

Elson Advocacy

July 10, 2025

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

Dear Ms. Marconi:

**Re: Enbridge Gas Inc. 2024 to 2028 Rates Application – Phase III
EB-2025-0064**

I am writing on behalf of Environmental Defence and the Green Energy Coalition pursuant to *Procedural Order #2* to describe the areas we intend to focus on at the technical conference and to provide time estimates.

We have questions further to the following interrogatories:

- Exhibit I.1.13-ED-1 (interruptible service & IRP)
- Exhibit I.1.16-ED-7 (energy comparison information)
- Exhibit I.2-ED-8 & 9 (capital reductions, issue 13b)
- Exhibit I.7-ED-10 (rate design, demand charges)
- Exhibit I.8.2-ED-12, 13 & 17 (rate design, demand charges)

To help save time and costs, we have included our follow-up questions below. If Enbridge is willing to undertake to provide answers via undertaking responses, we will not require any time at the technical conference. Otherwise, we request 90 minutes for the technical conference.

1. Exhibit I.8.2-ED-12 (rate design, demand charges): The figure below is pasted from this interrogatory response. It shows that a customer with electric heating will pay slightly more with SFVD. An example of this would be a customer who has electrified their heating but still has a gas stove or a gas stove and gas water heater. We would have expected this customer to have lower rates under SFVD, all other things equal, because their peak winter demand will be so much lower. Please (a) explain why this is not the case, (b) provide the underlying calculations for the electric heat row in the table, and (c) ask Christensen if changes could be made to the model to better reflect the benefits of peak demand reductions arising from customers with electrified heating.

Table 1. Illustrative bill impacts for hybrid heating and no gas heating scenarios

Scenario	Annual Bill (\$)		Bill Index vs. Current
	2024 Rates	Harmonized SFVD	
Conventional Gas Heat	919.97	924.65	1.005
Hybrid System, 0C Crossover	697.73	781.19	1.120
Hybrid System, 10C Crossover	512.58	661.94	1.291
Electric Heat, Other Gas Uses	458.57	461.49	1.006

2. Exhibit I.8.2-ED-13 (rate design, demand charges): This interrogatory was intended to explore how quickly and appropriately the proposed demand estimation model will account for reduced peak demand due to DSM measures, such as weatherization or electrification of heat. The interrogatory response provides a helpful narrative indicating that there will be a lag, but does not provide the quantification originally requested. We therefore request the following:
 - a. Enbridge indicates that there will inevitably be a lag in reflecting peak demand reductions arising from DSM in a customer's bill. Please discuss potential solutions to reduce that lag, including the option for customers to trigger a review of their peak demand arising from DSM measures. Please indicate which solutions Enbridge commits to implement if SFVD is approved.
 - b. Please confirm that a lag in reflecting peak demand reductions will mean that customers who are impacted by that lag will likely have demand charges that are temporarily higher than they would otherwise be (i.e. they will be temporarily overcharged). Please describe potential mechanisms to allow customers to be reimbursed for these excess demand charges. Please indicate which solutions Enbridge supports.
 - c. Please estimate the average duration of the time lag discussed above.
 - d. Please estimate the longest duration of the time lag that will be possible (with assumptions as necessary, such as an assumption that Enbridge updates its peak demand estimate calculations in Q2 of each year).
 - e. Please provide the quantitative example requested in Exhibit I.8.2-ED-13.
3. Exhibit I.7-ED-10 (rate design, demand charges): This interrogatory response describes how the proposed SFVD rate design will impact the customer cost-effectiveness calculations for DSM. These calculations will become complicated, making it harder for customers and efficiency/HVAC contractors to estimate the savings from DSM measures. If SFVD is approved, would Enbridge commit to developing an online tool to help customers and contractors calculate the bill savings from various different kinds of DSM measures?

4. Exhibit I.2-ED-9 (capital reductions, issue 13b): This interrogatory reads as follows: “Enbridge spent less on connections than forecast. Please provide a breakdown of the decline in spending between the causes of the decline, including the proportion that are caused by fewer customer requests versus factors that Enbridge controls.” The response pointed us to Exhibit I.2.5-STAFF-7, but that response did not discuss or quantify the decline in connections spending due to factors that Enbridge controls. Please discuss the ways in which Enbridge can manage connection costs (if any) and quantify the approximate percentage of connections cost reductions that are due to factors Enbridge controls.
5. Exhibit I.2-ED-8 (capital reductions, issue 13b): Table 1 in this interrogatory response provided the reductions in spending on the corrosion prevention program versus the 2024 capital update. The response also listed a number of other maintenance programs. Please provide the same details for those other programs as well (i.e. update table 1 to include the rows for each of the maintenance programs listed in part (b) of the interrogatory response).
6. Exhibit I.1.16-ED-7 (annual energy cost comparison information): This interrogatory asked for Enbridge to add a column for all-electric heat pump heating to the annual heating bill comparison chart that it previously provided to customers (shown in the IR). Enbridge declined to do so but did not indicate that this request was irrelevant or not feasible. It is relevant to a contention by Environmental Defence that Enbridge has not abided by its obligations regarding annual heating cost comparisons (which we understand Enbridge to dispute). It is feasible to produce (and simple to produce) as Enbridge’s DSM group already has detailed information relating to heat pump electricity consumption. We ask that the figure be provided.
7. Exhibit I.1.13-ED-1 (interruptible service & IRP): Enbridge indicates that it gauges interest in interruptible service (and other non-pipeline solutions) via questionnaires sent out via a Non-Binding EOI / ROS process. Table 1 in this interrogatory response indicates that the response rate for these questionnaires is extremely low. Please (a) provide the average response rate over the most recent 5 questionnaires (show in table 1) and (b) discuss other mechanisms that could be used to explore whether customers may be willing to move, at least partially, to interruptible service and to participate in non-pipeline solutions, which are in addition to mechanisms in place today. Please also provide (c) an anonymized spreadsheet for large volume customers showing their contract demand amount and the number of hours that they were using that contract amount or more. If it is not feasible to complete this for all large volume customers, please do so for a sample that is chosen randomly.

Yours truly,



Kent Elson

cc: Parties to the above proceeding