



Ontario
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BY EMAIL

October 8, 2024

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Ms. Marconi:

**Re: Enbridge Gas Inc.
East Gwillimbury Community Expansion Project
OEB Staff Interrogatories on Updated Evidence
Ontario Energy Board File Number: EB-2023-0343**

In accordance with Procedural Order No. 3, please find attached OEB staff interrogatories on Enbridge Gas Inc.'s updated evidence for the above proceeding. This document has been sent to Enbridge Gas Inc. and to all other registered parties to this proceeding.

Enbridge Gas is reminded that its responses to interrogatories, including those previously filed by OEB staff and intervenors pursuant to Procedural Order No. 1, are due by October 22, 2024.

Yours truly,

Arturo Lau
Advisor, Natural Gas Applications

Encl.

**OEB Staff Interrogatories on Updated Evidence
Enbridge Gas Inc.
EB-2023-0343**

Please note, Enbridge Gas Inc. is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff interrogatories and any other supporting documentation, 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 Rules of Practice and Procedure](#).

ISSUE 1.0 NEED FOR THE PROJECT

1-Staff-10

Ref: Updated Evidence, Exhibit B, Tab 1, Schedule 1, pg 7
EB-2022-0200, Decision and Order, December 21, 2023, pg 50

Preamble:

On August 30, 2024, Enbridge Gas filed an updated Application that included, amongst other things, updates to its Environmental Report, customer forecasts, and cost estimates (Updated Application). This was an update from the previous Application that was filed on November 28, 2023 (Original Application).

In Enbridge's rebasing application, Enbridge Gas proposed a harmonized service length threshold of 20 metres that would be provided free of charge for infill service connections, and an updated Extra Length Charge (ELC) of \$159 per additional metre across all franchise areas, and requested approval of this charge. In the OEB's Decision and Order, the OEB approved the proposed ELC of \$159 per meter beyond the first 20 meters for use in 2024.¹

Enbridge Gas updated the customer attachment forecast to account for long services in this specific Project area and the associated ELC per meter, which was increased since the market research survey was conducted.

Enbridge Gas updated its forecast to a total of 263 customers from 369 customers in the Original Application.

¹ EB-2022-0200, Decision and Order, December 21, 2023, pg 50

Question:

- a) Under the Original Application, without the increased ELC, were customers required to pay for longer services?
 - i. Under what conditions were customers not required to pay extra for their service connection?
 - ii. Please compare the charges assumed in the Original and the Updated Application?
- b) Please provide further discussions for a 106 (~29%) customer decrease compared to the Original Application.
 - i. Does EGI attribute the decrease to the ELC cost deterring customers from connecting?
 - ii. How was the updated customer connection number forecasted? Was a study/ survey completed to determine the updated customer forecast? If yes, please provide the study/ survey.
- c) Please provide and compare the number of forecasted customers in the project area requiring greater than 20 meters of service (i.e. when a ELC is required) in the Original Application and the Updated Application?
 - i. Please provide and compare the average cost the ELC for these set of customers in the Original and Updated Application.
- d) Please provide a detailed discussion on how the updated route was selected.
- e) How many potential customers are there in the project area?
 - i. What is the penetration rate of the project area?
- f) For Natural Gas Expansion Program (NGEP) LTCs that are currently under construction or have been recently constructed and attaching customers, will the ELC also affect connection count in those project areas?
 - i. Will these NGEP LTCs still hold a PI of 1.0?

ISSUE 3.0 PROJECT COST AND ECONOMICS

2-Staff-11

Ref: Updated Evidence, Exhibit D, Tab 1, Schedule 1, pg 1
Updated Evidence, Exhibit E, Tab 1, Schedule 1, pg 1

Preamble:

A total of approximately 36.5 km of new natural gas main will be installed. This is updated from a total of approximately 37.3 km of new natural gas mains in the Original Application.

OEB staff prepared the table below, which compares the NGEP proposal to the LTC application in terms of pipeline lengths, 10-year customer forecast, and capital costs.

Comparison of NGEP Proposal, Ministry Update, Original Application and Updated Application

	NGEP Proposal	Update to Ministry of Energy	Original Application	Updated Application
Customer Forecast	422		369	263
Penetration rate	65%		76% ²	76% ³
NPS 2 PE (km)	23.95	27.0	27.0	26.1
NPS 4 PE (km)	6.187	10.3	10.1	10.3
NPS 2 Steel (km)	0	0	0.115	0.14
NPS 4 Steel (km)	0	0	0.06	0
Total Length (km)	30.137	37.3	37.355	36.53
Total Capital Cost	Redacted		\$14,743,806	\$12,999,254
NGEP Funding	\$8,373,365		\$8,373,365	\$8,373,365
Net Capital Cost	Redacted		\$6,370,441	\$4,625,889

Questions:

- a) Please confirm that the summary information provided in the table above is correct. If not, please identify and correct any errors.
- b) Please discuss how the project went from 422 customers forecasted to connect to 263 customers forecasted to connect (65% and 76% penetration rates respectively), while the pipeline length increased from approximately 30 km to 36.53 km.
 - i. Does Enbridge Gas believe that the NGEP proposal is the same/ similar to the Updated Application, as there is a decrease of 37% from its original customer forecast, while the NGEP funding remains the same.
- c) Please provide a discussion on the disproportionate decreases in capital cost and pipeline length. The project capital cost has decreased by roughly \$1.7 million (~12% of Original Application budget) while the total length of pipeline has decreased only 0.82 km (~2% of Original Application pipeline).

² Based on Forum Research, 76% of respondents overall are likely (extremely likely, very likely or likely) to connect to natural gas.

³ Ibid

ISSUE 6.0 INDIGENOUS CONSULTATION

1-Staff-12

Ref: Updated Evidence, Exhibit H, Tab 1, Schedule 1, pg 4
Updated Evidence, Exhibit H, Tab 1, Schedule 1, Attachment B, pg 40 and 261-265

Preamble:

The information presented in Attachment 7 and Attachment 8 reflects Enbridge Gas's Indigenous engagement activities for the Project up to and including August 1, 2024; however, Enbridge Gas stated it will continue to engage throughout the life of the Project to ensure any impacts on Aboriginal or treaty rights and interests are addressed, as appropriate.

In an email exchange between Enbridge Gas and the Mississaugas of Scugog Island First Nations (MSIFN), MSIFN had provide a number of comments and suggestions on Enbridge Gas's Environmental Report.

As of August 1, 2024, Enbridge Gas has emailed MSIFN advising they have received the comments and are preparing the response.

Question:

- a) Please provide any updates to MSIFN's concerns and any correspondents.
- b) Please provide the updated Indigenous Consultation Log, if applicable.