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BY EMAIL

June 17, 2024

TO: All Parties in EB-2024-0111

**RE: Enbridge Gas Inc. (Enbridge Gas)
2024 Rebasing Application, Phase 2
OEB Staff and Intervenor Evidence and HRAI Request for Extension
Ontario Energy Board File Number: EB-2024-0111**

In Procedural Order No. 2, issued May 30, 2024, the OEB, among other things, approved an Issues List, directed parties wishing to file evidence (including expert evidence) to submit a request in accordance with Rule 13 of the OEB's *Rules of Practice and Procedure* and set a deadline of June 19, 2024 for written interrogatories on Enbridge Gas's evidence.

On June 12, 2024, Enbridge Gas filed evidence on Enbridge Sustain, related to Issue 27.

Intervenor Evidence Proposals

OEB staff proposed to engage Pacific Economics Research Group LLC (PEG), under a team led by Dr. Mark Lowry, to provide a report presenting PEG's review of Enbridge Gas's evidence on the proposed price cap plan for 2025-2028, including plan parameters, as documented in the evidence. OEB staff noted that PEG's report may include alternative analyses, proposals, and recommendations on Enbridge Gas's price cap plan.

Environmental Defence proposed to retain Mr. Matthew McDonnell and Mr. Brad Cebulko, from the Current Energy Group, to provide evidence that would recommend adjustments to Enbridge Gas's proposed incentive rate-setting mechanism aimed at enhancing appropriate cost containment incentives. The proposed evidence would provide recommendations on the traditional need for capital cost containment and the increasing need to adjust utility incentives in order to safeguard customer interests in light of the energy transition and the range of potential futures for the energy system.

The cost of the Current Energy Group report is estimated at \$41,250 to \$52,800 with an additional 40% estimated for additional consultant costs.

Environmental Defence and Green Energy Coalition (GEC) proposed to jointly commission evidence by Mr. Chris Neme and Dr. David Hill of the Energy Futures Group. The proposed evidence would critique Enbridge Gas's evidence and proposals and provide recommendations as applicable relating to Phase 2 energy transition issues, specifically focusing on the energy transition technology fund, low-carbon gas procurement proposal, energy comparison information and next steps for system pruning and integrated resource planning.

The cost of the Energy Futures Group report is estimated at \$45,000 to \$60,000 with an additional 40% estimated for additional consultant costs.

The Industrial Gas Users Association (IGUA) filed a letter supporting the evidence proposed by Environmental Defence and the evidence jointly proposed by Environmental Defence and GEC.

The Heating, Refrigeration and Air Conditioning Institute of Canada (HRAI) proposed to provide written and oral evidence from a panel of HVAC contractors and advisors with direct knowledge of the industry, and of costing of projects of the types being proposed by Enbridge Sustain. The evidence would provide a market description, showing what happens in the competitive markets when new projects are being proposed by developers and builders, including how they find out about, evaluate and cost, and bid on new projects. HRAI would not seek cost recovery for the proposed evidence unless an external expert is required, in which case it would advise the OEB before proceeding.

Enbridge Gas did not object to the evidence proposals. However, Enbridge Gas requested that it be provided an opportunity, where appropriate, to respond to any new proposals and information included in the proposed expert evidence, either through written expert evidence or through written reply evidence from Enbridge Gas witnesses. Enbridge Gas proposed to file any additional evidence by September 10, 2024.

Enbridge Gas noted that the proposed evidence by OEB staff and Environmental Defence appear to go beyond the evidence on the record. Enbridge Gas also noted that it is unclear if all of HRAI's proposed evidence is relevant to Issue 27 and requested that the OEB direct that HRAI's evidence be limited to the items responsive to Issue 27.

The OEB approves the requests by OEB staff and intervenors to file the proposed evidence. Environmental Defence and GEC may claim cost recovery for their evidence. Enbridge Gas's request for an opportunity to file responding evidence (through expert

evidence or written reply evidence), if necessary, after the evidence by OEB staff and intervenors has been filed, is premature. Enbridge Gas may wish to renew its request once it has reviewed the intervenor evidence when it is filed.

While the OEB approves the proposals by OEB staff and intervenors, the OEB expects that any evidence filed will be within the scope of the issues set out in the Issues List. The OEB is of the view that the additional perspectives will be of assistance but reminds intervenors that recovery of costs for this evidence will be dependent on the extent to which it falls within the scope of the proceeding, assists the panel in its consideration of the issues, and is of a reasonable cost. The OEB also encourages continuing communication to avoid the duplication of opinion evidence among the various experts retained.

As set out in Procedural Order No. 2, the evidence proposed by OEB staff, Environmental Defence, Environmental Defence and GEC (joint evidence) and HRAI must be filed by August 12, 2024. Written discovery on the evidence may be filed in accordance with the schedule set out in Procedural Order No. 2.

HRAI Extension Request

On June 13, 2024, HRAI requested an extension to file its interrogatories on June 24, 2024 (from June 19, 2024) due to impacts to scheduling and resources. HRAI noted that the additional evidence by Enbridge Gas on Enbridge Sustain is sparse and necessitates a careful review of the HRAI interrogatories to ensure a complete record.

The OEB accepts HRAI's extension request to file its interrogatories by June 24, 2024.

The OEB has not amended the dates for any other procedural steps in this proceeding.

Yours truly,

Nancy Marconi
Registrar