furnace	• A propane furnace • Air conditioning • Electric heating

1.16-PP-32

Reference: Table 1 - Natural Gas Consumption for a Typical Residential Customer [Phase 2 E1/T16/S1, Page 6]

Please provide the Temperature & HDD assumptions for the zone consumption listed in Table 1

1.16-PP-33

Reference: Enbridge Gas intends to conduct a jurisdictional scan to review how other natural gas utilities present energy comparison data in their marketing materials and identify best practices. The Company will use this information to determine if further changes should be made, and will consider if additional energy technologies, such as, but not limited to, electric ccASHPs should be added. [Phase 2 E1/T16/S1, Page 23]

a) Please explain why Enbridge would limit the best practice jurisdictional scan only to gas utilities.

b) Is the proposed jurisdictional scan to be focused on more efficient and lower GHG technology options than natural gas? Please explain.

c) How would the jurisdictional scan be leverage for DSM and IRP purposes?

d) Given the broader fuel agnostic relevance of ccASHPs and other efficient and lower GHG emitting technologies, why would Enbridge not propose that the jurisdictional scan be conducted through a third party in partnership with the IESO and other relevant stakeholders.

e) Would Enbridge be open to conducting the jurisdictional scan via the OEB DSM SAG in partnership with parties interested in promoting objective, best-practice technology information (e.g. IESO)?

1.17-PP-34

Issue 3 indicates: Is the proposed approach to incremental capital funding appropriate, including: (i) the proposed inclusion of overhead costs in ICM amounts; (ii) the opportunity to request ICM funding in leave to construct applications; and (iii) the proposed different ICM treatment for asset life extension projects?

a) Please indicate which of the 3 items listed above are included in the treatment of ICM for the previous CRM term and the references to how they are treated.

b) Please confirm that Enbridge is requesting to include both direct and indirect overheads for the projects in its treatment of ICM.

c) Please confirm how the overhead costs (direct and indirect) would be treated under Enbridge's proposal if a project submitted for ICM treatment is declined by the OEB.

d) Please provide a list of projects that Enbridge believes would be appropriate for ICM treatment during the CRM term.

1.17-PP-35

Reference: The Company requests that the OEB approve the proposed modified approach for incremental capital module (ICM) treatment for ALE capital projects. The ALE scope is expected to be initially focused on Enhanced Distribution Integrity Management Program (EDIMP) projects. [Phase 2 E1/T17/S1, Page 1]

a) Please explain the difference between EDIMP, DIMP and ALE and whether all are included in Enbridge's proposal.

b) Please provide an explanation of the difference between ALE and IRP.

c) Please provide any new regulatory/code requirements that require Enbridge to conduct DIMP/EDIMP in a different manner than its existing approach.

d) Please provide a copy of Enbridge plan, project timeline and costs related to DIMP and EDIMP over this CRM term.

1.17-PP-36

a) DIMP and EDIMP were already proposed and considered in Phase 1. Please explain what new and novel approach Enbridge is proposing beyond that proposed for EDIMP in Phase 1.

b) The Phase 1 OEB Decision included a Capital and O&M envelope which included EDIMP and DIM. In addition, the Settlement Agreement included a joint variance account (combining EDIMP and DIMP). Please explain why Enbridge's proposal for additional funding related the EDIMP through an ICM is not considered reopening the Settlement Agreement and OEB Phase 1 Decision?

c) What safeguards are in place to avoid ICM requests to minimize O&M costs when a repair is more cost-effective than a capital replacement?

1.17-PP-37

Reference: Enbridge Gas is proposing to implement a new ALE approach as part of the EDIMP Program. This approach will build upon the Company's existing Integrity programs to evaluate and identify ALE alternatives. By completing these additional assessments, Enbridge Gas will further ensure that the most cost-effective methods are proposed while maintaining appropriate levels of risk and reliability for distribution assets. [Phase 2 E1/T17/S1, Page 6]

a) Please explain why ALE is a more prudent approach to integrity management than existing DIMP/EDIMP.

b) Has ALE been applied to any projects to-date. If yes, please provide a list and a copy of the results/report.

c) Has a new EDIMP, DIMP and ALE assessment been applied to the proposed St. Laurent Replacement Pipeline Project? If yes, please provide a copy.

1.17-PP-38

Reference: Enbridge Gas will incorporate energy transition sensitivity analysis, which will examine how long the pipeline is expected to be needed under different energy transition scenarios, and additional statistical modelling of residual risk for repair alternatives. [Phase 2 E1/T17/S1, Page 7]

a) Please provide any documentation (including policy, guidelines, manual, training, modelling, etc.) related to the 'energy transition sensitivity analysis' Enbridge is undertaking, as noted above.

b) Has Enbridge applied 'energy transition sensitivity analysis' to any projects at this time? If yes, please provide a list and details.

c) Enbridge indicated in Phase 1 that it does not include any energy transition assessment (e.g. related to stranded asset risk' in it's Utility Growth Plan or Asset Management Plan processes. Will Enbridge add 'energy transition sensitivity analysis' to those processes and include those factors in the decision making for all project included in the Utility Growth Plan or Asset Management Plan? If not, why not. If yes, when will this be applied?

1.17-PP-39

Reference: The core component of EDIMP, as described above, targets condition assessments of higher priority distribution pipelines annually. [Phase 2 E1/T17/S1, Page 7]

a) Please define what a “higher priority distribution line” is and provide the current list.

b) Please explain why Enbridge has limited the application of EDIMP and ALE to a small subset of system pipelines (i.e. why not apply DIMP and its relevant elements across the system).

c) Please provide a list of project where DIMP, EDIMP and/or ALE was applied resulting in a large capital (e.g. greater than $10 million) replacement project being avoided.

1.17-PP-40

Reference: Table 1 summarizes the required incremental labour resources. [Phase 2 E1/T17/S1, Page 10]

a) Is Table 1 Enbridge’s resource estimate to conduct EDIMP and ALE on system-wide identified projects on an ongoing basis? If not, please explain what projects they related to and the duration of time they are needed.

b) Enbridge’s Integrity Management program already allocates internal resources to conduct Integrity Management assessments and work on a priority basis as determined by Enbridge. How is the approach illustrated in Table 1 any different from the typical approach?

1.17-PP-41

Would Enbridge be open to using one of the required OEB IRP Pilots as a system pruning pilot? If not, why not?

1.17-PP-42

Reference: The 10-year Asset Management Plan currently includes the replacement of three pipelines, totaling $157 million in capital (not including overheads or dismantlement) over the next seven years, that will be subject to EDIMP asset condition data collection in 2024 and 2025. [Phase 2 E1/T17/S1, Page 12]

a) Enbridge recently indicated that it has reassessed its 10-year Asset Management Plan (AMP), including consideration of the OEB Phase 1 Decision and has pushed projects out of the plan. Does Enbridge have a new version of the AMP or capital plan which is more recent than the last version previously file with the OEB? If yes, please provide a copy and highlight the changes from the last version filed with the OEB.

b) What are the forecasted costs and forecasted implementation years for the Martin Grove, Port Stanley, and Wilson Ave projects in Enbridge's current plan?

c) Please explain what would occur if the EDIMP and ALE approach identifies a more cost effective monitoring/repair option for one of the projects assessed. For example, would Enbridge proceed with monitoring and repair (if required) and place those costs in the EDIMP/DIMP variance account?

d) If EDIMP and ALE are a more prudent approach to assess integrity options and alternatives, why is it only proposed to be applied to 3 projects over the next 10 years?

e) Please provide details on which projects in Enbridge's AMP have an IRP alternative proposed to defer, avoid or reduce capital spending.

4.2-PP-43

Reference: Enbridge Gas proposes cost recovery for low-carbon energy through a newly proposed Low-Carbon Voluntary Program (LCVP) for large volume sales service customers and through the cost of gas supply commodity purchases. [Phase 2 E4/T2/S7, Page 3]

Enbridge previously indicated that an RNG program was not required for large volume customers since they are sophisticated and had the ability to procure and move RNG though existing rates. Why is this no longer the case?

4.2-PP-44

Reference: Enbridge Gas is currently unaware of the status of this recommendation and has not seen any public communication of any changes to energy system planning to enable enhanced coordination since the EETP Report was issued. [Phase 2 E1/T17/S1, Page 12]

The Ministry of Energy confirmed in February 2022 that it is working on a Natural Gas Policy Statement which was a recommendation of the *Electrification and Energy Transition Panel*'s final report. [The Keeping Energy Costs Down Act | Ontario Newsroom]

a) Is Enbridge aware that the Ministry is working on the Natural Gas Policy Statement which was a recommendation of the *Electrification and Energy Transition Panel*'s final report? If yes, when and how did it become aware?

b) What communications has Enbridge had with the Province of Ontario (including Ministry of Energy) on implementing elements of the EETP and development of the Natural Gas Policy Statement.

c) Please provide a copy of all materials (submissions, letters, presentations, briefing notes, etc.) provided by Enbridge to the Province (including Ministry of Energy) on the EETP and Natural Gas Policy Statement, since the EETP was completed.

4.2-PP-45

a) Please provide the following for the existing Voluntary RNG (VRNG) Pilot Program.
   - The quantity of RNG procured per year since inception
   - The minimum/average/maximum costs per unit paid for RNG
   - Documentation indicating the lifecycle carbon intensity of the RNG purchased.

b) Please explain what occurs with the environmental attributes related to the RNG procured.

4.2-PP-46

Reference: Enbridge Gas is proposing a low-carbon energy program to procure up to one percent of the planned gas supply commodity portfolio as low-carbon energy beginning January 1, 2026. Enbridge Gas proposes to increase low-carbon energy purchases by up to one percentage point each subsequent year to a maximum of up to four percent by 2029. [Phase 2 E4/T2/S7, Page 3].

What are the total estimated costs and total estimate lifecycle GHG emission reduction for each component of the proposed low carbon energy program.

4.2-PP-47

Reference: EB-2022-0200 J4.3: “Enbridge Gas does not have a policy that speaks to the Company’s approach to additionality in RNG procurement.”

a) Please confirm that Enbridge does not have a policy that speaks to the Company’s approach to additionality in RNG procurement. If incorrect, please provide a copy.

b) Please confirm that Enbridge does not have a policy that speaks to the Company’s approach to additionality in procurement of any low-carbon energy (e.g. hydrogen). If incorrect, please provide a copy.

4.2-PP-48

Does Enbridge have a more recent potential study for RNG potential than the Torchlight Bioresources report considered in Phase 1? If yes, please provide a copy.

4.2-PP-49

Please provide a copy of all communications related to RNG (emails and letters) since October 1, 2023 with municipalities, including those linked to Bill 165 and/or the OEB Phase 1 Decision.

18.1-PP-50

a) Please describe the process Enbridge uses when a customer, municipality or other stakeholder requests assistance from a technology providers and installers for energy transition and low carbon technologies (e.g. heat pumps, solar, etc.).

b) How many requests does Enbridge receive in a typical year related to assistance in technology providers and installers for energy transition and low carbon technologies (e.g. heat pumps, solar, etc.).

18.1-PP-51

a) Please provide an organisation chart for Enbridge Gas which includes Enbridge Sustain.

b) Can Enbridge Sustain deliver projects eligible for DSM or IRP incentives? If not, why not?