

EB-2024-0111

Enbridge Gas Inc.

Application to change its natural gas rates and other charges beginning January 1, 2024

DECISION ON CONFIDENTIALITY August 8, 2024

Enbridge Gas Inc. filed an application with the Ontario Energy Board (OEB) under section 36 of the *Ontario Energy Board Act*, *1998,* seeking approval for changes to the rates that it charges for natural gas distribution, transportation and storage, beginning January 1, 2024. Enbridge Gas has also applied for approval of an incentive rate-making mechanism for the years 2025 to 2028.

On December 21, 2023, the OEB issued its Decision and Order on the unsettled issues for Phase 1 of the application.¹ An Interim Rate Order for 2024 rates was issued on April 11, 2024.²

Enbridge Gas filed its Phase 2 evidence on April 26, 2024.

On July 8, 2024, Enbridge Gas filed its responses to interrogatories. Enbridge Gas requested confidential treatment of certain information in its interrogatory responses under the OEB's *Practice Direction on Confidential Filings* (Practice Direction).

The OEB approves Enbridge Gas's requests for confidentiality of certain interrogatory responses, subject to one limitation, as set out in this Decision.

Requests for Confidential Treatment of Certain Interrogatory Responses

1. Exhibit 1.1-ED-57, Attachment 1, pp. 3, 6 and 16

Enbridge Gas requested confidential treatment of information in the draft Project Charter for the Hydrogen Blending Study Project at 1.1-ED-57, Attachment 1 related to ongoing negotiations with a third party. Enbridge Gas stated that this information, if publicly disclosed, could harm negotiations with a third party.

¹ EB-2022-0200, Decision and Order, December 21, 2023

² EB-2022-0200, Interim Rate Order, April 11, 2024

Pollution Probe objected to the confidentiality request. Pollution Probe stated that there is nothing sensitive, confidential or proprietary in the redacted information and that Enbridge Gas has not provided a sufficient basis to support its confidential treatment. Pollution Probe noted that the OEB has previously required unredacted versions of materials for such programs in Enbridge Gas's 2022-2027 Demand Side Management (DSM) proceeding.³

In response, Enbridge Gas stated that the redactions relate directly to a third party's potential involvement with the Hydrogen Blending Grid Study, which is still subject to negotiations. Enbridge Gas stated that the timing of any associated public announcement would depend on the arrangement being finalized and completion of the third party's internal approval process.

Enbridge Gas further stated that in the DSM proceeding, the OEB agreed with Enbridge Gas that certain details of a joint program being delivered by Enbridge Gas and Natural Resources Canada warranted confidential treatment pending a public announcement. Enbridge Gas noted that the current confidentiality request is not only pending a third party's internal approvals and public announcement but is also subject to ongoing negotiations. For these reasons, Enbridge Gas submitted that the arguments of Pollution Probe should not be accepted by the OEB.

Findings

The OEB finds the redacted information in 1.1-ED-57, Attachment 1 is commercially sensitive and grants Enbridge Gas's request for confidential treatment on a temporary basis pending the third party's internal approvals, public announcement and ongoing negotiations. Temporary confidential treatment of the redacted information shall expire upon completion of the pending items.

Scope of Issue 18 – Hydrogen Blending Study

In response to Pollution Probe's objection to Enbridge Gas's confidentiality request of certain information in the Hydrogen Blending Study Project Charter at 1.1-ED-57, Attachment 1, Enbridge Gas stated that funding for the Hydrogen Blending Grid Study is not at issue for Phase 2.

³ EB-2021-0002

On July 25, 2024, Environmental Defence filed a letter stating that examination of the Hydrogen Grid Blending Study is captured by Issue #18⁴ and requested confirmation of this from the OEB.

Environmental Defence stated that Issue #18 includes safe bet proposals not addressed in Phase 1. Environmental Defence submitted that the OEB's Decision and Order in Phase 1 does not address the Hydrogen Blending Study. Environmental Defence noted that the Hydrogen Blending Study is a safe bet proposal included in Enbridge Gas's capital expenditures over the rebasing term, where approval was not specifically requested. Environmental Defence referenced the Decision and Order in Phase 1 wherein the OEB noted several additional safe bet proposals included in Enbridge Gas's capital expenditures over the rebasing term that will be examined in Phase 2.⁵ Environmental Defence further referred to Enbridge Gas's own letter dated May 6, 2024 which referred to the hydrogen study as an issue that remains after Phase 1.

On July 29, 2024, Enbridge Gas filed a letter in response to Environmental Defence stating that it does not agree that the Hydrogen Blending Study is in scope for Phase 2. Enbridge Gas noted that the Hydrogen Blending Study was discussed at length in Phase 1 and it was clear that there was capital spending associated with the study included in the overall capital budget. Enbridge Gas noted that the OEB's Decision and Order in Phase 1 addressed and approved a 2024 capital budget but did not stipulate any activities to be excluded from the overall capital budget and therefore, Enbridge Gas believes the Hydrogen Blending Study was addressed in Phase 1 and is not in scope for Phase 2.

Enbridge Gas further clarified that it is not seeking any approval in relation to the Hydrogen Blending Study in this proceeding and any review related to the costs of the study should be addressed in the next rebasing application.

Findings

The OEB confirms that the Hydrogen Blending Study is in scope for Phase 2 of the proceeding and shall be addressed as part of Issue #18. The OEB's Decision and Order in Phase 1 stated the following:

⁴ As set out in the Decision on Issues List and Procedural Order No. 2, Issue #18 is as follows: 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?

⁵ EB-2022-0200, Decision and Order, December 21, 2023, p. 16

The only safe bet proposal for which approval is specifically requested in Phase 1 of this proceeding is the proposed expansion of the Natural Gas Vehicle Program.

Enbridge Gas is seeking approval for the Energy Transition Technology Fund and the Low-Carbon Voluntary Renewable Natural Gas Program in Phase 2. Spending for several additional safe bet proposals is included in Enbridge Gas's capital expenditures over the rebasing term, although approval of these individual projects is not specifically requested. These will also be examined in Phase 2.⁶

The Hydrogen Blending Study is a safe bet proposal included in Enbridge Gas's capital expenditures over the rebasing term, for which approval was not specifically requested in Phase 1. The OEB was clear in its Decision and Order in Phase 1 that it will examine additional safe bet proposals in Phase 2 even if no specific approvals are being requested.

2. Exhibit 1.1-SEC-1, Attachment 1, pp. 3, 4, 11, 27, 28, 55, 58-60, 63, 67 and 69

Enbridge Gas requested confidential treatment of information related to hourly and taskspecific pricing information from experts and stated that it is presumptively considered to be confidential under the Practice Direction.

Enbridge Gas requested that access to the unredacted version of this confidential filing not be granted to experts retained by other parties in the proceeding as access to the commercially sensitive information could provide other experts some advantage unrelated to the proceeding.

Enbridge Gas noted that similar information was approved for confidential treatment in Phase 1.⁷

No parties objected to Enbridge Gas's request.

Findings

The OEB finds that the redaction information in 1.1-SEC-1, Attachment 1 is commercially sensitive and grants Enbridge Gas's request for confidential treatment. The redacted information is comparable to information filed in previous proceedings for which the OEB granted confidential treatment.⁸

⁶ EB-2022-0200, Decision and Order, December 21, 2023, p. 16

⁷ EB-2022-0200, Decision on Confidentiality, July 24, 2023, pp. 2-3

⁸ Ibid.

Given that the redacted information is pricing information from consultants, the OEB grants Enbridge Gas's request that it not be provided to other consultants, even if they have signed the OEB's Declaration and Undertaking. Intervenors and OEB staff are directed to ensure that the redacted information is not provided to consultants they have retained.

3. Exhibit 1.13-STAFF-7, Attachment 1, pp. 1-3

Enbridge Gas requested confidential treatment of information containing details and values of change orders related to the Dawn to Corunna Project and stated that it is presumptively considered to be confidential under the Practice Direction. Enbridge Gas stated that if the redacted information is publicly disclosed, the information could be used to the benefit of Enbridge Gas's contractors, or potential construction proponents, in future projects and related negotiations.

No parties objected to Enbridge Gas's request.

Findings

The OEB finds the redacted information in 1.13-STAFF-7, Attachment 1 is commercially sensitive and grants Enbridge Gas's request for confidential treatment.

4. Exhibit 4.2-FRPO-49, Attachments 1-4

Enbridge Gas requested confidential treatment of specific bid information from third parties in the request for proposal for storage results at 4.2-FRPO-49, Attachments 1-4. Enbridge Gas stated that this information is presumptively considered to be confidential under the Practice Direction.

Enbridge Gas noted that the redacted information at 4.2-FRPO-49, Attachments 1-3 were also filed and approved for confidential treatment in Enbridge Gas's 2020-2022 Deferrals and Earnings Sharing Mechanism proceedings.⁹ Enbridge Gas filed and requested confidential treatment of the information at 4.2-FRPO-49, Attachment 4 in its 2023 Deferral and Earnings Sharing Mechanism proceeding.¹⁰ Confidential treatment in that proceeding OEB approval.

No parties objected to Enbridge Gas's request.

 ⁹ EB-2021-0249, Decision on Confidentiality, August 16, 2021; EB-2022-0110, Decision on Confidentiality, July 29, 2022; EB-2023-0092, Decision on Confidentiality, September 20, 2023
¹⁰ EB-2024-0125

Findings

The OEB finds the redacted information in 4.2-FRPO-49, Attachments 1-4 is commercially sensitive and grants Enbridge Gas's request for confidential treatment. The redacted information is the same or comparable to information filed in previous proceedings for which the OEB granted confidential treatment.¹¹

5. Exhibit 4.2-SEC-38, Attachment 3, pp. 3, 5, 6, 10, 12, 14

Enbridge Gas requested confidential treatment of information related to customer storage-related activities and specific cost information about Enbridge Gas's unregulated storage business. Enbridge Gas stated that the information is commercially sensitive and confidential.

Enbridge Gas noted that the redacted information at 4.2-SEC-38, Attachment 3 were also filed and approved for confidential treatment in the Enbridge Gas Distribution and Union Gas MAADs proceeding.¹²

No parties objected to Enbridge Gas's request.

Findings

The OEB finds the redacted information in 4.2-SEC-38, Attachment 3 is commercially sensitive and grants Enbridge Gas's request for confidential treatment. The redacted information is the same information filed in a previous proceeding for which the OEB granted confidential treatment.¹³

6. Exhibit 4.2-SEC-39, Attachment 1

Enbridge Gas requested confidential treatment of storage contract pricing information and stated that the information is presumptively considered to be confidential under the Practice Direction.

Enbridge Gas noted that similar information was approved for confidential treatment in Enbridge Gas's 2020-2022 Deferrals and Earnings Sharing Mechanism proceedings.¹⁴

No parties objected to Enbridge Gas's request.

¹¹ Ibid.

¹² EB-2017-0306/0307, Oral Hearing, Transcript Day 1, pp. 3-4

¹³ Ibid.

¹⁴ EB-2021-0249, Decision on Confidentiality, August 16, 2021; EB-2022-0110, Decision on Confidentiality, July 29, 2022; EB-2023-0092, Decision on Confidentiality, September 20, 2023

Findings

The OEB finds the redacted information in 4.2-SEC-39, Attachment 1 is commercially sensitive and grants Enbridge Gas's request for confidential treatment. The redacted information is comparable to information filed in previous proceedings for which the OEB granted confidential treatment.¹⁵

THE ONTARIO ENERGY BOARD ORDERS THAT:

- 1. Enbridge Gas's requests for confidential treatment are granted, subject to paragraph 2 below. Enbridge Gas shall provide individuals that have signed and filed a Declaration and Undertaking with unredacted versions of the materials, with the following exception: Enbridge Gas is not required to provide the confidential information in 1.1-SEC-1, Attachment 1 to consultants retained by intervenors and OEB staff, regardless of whether they have signed and filed a Declaration and Undertaking.
- 2. The temporary confidential treatment of the redacted information in the Hydrogen Blending Study Project Charter at 1.1-ED-57, Attachment 1 will expire when the third party's internal approvals, public announcement and ongoing negotiations are complete. Enbridge Gas shall file with the OEB an unredacted version of 1.1-ED-57, Attachment 1 at such time.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's <u>Rules of Practice and Procedure</u>.

Please quote file number, **EB-2024-0111** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the <u>OEB's online</u> filing portal.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the <u>Regulatory Electronic Submission System (RESS)</u> <u>Document Guidelines</u> found at the <u>File documents online page</u> on the OEB's website.

¹⁵ Ibid.

- Parties are encouraged to use RESS. Those who have not yet <u>set up an</u> <u>account</u>, or require assistance using the online filing portal can contact <u>registrar@oeb.ca</u> for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the <u>File</u> <u>documents online page</u> of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the <u>Practice Direction on Cost Awards</u>.

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Khalil Viraney at <u>Khalil.Viraney@oeb.ca</u> and OEB Counsel, Ian Richler at <u>Ian.Richler@oeb.ca</u>.

Email: registrar@oeb.ca Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, August 8, 2024

ONTARIO ENERGY BOARD

Nancy Marconi Registrar