

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, Schedule B; and in particular section 36 thereof;

**AND IN THE MATTER OF** an application by Enbridge Gas Inc. for an order or orders approving the cost consequences of an Integrated Resource Planning (“IRP”) Plan for an IRP Pilot Project in the City of Sarnia and Village of Point Edward.

**TECHNICAL CONFERENCE**

**INTERROGATORIES OF THE ASSOCIATION OF POWER PRODUCERS OF  
ONTARIO**

**August 27, 2024**

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1 **INTERROGATORIES**

2 **APPrO-6:**

3 **Reference 1:** Exhibit I.APPrO-3.

4 **Reference 2:** Exhibit B Tab 1 Schedule 1 Page 4 of 9

5 **Reference 3:** Decision and Order EB-2020-0091

6 **Preamble:** Reference 1 confirms that the Southern Lake Huron Project has a lower net present  
7 value than the baseline facility alternative. Reference 2 states that there no baseline facility projects  
8 associated with the Southern Lake Huron Pilot Project.

9 Reference 3 states that Enbridge Gas is encouraged to use the IRP pilot projects as a testing ground  
10 for an enhanced DCF+ test as discussed in section 8.3. In the December 2023 version of the  
11 application Enbridge stated that the total cost of the Southern Lake Huron Project was \$6.8 million.  
12 However, in the updated application the Southern Lake Huron Project now has an estimated cost  
13 of \$14.2 million.

14 **Question(s):**

- 15 1. Please clarify what baseline facility alternative is being considered in Reference 1.
- 16 2. In the December 2023 version of the application at Exhibit E Tab 1 Schedule 1 Page 19 of  
17 20, the Southern Lake Huron Project had a net present value (“NPV”) of negative \$3.4  
18 million. What is the updated NPV of the Southern Lake Huron Project using the same  
19 approach as the December 2023 version of the application?
- 20 3. Will Enbridge Sustain participate, or could be eligible to participate, in the execution of  
21 any demand side alternatives for the Southern Lake Huron Project, which APPrO  
22 understands are listed at Exhibit A Tab 3 Schedule 1 Page 11 of 11?

23 **APPrO-7:**

24 **Reference 1:** Exhibit B Tab 1 Schedule 1 Page 7 of 9

25 **Reference 2:** Exhibit A Tab 3 Schedule 1 Page 10 of 11

26 **Preamble:**

27 At Reference 1, Enbridge states the Southern Lake Huron system is no longer expected to require  
28 reinforcement in the 2025-2034 capital forecast.

1 At Reference 2, Enbridge states that as a result of the changes to the identified system constraints  
2 for the Southern Lake Huron Pilot Project, the updated Southern Lake Huron Pilot Project no  
3 longer differentiates between an “area of influence” and a “greater Southern Lake Huron area”.  
4 Instead, the Southern Lake Huron Pilot Project will now target all of the City of Sarnia and Village  
5 of Point Edward with all demand-side alternatives.

6 **Question(s):**

- 7 1. Please justify why it is prudent for Enbridge to increase the scope of the Southern Lake  
8 Huron Pilot Project from the initial application when the need to reinforce the Southern  
9 Lake Huron system was revisited and found to not materialize during the 2025-2034 capital  
10 forecast?
- 11 2. What incremental value is provided by the increased scope of the Southern Lake Huron  
12 Pilot Project (\$14.2 million) versus Enbridge’s initial application (\$6.8 million)?
- 13 3. What costs are being avoided, deferred, or reduced by the Southern Lake Huron Pilot  
14 Project? What is the present value of those avoided, deferred, or reduced costs?
- 15 4. Please discuss why Enbridge believes the learnings from a project located in Southern  
16 Ontario may be applicable for consumer demand side response / uptake in other climate  
17 areas of Ontario (e.g., Northern Ontario)? Would the location of the Parry Sound Project  
18 have provided this comparative data?
- 19 5. Please confirm whether the baseline facility alternatives described in Table 7 (Exhibit E  
20 Tab 1 Schedule 1 Page 12 of 20) of the December 2023 version of the application is the  
21 “reinforcement” work required beyond the 2025-2034 capital forecast. If not, please  
22 describe what “reinforcement” work may be required.
- 23 6. Please confirm whether the baseline facility costs laid out in Table 7 (Exhibit E Tab 1  
24 Schedule 1 Page 12 of 20) of the December 2023 version of the application are still valid  
25 estimates. If not, please update Table 7 and state all assumptions.

26 **APPrO-8:**

27 **Reference:** Exhibit I.APPrO-1

28 **Preamble:**

29 Enbridge states the learnings from this Pilot Project will not be scalable to large volume contract  
30 customers as Enbridge already has extensive experience with large volume contract customers.  
31 Enbridge states the focus of the IRP Pilot Project is on general service customers.

1 **Question(s):**

2 1. Please update the following cost allocation tables with the large volume customers  
3 removed:

4 a) Exhibit E Tab 1 Schedule 2 Attachment 2

5 b) Exhibit E Tab 1 Schedule 2 Attachment 3

6 c) Exhibit E Tab 1 Schedule 2 Attachment 4