

Justin Egan Technical Manager Regulatory Applications Regulatory Affairs Enbridge Gas Inc. P.O. Box 2001 50 Keil Drive N. Chatham, Ontario, N7M 5M1

November 22, 2024

VIA RESS AND EMAIL

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

Dear Nancy Marconi:

Re: Enbridge Gas Inc. (Enbridge Gas)

Ontario Energy Board (OEB) File No.: EB-2024-0193

2022 Demand Side Management (DSM) Deferral and Variance Account

Disposition Application - Interrogatory Responses

In accordance with the OEB's Procedural Order No. 1 dated October 18, 2024, please find enclosed the interrogatory responses of Enbridge Gas.

If you have any questions, please contact the undersigned.

Sincerely,

Justin Egan

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Technical Manager, Regulatory Applications

cc.: D. O'Leary (Aird & Berlis) EB-2024-0193 (Intervenors)

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ENBRIDGE GAS INC.

Answer to Interrogatory from Ontario Energy Board Staff (STAFF)

<u>Interrogatory</u>

Reference:

- i) EB-2024-0193 Application & Evidence, Exhibit A, Tab 2, Schedule 1
- ii) EB-2024-0193 Application & Evidence, Exhibit A, Tab 4, Schedule 1, Page 86, Table 8.4

Preamble:

The following table summarizes the balances in the 2022 DSM Incentive Deferral Account and 2022 LRAM Variance Account for the EGD zone as reported by the OEB's Evaluation Contractor (EC) in its annual verification report and as requested for clearance by Enbridge Gas.

| | | Annual Verification Report | As Requested for Clearance |
|------------------|-----------------------------------|-------------------------------|-------------------------------|
| EGD Rate Zone | DSM Incentive Deferral Account | \$5,236,372 | \$5,236,372 |
| | LRAM Variance Account | \$58,178 | \$34,771 |

The balances in the DSM Incentive Deferral Accounts are aligned, however the balances in the LRAM Variance Accounts are not.

Question(s):

Please explain why the balance being sought for clearance in the LRAM Variance Account for the EGD rate zone does not align with the balance as reported by the OEB's EC in its annual verification report which is shown in Table 8.4 of the 2022 DSM Annual Report.

Response:

The explanation is found at Exhibit B, Tab 2, Schedule 1, page 4, paragraph 13 which states:

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Consistent with historical practice, the annual rate setting process in the EGD rate zone includes a DSM volumetric adjustment for the expected natural gas savings that are partially effective for the current year, and the balance of DSM volumes not captured in the previous years' base rate volumes. Therefore, the 2022 LRAMVA balance contains a variance related to the 2022 DSM program year only. See Exhibit B, Tab 2, Schedule 1, Appendix 2 for a detailed presentation of the 2022 LRAMVA balance of \$0.035 million for the EGD Rate Zone, before interest.

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ENBRIDGE GAS INC.

Answer to Interrogatory from Ontario Energy Board Staff (STAFF)

Interrogatory

Reference:

EB-2024-0193 Application & Evidence, Exhibit D, Tab 1, Schedule 1, Pages 1-6

Preamble:

In addition to the amounts Enbridge Gas is seeking approval for in the previous Exhibits and Schedules, the Company proposes to include an additional \$60 million as a one-time interim deferral disposition to offset a portion of overspend amounts related to Enbridge Gas's Home Efficiency Rebate Plus (HER+) offering in 2024.

The Company will file a detailed summary in respect of the HER+ program offering for final approval and disposition of the balance in a subsequent application to the OEB.

Question(s):

When Enbridge Gas files its "subsequent application" to the OEB (which it notes will be the 2024 DSM DVA application) for final approval and disposition of the HER+ program offering, does Enbridge Gas agree that OEB Staff and intervenors will have an opportunity to conduct a prudence review of all spending related to the HER+ program offering? If not, why not?

Response:

Yes, Enbridge Gas agrees that OEB staff and intervenors will have the opportunity to conduct a review of all spending related to the HER+ program.

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ENBRIDGE GAS INC.

Answer to Interrogatory from Intervenor

<u>Interrogatory</u>

Reference:

EB-2024-0193 Application & Evidence, Exhibit D, Tab 1, Schedule 1, Page 3, Table 1

Preamble:

Enbridge has provided a table with the current forecast for 2024 HER+ participation and rebate payments.

Question(s):

- a) Please expand row (1) of the table (titled Rebates Paid in 2024) to show, by month, the confirmed number of participants and rebate amounts (\$) in each month. If any projects were completed in 2023, please expand the table to include the necessary months in 2023.
- b) For the forecasted 39,700 participants in row (2) of the table (titled Projects submitted to Enbridge, pending processing) please provide a month-by-month forecast of the number of rebates to be paid (participants) and forecasted dollars.

Response:

a - b) Please see the table below for actual and forecasted participants and rebates in each month in 2024. The 39,700 participants identified in the second row of Exhibit D, Tab 1, Schedule 1, page 3, Table 1 were categorized as "Projects submitted to Enbridge, pending processing", and were estimates as of August 29, 2024. For this interrogatory response, the table below reflects the actuals for January to October as of October 31, 2024, and forecasts for November and December.

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<u>Table 1</u> <u>DSM Rebates</u>

| Line | Category | Participants (approximate) | Rebate Spend (approximate) | Forecast Rebate Spend |
|------------------------------------|---|-------------------------------|----------------------------|--------------------------|
| 1 | Total Rebates paid in 2024 through Oct 31, 2024 | 81,400 | \$166,679,000 | |
| 1a - Jan | Rebates paid in Jan | 0 | \$0 | |
| 1b - Feb | Rebates paid in Feb | 6,000 | \$10,324,000 | |
| 1c - Mar | Rebates paid in Mar | 800 | \$5,746,000 | |
| 1d - Apr | Rebates paid in Apr | 14,800 | \$27,280,000 | |
| 1e - May | Rebates paid in May | 9,400 | \$18,246,000 | |
| 1f - Jun | Rebates paid in Jun | 10,000 | \$19,881,000 | |
| 1g - Jul | Rebates paid in Jul | 10,000 | \$20,786,000 | |
| 1h - Aug | Rebates paid in Aug | 11,000 | \$22,837,000 | |
| 1i - Sep | Rebates paid in Sep | 9,400 | \$20,200,000 | |
| 1j - Oct | Rebates paid in Oct | 10,000 | \$21,379,000 | |
| 2 | Total Rebates expected to be paid in Nov through Dec 2024 | 15,000 | | \$30,800,000 |
| 2a - Nov | Rebates expected to be paid in Nov | 10,000 | | \$20,500,000 |
| 2b - Dec | Rebates expected to be paid in Dec | 5,000 | | \$10,300,000 |
| Sub total | | 96,400 | \$166,679,000 | \$30,800,000 |
| Forecasted Total Rebate Spend 2024 | | | \$197,479,000 | |

Note: Numbers are as of October 31, 2024. Numbers have been rounded, are not final, and have not yet been audited as they are current DSM program year results.

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ENBRIDGE GAS INC.

Answer to Interrogatory from Ontario Energy Board Staff (STAFF)

Interrogatory

Reference:

EB-2024-0193 Application & Evidence, Exhibit A, Tab 3, Schedule 1

Preamble:

Enbridge Gas proposes to dispose of the account balances with the first available QRAM following OEB approval. For the purposes of calculating bill impacts, Enbridge Gas assumes implementation with the April 1, 2025 QRAM.

Question(s):

Is Enbridge Gas still assuming implementation with the April 1, 2025 QRAM?

Response:

Yes, Enbridge Gas anticipates that April 1, 2025 will be the next available QRAM application once a decision is received.