

VIA RESS

May 1, 2025

Ontario Energy Board
Attn: Ms. N. Marconi, OEB Registrar
P.O. Box 2319
27th Floor, 2300 Yonge Street
Toronto ON M4P 1E4

RE: EB-2022-0335 EGI IRP Pilot Project – FRPO Response to EGI Objection

We are writing on behalf of the Federation of Rental-housing Providers of Ontario (FRPO) as directed in the Ontario Energy Board (OEB or the Board) Decision and Order in the IRP Pilot Project proceeding and in response to the Enbridge Gas Inc. (EGI) Letter of April 24, 2025. FRPO respects the opportunity to assist the Board and serve our members. As such, we submit the following to assist the Board's determination of the value of our investment in the process.

The following submissions outline FRPO's general approach to engagement, our representative DR QUINN & ASSOCIATES (DRQ) involvement with Integrated Resource Planning projects including our approach to the Pilot proceeding with responses to assertions contained in EGI's Letter on this topic.

FRPO is Judicious in its Involvement in OEB Proceedings

In the Board's recently published report to the Minister on Intervenors and Regulatory Efficiency, the report made two key observations:¹

Intervenor costs are approximately 0.03% of the revenues of regulated utilities, on an annual basis.

Regular intervention by expert intervenors can support positive outcomes. Energy regulation is a complex, technical area where institutional knowledge can support more efficient adjudication.

FRPO has been an active intervenor in OEB proceedings since 2008. While FRPO has periodically participated in generic proceedings (e.g., Renewed Regulatory Framework), we have been intentionally focused on proceedings where our technical knowledge and expertise can be of assistance to the Board. As demonstrated recently, we did not request participation in the recently completed Cost of Capital proceeding² as we believed the Board could be served more efficiently by those with more extensive financial expertise. Further, even

¹ Ontario Energy Board's Report Back to the Minister entitled Intervenors and Regulatory Efficiency, September 27, 2024, pg. 5

² EB-2024-0063

though FRPO was an active participant in the first phase of EGI's 2024 Rebasing proceeding,³ we believed that some of our fellow intervenors with legal expertise could assist the Board more effectively in the Motion to Review and Vary elements of the Decision.⁴

FRPO respectfully submits that we can and have assisted the Board more effectively with our expertise in natural gas technical matters. As examples, we have strived to leverage our experience in gas supply⁵, pipeline system design⁶ and technical elements of infrastructure⁷ to provide the Board with key considerations and insights that were not found in the respective applications. Our technical expertise was recognized by the Board in being selected for Integrated Resource Planning (IRP) Technical Working Group.⁸ Given our experience, we are relied upon by other stakeholders to address the more technical elements of natural gas applications and, as such, invest more time than others to understand and test natural gas technical evidence.

EGI's Original Application Prompted our Request for Additional Technical Data

FRPO's representative is DRQ with Dwayne Quinn acting on behalf of the organization. As noted above, Mr. Quinn is a member of the OEB's IRP Working Group. In that role, I have emphasized the need for baseline data to evaluate the initial system constraint and the efficacy of alternative approaches to meet the needs of existing and forecasted natural gas customers. Given my technical experience, which includes Facilities Planning, Operations Stations Design and Plant Construction (Union Gas 1986-1992) and as chief engineer (Kitchener Utilities 1994-2007), I understand that any evaluation must start with a baseline of system flows due to customer demand and an understanding of the facilities and pressures available to meet the demand.

EGI's original application contained two pilots: Parry Sound and Southern Lake Huron (SLH) as it became to be known. In the initial interrogatories, FRPO sought the baseline data for the projects.⁹ As noted in our request for a Technical Conference,¹⁰ EGI answers were not responsive in a way that any party could evaluate the efficacy of their proposals to develop the learnings sought in the pilots. Unfortunately, EGI's response dismissed our request for this information as unnecessary to "develop, implement, monitor and understand the impacts of a number of IRPAs, to aid in the development and implementation of future IRP Plans."¹¹

³ EB-2022-0200

⁴ EB-2024-0078

⁵ EB-2023-0326 Hearing on the Ontario Energy Board's own Motion regarding Enbridge Gas Inc.'s 2021 Vector Contracting Decision

⁶ EB-2019-0172 Windsor Pipeline Replacement Project

⁷ EB-2020-0293 St. Laurent Ottawa North Replacement Project

⁸ EB-2021-0246 Integrated Resource Planning Technical Working Group - Membership Selection, December 6, 2021

⁹ FRPO_IR_EGI_IRP PILOT_20231020

¹⁰ FRPO_EGI IRP Pilots_Req Tech Conf_20231108

¹¹ EGI_SUB_IRP Pilot Projects_20231110,

Further, in that same letter, EGI rationalized that no other party asked questions of this type and if FRPO believed the answers were incomplete, we could bring a motion. These statements were surprising in that EGI knew that we had been requesting this information in the IRP Working Group and that other intervenors relied on FRPO to address these system design issues. We note that almost half of our time invested in this proceeding was consumed in these initial attempts at full discovery prior to the proceeding entering an extended abeyance period.

Parry Sound Analysis Yields Understanding even Without Pilot Status

Recognizing our challenges with getting the information required in the pilot proceeding, we invested efforts in striving to get the information as part of our role in the Working Group. Through a series of emails, we were able to answer EGI's concerns about why we would need this requested information. We have attached two sets of emails for the Board's understanding of our pursuit and EGI's knowledge of it. Given that other participants' emails and names are included, we submit these attachments confidentially.

The three attachments are:

Attachment #1: Emails providing EGI with an understanding of the need for data

Attachment #2: Emails acknowledging an understanding and EGI's provision of data

Attachment #3: Minutes from a technical meeting between EGI and DRQ to go through lower cost alternatives than the original Parry Sound pilot.

While we understand there is significant content in these emails, we have highlighted pertinent sections that describe our interest in the data to ensure that more cost effective alternatives are considered for IRP pilots. We believe that, initially, some of our interest for the data was not clearly understood by EGI but dialogue overcame that lack of understanding. Through a significant technical discussion, we were able to advance primarily station-based alternatives that could be implemented at a small fraction of the cost of the pipeline that was identified as the traditional facilities solution to the Parry Sound capacity constraints. However, as noted in the minutes, reductions in forecast future demands emanating from decisions in the initial rebasing proceeding eliminated the short term need driving the supply constraint. As a result, the request for the Parry Sound pilot was dropped.

We provide this section to assist the Board in understanding our pursuit of this type of information to be used to:

- 1) Create a baseline understanding of the system by clearly identifying the system constraint and the conditions (customer demands, flows and pressures) at the outset

- 2) Ensure that station improvement considerations are examined as cost effective IRP supply-side alternatives¹²
- 3) Having completed an effective baseline of the state of the system and its demands, the utility can demonstrate the efficacy of IRPA initiatives by measuring the results against the original baseline.

To be crystal clear, no time invested in these efforts outside of the Pilot proceeding was allocated to EB-2022-0335 and only some of our time was allocated to EB-2021-0246 (IRP Working Group) where appropriate. However, we would like the Board to understand that the knowledge gained by EGI would inform their understanding of our initial time investments prior to abeyance and our remaining efforts in the IRP proceeding upon its resumption. Instead of using this knowledge, EGI asserts that there was little probative value in our contributions leading to their request to the Board to significantly reduce our cost award.¹³

FRPO's Continued Pursuit of Baseline Establishment

Recognizing the difficulties experienced in obtaining key data for Parry Sound and noting that the remaining pilot was advancing directly to a Technical Conference, we advanced our requests to EGI in an effort to be efficient and effective. In reviewing EGI's Cost Claim Objections,¹⁴ we recognize that they did not identify the advancement of our requests ahead of the Technical Conference. Since the requests and EGI's response were communicated by email, the content is not on the public docket (with the exception of the resulting map and table of KT1.1 which we used to communicate with the Technical conference panel). We provide that exchange as Attachment #4, confidentially, in the same manner as the previous attachments.

Once again, our investment in this process was to try to establish a baseline from which the effectiveness of the IRPA initiatives could be measured as discussed above. While EGI can assert that our investment has limited value, we would state that the information requested in our advanced request and in the resulting undertakings¹⁵ ought to be part of any rigorous IRP project. We did not address the baseline in our submission as the data is now on the record and available for an assessment of the IRP pilot project at a later date. In our respectful submission, the investment in discovery was valuable even if we did not identify the specific results of inquiry in our submissions.

¹² FRPO and EGI disagree on the categorization of station improvements as IRPA's. More importantly, as noted in our submissions in the St. Laurent proceeding and in this pilot proceeding, EGI has not advanced these lower cost solutions

¹³ EGI_CostClaims_20250424

¹⁴ Ibid.

¹⁵ Exhibit JT1.15 and JT1.16

FRPO's Submissions Supported the Pilot while Identifying Further Required Learning

In our involvement in this proceeding and IRP Working Group, we have strived to advance the interests of Energy Transition by supporting timely implementation of well-developed pilots. Given the timing of the only remaining pilot, we supported the pilot. At the same time, we identified further work that needs to be done, especially after losing the Parry Sound Pilot opportunity¹⁶. Further, we did not spend additional time specifically identifying our concerns that we shared with the School Energy Coalition's (SEC) representative, Mr. Shepherd, from our service together on the IRP Working Group. Having read the SEC submissions, we supported and adopted the SEC issues advanced for the Board's consideration.¹⁷ We believe that approach would be aligned with the Board's expectations of intervenor collaboration.

Conclusion

We provide the above information to assist the Board in understanding our investment of time in discovery to advance the interests of IRP. As in any proceeding, individual intervenors invest disparate amounts of time given their respective issues and their expertise to be able to assist the Board. In this proceeding, we were leveraging our experience to try to ensure that ratepayers' investments in IRPA were not hampered by lack of considered foresight. We are very concerned about the assertions made by EGI given their knowledge of our efforts in this proceeding and in the IRP Working Group. We trust that the above submission and additional attachments are helpful to the Board in understanding our approach in this landmark proceeding toward the shared goal of effective energy transition.

Respectfully Submitted on Behalf of FRPO,



Dwayne R. Quinn
Principal
DR QUINN & ASSOCIATES LTD.

c. EGIRegulatoryProceedings – EGI
Interested Parties, EB-2022-0335

Attachments Submitted Confidentially

¹⁶ FRPO_ARG SUB_EGI IRP PILOT_20241009, pg.2-3

¹⁷ FRPO_ARG SUB_EGI IRP PILOT_20241009, pg.3