GREEN ENERGY COALITION RESPONSE TO

ENERGY PROBE

INTERROGATORY #1

QUESTION:

Ref: Exhibit L.EGD.GEC.1, Page 9

Please confirm Enbridge's DSM forecast in the GTA area.

RESPONSE:

In Table 5 of our evidence, we estimate the *total* DSM savings that Enbridge could achieve in the GTA, both in annual terms in in peak hour terms. In the text introducing Table 5, we explain that our estimates of savings are about 9,000 peak hour m^3 greater in 2014 than Enbridge's currently planned efforts, about 15,000 peak hour m^3 greater in 2015 than Enbridge's current annual plans and about 23,000 peak hour m^3 greater in 2016 and beyond than Enbridge's current annual plans. We use the term "Enbridge's current annual plans" to refer to Enbridge's estimate of annual DSM savings in the GTA for 2013 and 2014 (i.e. about 36,000 incremental annual m^3 savings), as provided in response to GEC Interrogatory 34. We then converted those annual savings values into peak hour savings values using sector level annual sales provided by Enbridge in Exh. JT2.36 and peak hour demand data provided by Enbridge in response to Environmental Defence Interrogatory #3 (see Table 1 of our evidence). In response to Environmental Defence Interrogatory #14a, Enbridge appears to be assuming that its incremental annual DSM savings in 2015 and each year thereafter will be the same as it is forecasting for 2014.

GREEN ENERGY COALITION RESPONSE TO

ENERGY PROBE

INTERROGATORY #2

QUESTION:

Ref: Exhibit L.EGD.GEC.1, Page 9

Preamble: The evidence states "The analyses by Enerlife, on behalf of Environmental Defense, suggest that bringing the company's DSM program to the top quartile of performance would reduce design-peak load by about 30 10^3m^3/hr each year. These load reductions would eliminate most or all of the load growth; a curtailable arrangement with PEC and/or enhancement of the interruptible load program would be available to smooth the transition and top off any shortfall in DSM deployment."

a. Please provide a reference in Environmental Defence's evidence for the 30 10^3m^3/hr each year peak load reduction and confirm the customer sectors that this applies to.

b. Please discuss the timeframe and investment needed to bring the company's DSM program to the top quartile of performance.

c. Please discuss the related DSM results achieved in other jurisdictions.

d. Please describe the enhancements GEC envisions for the interruptible load program and quantify the load reduction potential.

e. Please discuss the impact on the need for Segment B1, B2 and Buttonville Station; reinforcements that Enbridge has identified in the GTA for 2017-2020; and reinforcements required after 2020, under the following scenarios:

    1. 10% shortfall in accelerated DSM deployment
    2. 25 % shortfall in accelerated DSM deployment
    3. 50% shortfall in accelerated DSM deployment
    4. No curtail agreement with PEC
    5. No enhancements to interruptible load program
    6. Combination of 2, 4 and 5

RESPONSE:

a. At L.EGD.ED.1, in Table 1 the 30 10^3m^3/hr is referred to for the Commercial sector. Additional savings are estimated from other customer sectors.

b. Please see the evidence of Enerlife for Environmental Defence (L.GEC.ED.1) and Energy Futures Group for GEC (L.EGD.GEC.2).

Witness: Paul Chernick Filed: July 19, 2013

c. Please see the evidence of Energy Futures Group at L.EGD.GEC.2.

d. Mr. Chernick suggests that EGD work with large customers and other consumer interests to design and implement interruptible rates or riders with the following characteristics, which may be applicable in the areas served from the Don Valley pipeline, the GTA, or system-wide, depending on system needs:

- A temperature-dependent automatic fuel-switching rate, which would include installation of equipment that would switch the customer to an alternate fuel when the temperature falls below some very low temperature, such as –10°, and switch back to gas at a higher temperature. The incentive or discount for this rate would be tied to the value of avoided local transmission and distribution investment, and possibly some very short-duration peaking supplies.
- A variant on the temperature-dependent automatic fuel-switching rate, with higher temperature settings and a credit for avoiding longer-duration peaking supplies.
- A manual interruptible rate, triggered only by very cold weather and designed for distribution load relief.
- A curtailable rate that allows EGD to restrict the customer's load, without interrupting the entire load. This rate would be applicable primarily to industrial customers, although some commercial loads might find it convenient as an alternative to having separate metering for boiler load and other loads (e.g., cooking).
- A broader review of the pricing and structure of EGD's existing interruptible rates, to align the incentives with EGD's avoidable costs and to ensure that the structure of the rates maximizes participation, where that is cost-effective.

Mr. Chernick does not have enough information about EGD's customer mix to quantify the load reduction potential. In the short term, EGD might want to start with the four major customers in the affected area, to rapidly get a significant reduction in design-hour peak load, while it works out the pricing and communication-and-control technology for standardized interruptible rates targeting extreme weather.

e. GEC has not developed the analysis in sufficient detail to respond to this question. Enbridge would need to work with other parties to develop all the components of the analysis. However, if the 116 10^3m^3/hour (or about 106 TJ/day and 12.3% of EGD's forecast of peak hour deliveries at Victoria Station) that EGD assumes that it would deliver to PEC on a design-peak day were fully interruptible, the other resource requirements would be quite modest and "scenarios" 1, 2, 3 and 5 would not appear to be particularly problematic.