

BY EMAIL

April 28, 2020

To: All Parties to EB-2019-0159, EB-2017-0306 All Participants in EB-2019-0003

Re: Notice of Hearing for Enbridge Gas Integrated Resource Planning Proposal OEB File Number: EB-2020-0091

This letter provides information on the next steps that the Ontario Energy Board (OEB) intends to take in regards to hearing Enbridge Gas' Integrated Resource Planning (IRP) proposal, and invites intervention requests or letters of comment from parties who wish to participate in this proceeding.

Enbridge Gas' Integrated Resource Planning Proposal

Integrated resource planning is a planning process that evaluates and compares realistic natural gas supply-side and demand-side options. The demand-side options identify solutions that reduce natural gas in-franchise peak period demand growth to defer or avoid future transmission and distribution system facility expansion/reinforcement projects. The potential range of IRP alternatives could include demand response, enhanced targeted energy efficiency, compressed natural gas, and low-carbon and non-gas solutions.

Enbridge Gas originally submitted an <u>IRP proposal</u> to the OEB as part of Enbridge Gas' Leave to Construct Application (Exhibit A, Tab 13) for 10.2 km of pipeline expansion within the City of Hamilton ("Dawn-Parkway Expansion" proceeding, EB-2019-0159), filed on November 1, 2019.

Enbridge Gas' IRP proposal included sections related to the goals of IRP, what types of IRP alternatives should be considered, which infrastructure projects should require consideration of IRP alternatives, how IRP alternatives should be assessed and compared with infrastructure projects, and proposed mechanisms for approval and cost recovery of IRP projects.

Ontario Energy Board

- 2 -

Enbridge Gas requested that the OEB determine that its IRP Proposal, in relation to the Dawn-Parkway Expansion project, and for application to future Enbridge Gas projects, is reasonable and appropriate.

Enbridge Gas also requested that, should the OEB determine that it is not possible to review and make a determination on the IRP proposal by April 30, 2020, the IRP proposal be reviewed separately from the Leave to Construct application to ensure the project in-service date of November 21, 2021 would not be compromised.

In <u>Procedural Order No. 1</u> in the Dawn-Parkway Expansion proceeding, issued January 30, 2020, the OEB noted that the IRP Proposal raised issues of broad applicability that are best dealt with outside of the context of a project-specific Leave to Construct proceeding, and determined that Enbridge Gas' IRP Proposal would be heard separately from the Leave to Construct application.

Previous OEB Initiatives Addressing Integrated Resource Planning

As noted in Enbridge's IRP proposal, the OEB has previously considered the role of IRP, and specifically the potential for natural gas demand-side management (DSM) to defer or avoid capital investments in infrastructure, in several Leave to Construct decisions, and in the OEB's oversight of natural gas DSM, for Enbridge Gas and its predecessors, Enbridge Gas Distribution (EGD) and Union Gas (Union). These are summarized in the following table.

Date	Initiative	Proceeding
January 30,	OEB issues Decision and Order on GTA-Parkway	EB-2012-0451
2014	Project, which concludes that further examination of	EB-2012-0433
	natural gas IRP is warranted, and provides	EB-2013-0074
	guidance regarding assessment of demand-side	
	alternatives in Leave to Construct applications	
December 22,	OEB issues 2015-2020 DSM Framework, which	EB-2014-0134
2014	includes infrastructure deferral as one of the goals	
	of DSM	
January 20,	OEB issues Decision and Order on EGD/Union	EB-2015-0029
2016	2015-2020 DSM plans, which directs EGD and	EB-2015-0049
	Union to work jointly on a transition plan that	
	outlines how to include DSM as part of future	
	infrastructure planning activities	

Table 1: Previous OEB Consideration of Natural Gas Integrated ResourcePlanning

Ontario Energy Board

- 3 -

45		
January 15,	EGD files IRP transition plan, and study from ICF	EB-2017-0127
2018	International, as part of mid-term review of DSM	EB-2017-0128
	framework	
November 29,	OEB issues report on mid-term review of DSM	EB-2017-0127
2018	framework, which indicates that natural gas utilities	EB-2017-0128
	should include a comprehensive evaluation of	
	conservation and energy efficiency as an alternative	
	to reduce or defer infrastructure investments as part	
	of all leave to construct applications	
January 3,	OEB issues Decision and Order on EGD's Bathurst	EB-2018-0097
2019	Reinforcement Leave to Construct application,	
	finding that EGD's process for considering DSM as	
	a viable alternative to this Project was not	
	appropriate	
November 1,	Enbridge Gas files IRP proposal as part of <u>Dawn-</u>	EB-2019-0159
2019	Parkway Expansion Leave to Construct Application	
December 19,	As part of the development of the post-2020 DSM	EB-2019-0003
2019	Framework, the OEB issues a <u>letter</u> noting that the	
	post-2020 DSM framework consultation will	
	monitor the IRP proceeding	

The OEB's Approach to Enbridge Gas' IRP Proposal

The OEB intends to address Enbridge Gas' IRP proposal through an oral hearing. Enbridge Gas' IRP proposal will form the initial evidence for this proceeding.

The OEB will establish an Issues List to set out the scope of this proceeding. OEB staff will develop a draft Issues List for circulation to the parties for comment once interventions have been approved.

The OEB understands that OEB staff may seek to file expert evidence on alternatives to natural gas infrastructure. The OEB will consider requests from parties to file expert evidence that does not duplicate any evidence to be filed by OEB staff, once the Issues List has been established.

The OEB expects that this hearing will address the specific elements of Enbridge Gas' IRP proposal, and will also consider the broader issues of whether Enbridge Gas' IRP proposal adequately responds to previous OEB direction and guidance on IRP, and whether Enbridge Gas' IRP proposal necessitates consequential changes to any other OEB policies, codes, or guidelines.

Ontario Energy Board

- 4 -

Invitation to Participate

Parties interested in participating as intervenors in this proceeding should indicate their intent by filing a letter with the OEB by May 13, 2020 in accordance with the filing instructions set out below. The letter should include a statement indicating whether the participant requests cost eligibility. Parties requesting intervention status are reminded that a letter of intervention must comply with Rule 22 of the OEB's <u>Rules of Practice and</u> <u>Procedure</u>, If you are considering applying for cost award eligibility, please refer to the OEB's <u>Practice Direction on Cost Awards</u>. More details can be found on the <u>Intervenor Information</u> page on the OEB's website.

Participants in the Dawn-Parkway expansion proceeding (EB-2019-0159), which is currently active, will not automatically be granted intervention status in this IRP proceeding. Interested parties must submit a new request for intervention status and cost eligibility (if desired) that is specific to this IRP proceeding.

Parties who do not seek intervention status can also file a letter of comment, which will be considered by the Board members deciding the application.

Filing Instructions

All materials filed with the OEB must quote the file number, EB-2020-0091, be made in searchable / unrestricted PDF format and filed electronically through the OEB's web portal at <u>www.pes.ontarioenergyboard.ca/eservice</u>. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <u>http://www.oeb.ca/Industry</u>. If the web portal is not available parties may email their documents to <u>boardsec@oeb.ca</u>.

NOTE: The OEB is temporarily waiving the paper copy filing requirement until further notice. All communications should be directed to the attention of the Board Secretary at <u>BoardSec@oeb.ca</u>, and be received no later than 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Michael Parkes at <u>Michael.Parkes@oeb.ca</u> and Board Counsel, Michael Millar at <u>Michael.Millar@oeb.ca</u>.

Appendix "A" to Report PED20103 (Page 5 of 5)

Ontario Energy Board

DATED at Toronto, April 28, 2020

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Original signed by

Christine E. Long Registrar and Board Secretary