

Haris Ginis Technical Manager Regulatory Applications Regulatory Affairs tel 416-495-5827 haris.ginis@enbridge.com EGIRegulatoryProceedings@enbridge.com Enbridge Gas Inc. 500 Consumers Road North York, Ontario M2J 1P8

VIA EMAIL and RESS

June 24, 2024

Nancy Marconi Registrar Ontario Energy Board 2300 Yonge Street, Suite 2700 Toronto, Ontario, M4P 1E4

Dear Nancy Marconi:

Re: Enbridge Gas Inc. ("Enbridge Gas" or the "Company") Ontario Energy Board ("OEB") File No. EB-2023-0201 Eganville Community Expansion Project ("Eganville Project") Cost Claim Objections

Pursuant to the OEB's Decision and Order dated May 30, 2024, Enbridge Gas has reviewed the cost claims received from Environmental Defence ("ED") and Pollution Probe ("PP"). A summary of the cost claims submitted by ED and PP are provided in Table 1.

Table 1: ED and PP	Cost Claims – Amounts Submitted	by Intervenors

Intervenor	Discovery	Procedural	Written Argument	Decision	Other	TOTAL
ED	\$1,802.35	\$393.24	\$1,471.83	\$0	\$0	\$3,667.42
PP	\$8,390.26	\$0	\$2,703.53	\$0	\$0	\$11,093.79

Enbridge Gas recommends that PP's cost claim for "Discovery" be reduced by 63%, as set out in Table 2. PP's approach to discovery involved detailed exploration of issues that are not material to the proceeding (notwithstanding the OEB's direction in Procedural Order No. 1) and many of PP's interrogatories were replicated from, or very similar to, PP's interrogatories for previous Natural Gas Expansion Program ("NGEP") proceedings, as described in more detail below. Additionally, PP's total cost claim is over 3 times the amount of ED's total cost claim despite pursuing similar issues as ED and with limited focus on other topics, as described in more detail below.

Although ED's approach to discovery also involved detailed exploration of issues that are not material to the proceeding and many of ED's interrogatories were replicated from, or very similar to, ED's interrogatories for previous NGEP proceedings, ED has submitted a lower cost claim relative to previous NGEP proceedings, as described in more detail below. As a result, Enbridge Gas does not object to ED's cost claim for the Eganville Project proceeding.

Intervenor	Discovery	Procedural	Written Argument	Decision	Other	TOTAL
ED	\$1,802.35	\$393.24	\$1,471.83	\$0	\$0	\$3,667.42
PP	\$3,104.40	\$0	\$2,703.53	\$0	\$0	\$5,807.93

ED and PP Cost Claims – Discovery

ED filed 205 interrogatories (including sub-parts) requiring over 500 pages of responses from Enbridge Gas.¹ Of ED's 205 interrogatories, 74 (36%) sought information related to non-natural gas alternatives including electric heat pumps (see Table 3).

PP filed 69 interrogatories (including sub-parts). Of PP's 69 interrogatories, 9 (13%) sought information related to non-natural gas alternatives including electric heat pumps (see Table 4).

In contrast to ED and PP, OEB staff submitted 41 interrogatories (including sub-parts) with no interrogatories related to non-natural gas alternatives.

Table 3: ED Interrogatories Related to Non-Natural Gas Alternatives Including Electric Heat Pumps

Exhibit I.ED.1(a)	Exhibit I.ED.9(a)(iii)	Exhibit I.ED.28(b)(v)	Exhibit I.ED.31(d)
Exhibit I.ED.1(b)	Exhibit I.ED.9(a)(iv)	Exhibit I.ED.28(b)(vi)	Exhibit I.ED.31(e)
Exhibit I.ED.3(a)(i)	Exhibit I.ED.9(a)(vi)	Exhibit I.ED.28(b)(vii)	Exhibit I.ED.31(f)
Exhibit I.ED.3(a)(ii)	Exhibit I.ED.9(a)(vii)	Exhibit I.ED.28(c)	Exhibit I.ED.33(a)
Exhibit I.ED.3(a)(iii)	Exhibit I.ED.9(a)(ix)	Exhibit I.ED.28(d)	Exhibit I.ED.33(b)
Exhibit I.ED.3(a)(iv)	Exhibit I.ED.9(b)(i)	Exhibit I.ED.28(e)	Exhibit I.ED.36(a)
Exhibit I.ED.3(a)(vi)	Exhibit I.ED.9(b)(ii)	Exhibit I.ED.28(g)	Exhibit I.ED.36(b)(i)
Exhibit I.ED.3(a)(vii)	Exhibit I.ED.9(b)(iii)	Exhibit I.ED.28(h)	Exhibit I.ED.36(b)(ii)
Exhibit I.ED.3(a)(ix)	Exhibit I.ED.9(b)(iv)	Exhibit I.ED.28(i)	Exhibit I.ED.36(b)(iii)
Exhibit I.ED.3(b)(i)	Exhibit I.ED.9(b)(vi)	Exhibit I.ED.29(a)	Exhibit I.ED.36(c)
Exhibit I.ED.3(b)(ii)	Exhibit I.ED.9(b)(vii)	Exhibit I.ED.29(b)	Exhibit I.ED.36(d)
Exhibit I.ED.3(b)(iii)	Exhibit I.ED.9(b)(ix)	Exhibit I.ED.29(c)	Exhibit I.ED.36(e)
Exhibit I.ED.3(b)(iv)	Exhibit I.ED.25(c)	Exhibit I.ED.30(a)	Exhibit I.ED.37(a)
Exhibit I.ED.3(b)(vi)	Exhibit I.ED.25(d)	Exhibit I.ED.30(c)	Exhibit I.ED.37(b)
Exhibit I.ED.3(b)(vii)	Exhibit I.ED.28(a)	Exhibit I.ED.30(d)	Exhibit I.ED.39(a)
Exhibit I.ED.3(b)(ix)	Exhibit I.ED.28(b)(i)	Exhibit I.ED.30(e)	Exhibit I.ED.39(b)
Exhibit I.ED.7(f)	Exhibit I.ED.28(b)(ii)	Exhibit I.ED.31(a)	Exhibit I.ED.45(a)
Exhibit I.ED.9(a)(i)	Exhibit I.ED.28(b)(iii)	Exhibit I.ED.31(b)	
Exhibit I.ED.9(a)(ii)	Exhibit I.ED.28(b)(iv)	Exhibit I.ED.31(c)	

Table 4: PP Interrogatories Related to Non-Natural Gas Alternatives including Electric Heat Pumps

ED and PP sought information related to non-natural gas alternatives notwithstanding the OEB's direction within Procedural Order No. 1 which stated:

¹ EB-2023-0201, Enbridge Gas Interrogatory Responses, pp. 216-765 of the PDF (<u>link</u>).

"Parties should not engage in detailed exploration of issues that do not appear to be material. In making its decision on cost awards, the OEB will consider whether intervenors made reasonable efforts to ensure that their participation in the hearing was focused on material issues."²

Notwithstanding ED's interests which consist of "efforts to help consumers adopt heat pumps" and "efforts to combat fossil fuel subsidies",³ the OEB has stated the following regarding the issue of non-natural gas alternatives for NGEP proceedings, indicating that ED and PP's detailed exploration of information related to electric heat pumps is not appropriate for these proceedings:

- i. The OEB is not making a decision between the use of electric heat pumps instead of natural gas;⁴
- ii. Matters such as potential uptake of consumer energy solutions need to rely on actual consumer and community interest;⁵
- iii. Factors that impact consumer choices between electric heat pumps and natural gas can change over time;⁶
- iv. The case for alternatives to natural gas service should primarily be a marketplace issue;⁷
- v. The approval of NGEP projects does not restrict consumers and communities from obtaining electric heat pumps;⁸
- vi. Enbridge Gas is not guaranteed total cost recovery in the event of revenue shortfalls;⁹ and,

² EB-2023-0201, OEB Procedural Order No. 1 (November 22, 2023), p. 3 (link).

³ EB-2023-0313, Reply Submissions of Environmental Defence (November 29, 2023), p. 3 (<u>link</u>).

⁴ EB-2022-0156/0248/0249, OEB Decision on Intervenor Evidence and Confidentiality (April 17, 2023), p. 4 (link).

EB-2022-0111, OEB Decision on Intervenor Evidence (February 20, 2024), p. 14 (link).

EB-2023-0200, OEB Decision on Intervenor Evidence (February 29, 2024), p. 15 (link).

EB-2023-0201, OEB Decision on Intervenor Evidence (February 29, 2024), p. 13 (link).

EB-2023-0261, OEB Decision on Intervenor Evidence (February 29, 2024), p. 13 (link).

⁵ EB-2022-0156/0248/0249, OEB Decision on Intervenor Evidence and Confidentiality (April 17, 2023), p. 4 (<u>link</u>).

⁶ EB-2022-0156, OEB Decision and Order (September 21, 2023), p. 20 (<u>link</u>).

EB-2022-0248, OEB Decision and Order (September 21, 2023), p. 20 (<u>link</u>). EB-2022-0249, OEB Decision and Order (September 21, 2023), p. 19 (<u>link</u>).

EB-2022-0111, OEB Decision and Order (May 14, 2024), p. 25 (link).

EB-2023-0261, OEB Decision and Order (May 23, 2024), p. 20 (link).

EB-2023-0201, OEB Decision and Order (May 30, 2024), p. 22 (link).

⁷ EB-2022-0111, OEB Decision on Intervenor Evidence (February 20, 2024), p. 18 (<u>link</u>).

EB-2023-0200, OEB Decision on Intervenor Evidence (February 29, 2024), p. 19 (link).

EB-2023-0201, OEB Decision on Intervenor Evidence (February 29, 2024), p. 16 (link).

EB-2023-0261, OEB Decision on Intervenor Evidence (February 29, 2024), p. 17 (link). ⁸ EB-2022-0156, OEB Decision and Order (September 21, 2023), p. 19 (link).

EB-2022-0130, OEB Decision and Order (September 21, 2023), p. 19 (<u>link</u>).

EB-2022-0249, OEB Decision and Order (September 21, 2023), p. 20 (<u>lilk</u>).

EB-2022-0111, OEB Decision and Order (May 14, 2024), p. 24 (<u>link</u>).

EB-2023-0261, OEB Decision and Order (May 23, 2024), p. 19 (link).

EB-2023-0201, OEB Decision and Order (May 30, 2024), p. 22 (link).

⁹ EB-2022-0156, OEB Decision and Order (September 21, 2023), pp. 20-21 (link).

EB-2022-0248, OEB Decision and Order (September 21, 2023), p. 21 (link).

EB-2022-0249, OEB Decision and Order (September 21, 2023), p. 20 (<u>link</u>).

EB-2022-0111, OEB Decision on Intervenor Evidence (February 20, 2024), pp. 18-19 (link).

EB-2023-0200, OEB Decision on Intervenor Evidence (February 29, 2024), p. 19 (link). EB-2023-0201, OEB Decision on Intervenor Evidence (February 29, 2024), p. 17 (link).

EB-2023-0261, OEB Decision on Intervenor Evidence (February 29, 2024), p. 17 (link).

vii. ED's interests with respect to broader climate change issues and the promotion of electric heat pumps extend beyond the scope of NGEP proceedings.¹⁰

Additionally, many of ED's interrogatories for the Eganville Project¹¹ were replicated from, or very similar to, ED's interrogatories for previous NGEP proceedings.^{12,13}

Similarly, many of PP's interrogatories for the Eganville Project were replicated from, or very similar to, PP's interrogatories for previous NGEP proceedings (see Table 5).

<u>Table 5: PP Interrogatories for the Eganville Project Proceeding Replicated From, or</u> <u>Very Similar to, PP Interrogatories for the Neustadt Community Expansion Project</u> ("Neustadt Project") Proceeding and the Bobcaygeon Community Expansion Project ("Bobcaygeon Project") Proceeding

Eganville Project ¹⁴	Neustadt Project ¹⁵	Bobcaygeon Project ¹⁶
Exhibit I.PP-8	Exhibit I.PP-2	Exhibit I.PP.7
Exhibit I.PP-11	Exhibit I.PP-3	Exhibit I.PP.8
Exhibit I.PP-13	Exhibit I.PP-4	Exhibit I.PP.10
Exhibit I.PP-16	Exhibit I.PP-6	Exhibit I.PP.13
	Exhibit I.PP-7	Exhibit I.PP.16
Exhibit I.PP-18 Exhibit I.PP-19	Exhibit I.PP-8	Exhibit I.PP.20
Exhibit I.PP-23(b)	Exhibit I.PP-10	Exhibit I.PP.22
Exhibit I.PP-21	Exhibit I.PP-11	Exhibit I.PP.23
Exhibit I.PP-25	Exhibit I.PP-12	Exhibit I.PP.26
Exhibit I.PP-22	Exhibit I.PP-13	
Exhibit I.PP-20	Exhibit I.PP-14	Exhibit I.PP.25
Exhibit I.PP-24	Exhibit I.PP-15	Exhibit I.PP.27
Exhibit I.PP-28	Exhibit I.PP-16	Exhibit I.PP.30

Additionally, PP's total cost claim (\$11,093.79) is over 3 times the amount of ED's total cost claim (\$3,667.42) despite pursuing similar issues as ED and with limited focus on other topics, including topics directly related to PP's stated policy interests. More specifically, within PP's Intervenor Form for the proceeding PP states that its "Policy Interests" relate to environmental and socio-economic impacts including the Environmental Report.¹⁷ Notwithstanding these policy interests, of PP's interrogatories only Exhibit I.PP.31 to Exhibit I.PP.33 relate to environmental and socio-economic impacts including the Environmental Report.¹⁸ Similarly, of PP's 21-page submission only 2 pages relate to environmental and socio-economic impacts.¹⁹

- EB-2022-0111, OEB Decision and Order (May 14, 2024), pp. 25-26 (link).
- EB-2023-0261, OEB Decision and Order (May 23, 2024), pp. 20-21 (link).
- EB-2023-0201, OEB Decision and Order (May 30, 2024), p. 23 (link).
- ¹⁰ EB-2023-0313, OEB Decision and Order (December 13, 2023), p. 16 (<u>link</u>).
- ¹¹ EB-2023-0201, ED Interrogatories (link).

¹³ EB-2023-0261, ED Interrogatories for the Neustadt Project proceeding (<u>link</u>).

¹⁸ EB-2023-0201, ED Interrogatories (link).

¹² EB-2022-0111, ED Interrogatories for the Bobcaygeon Project proceeding (<u>link</u>).

¹⁴ EB-2023-0201, Enbridge Gas Interrogatory Responses (link).

¹⁵ EB-2023-0261, Enbridge Gas Interrogatory Responses for the Neustadt Project proceeding (<u>link</u>).

¹⁶ EB-2022-0111, Enbridge Gas Interrogatory Responses for the Bobcaygeon Project proceeding (link).

¹⁷ EB-2023-0201, PP Intervenor Form (filed November 7, 2023), p. 3 of the PDF (link).

¹⁹ EB-2023-0201, PP Submission, pp. 19-20 (<u>link</u>).

Based on the foregoing, Enbridge Gas recommends reducing PP's cost claim for "Discovery" by 63% to \$3,104.40 (13% reduction to reflect PP's interrogatories that consisted of detailed exploration of issues that are not material to the proceeding, plus a 50% reduction to reflect PP's partial replication of and reliance on its interrogatories from previous NGEP proceedings).

Enbridge Gas recently objected to ED's cost claim for a similar NGEP proceeding (the Bobcaygeon Project) on the basis that ED's approach to discovery involved detailed exploration of issues that are not material to the proceeding and many of ED's interrogatories were replicated from, or very similar to, ED's interrogatories for previous NGEP proceedings.²⁰ Specifically, for the Bobcaygeon Project, ED submitted a total cost claim of \$7,934.86 and Enbridge Gas recommended that it be reduced to \$3,357.42. Although ED took a similar approach for the Eganville Project proceeding as with the Bobcaygeon Project proceeding, ED submitted a lower total cost claim of \$3,667.42 for the Eganville Project proceeding. As a result, Enbridge Gas does not object to ED's cost claim for the Eganville Project proceeding.

Notwithstanding ED's lower cost claim for the Eganville Project proceeding relative to previous NGEP proceedings, Enbridge Gas submits that ED did not make reasonable efforts to ensure that its participation in the proceeding was focused on relevant and material issues. Rather, ED's approach to the proceeding is part of a pattern of repeated attempts by ED to introduce evidence related to non-natural gas alternatives within NGEP proceedings,²¹ resulting in inefficiency in the regulatory process. ED's pattern of conduct within NGEP proceedings is consistent with its Executive Director's statement that "[o]ur overall goal is to put a target on the back of Enbridge, and on the back of gas, and there will be ample opportunity to do that".²² While ED will no doubt leverage all means possible to advance this goal, there should not be ample opportunity for ED to do so at the cost of natural gas ratepayers, including within NGEP proceedings.

Enbridge Gas also recommends that the OEB consider intervenor cost claims in the context of all NGEP Phase 2 proceedings rather than as isolated proceedings given (i) the similar nature of the NGEP Phase 2 projects, (ii) the primary theme repeatedly pursued by ED and PP within each of the NGEP Phase 2 proceedings (i.e., the opposition to natural gas expansion and the promotion of non-natural gas alternatives), (iii) the OEB's findings that interests with respect to broader climate change issues and the promotion of non-natural gas alternatives extend beyond the scope of NGEP proceedings,²³ and (iv) NGEP Phase 2 communities have been identified by provincial policy and the OEB to receive natural gas service. See Table 6 for ED's and PP's cost claim submissions to date for NGEP Phase 2 proceedings.

 ²⁰ EB-2022-0111, Enbridge Gas Cost Claim Objections for the Bobcaygeon Project proceeding (May 28, 2024) (<u>link</u>).
²¹ EB-2023-0343, Enbridge Gas Correspondence for the East Gwillimbury Community Expansion Project proceeding (May 21, 2024), p. 2 (<u>link</u>).

²² See Environmental Defence webinar (April 12, 2024), <u>Energy For People, Not Profit: Stop Bill165 Webinar</u> (youtube.com), 45:36.

²³ EB-2023-0313, OEB Decision and Order (December 13, 2023), p. 16 (link).

NGEP Phase 2 Proceedings	ED Cost Claim Amount	PP Cost Claim Amount	TOTAL
Haldimand Shores Community Expansion Project ²⁴	N/A	\$7,271.55	\$7,271.55
Selwyn Community Expansion Project ²⁵	\$5,680.51	\$6,991.89	\$12,672.40
Mohawks of the Bay of Quinte Community Expansion Project ²⁶	\$5,268.06	\$5,593.51	\$10,861.57
Hidden Valley Community Expansion Project ²⁷	\$5,530.22	\$6,651.28	\$12,181.50
ED Motion to Review and Vary OEB Decisions in EB-2022-0156, EB-2022- 0248, and EB-2022-0249 ²⁸	\$9,236.62	\$1,398.39	\$10,635.01
Bobcaygeon Community Expansion Project ²⁹	\$7,934.86	\$13,517.64	\$21,452.50
Neustadt Community Expansion Project ³⁰	\$3,864.04	\$11,653.13	\$15,517.17
Eganville Community Expansion Project ³¹	\$3,667.42	\$11,093.79	\$14,761.21
TOTAL	\$41,181.73	\$64,171.18	\$105,352.90

Table 6: ED and PP Cost Claim Submissions to Date for NGEP Phase 2 Proceedings

In addition to the cost claim amounts already submitted by ED and PP related to the 8 NGEP Phase 2 proceedings to date set out in Table 6, there remain up to 18 additional NGEP Phase 2 community expansion proceedings yet to occur.³² If the same trend of intervenor tactics and costs continues, ED's and PP's interventions alone in NGEP Phase 2 proceedings could cost natural gas ratepayers over \$340,000,³³ not to mention the delays and impacts to communities awaiting natural gas access, and the significant regulatory uncertainty created by ED's actions of challenging the OEB's interlocutory and final decisions on substantially similar and previously adjudicated grounds.

If you have any questions, please contact the undersigned.

Sincerely,

Haris Ginis Technical Manager, Regulatory Applications

c.c. Catherine Nguyen (OEB Staff) Intervenors (EB-2023-0201)

²⁴ EB-2022-0088, OEB Decision and Order on Cost Awards (September 21, 2022) (link).

²⁵ EB-2022-0156, OEB Decision and Order on Cost Awards (November 21, 2023) (link).

²⁶ EB-2022-0248, OEB Decision and Order on Cost Awards (November 21, 2023) (link).

²⁷ EB-2022-0249, OEB Decision and Order on Cost Awards (November 21, 2023) (link).

²⁸ EB-2023-0313, OEB Decision and Order on Cost Awards (March 5, 2024) (link).

²⁹ EB-2022-0111, ED Cost Claim (May 21, 2024) (link); and, PP Cost Claim (May 17, 2024) (link).

³⁰ EB-2023-0261, ED Cost Claim (May 30, 2024) (link); and, PP Cost Claim (May 27, 2024) (link).

³¹ EB-2023-0201, ED Cost Claim (June 13, 2024) (link); and, PP Cost Claim (June 5, 2024) (link). ³² https://www.ontario.ca/page/natural-gas-expansion-program

³³ \$105,352.90 total ED and PP cost claims to date / 8 NGEP proceedings = \$13,169.11 per NGEP proceeding, * up to 26 total NGEP proceedings = \$342,396.93.