

ENBRIDGE GAS INC.
Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Reference: Exhibit C1, Tab 1, Page 6 and C1, Tab2, Page 41

Preamble: “Examples of this include support for programs such as Renewable Natural Gas, Compressed Natural Gas, and the integration of gas and electric infrastructures using technology like combined heat and power, geothermal loops and hydrogen storage and blending.”

Question:

Please confirm that the programs listed except for hydrogen blending are non-utility programs.

Response

As stated on page 41 of EGD rate zone AMP, filed at Exhibit C1, Tab 2, Schedule 1, DSM and hydrogen blending are currently included as rate-regulated activities for the purpose of this Asset Management Plan. The regulatory treatments of the other programs noted in this question vary, and are described below.

RNG:

- With respect to Renewable Natural Gas (“RNG”) facilities required to inject RNG into the gas distribution system will be utility assets, whereas any assets created for the purpose of upgrading raw biogas to pipeline quality RNG will be treated as non-utility assets consistent with the OEB’s EB-2017-0319 Decision and Order.

Geothermal Energy Services:

- Legacy EGD also submitted a proposal to the Board in 2018 that called for geothermal ground source loops that would displace natural gas consumption to be included as part of utility rate base as a greenhouse gas emission strategy. This proposal included a non-utility element that would apply to situations where the service was provided to those without access to natural gas distribution services. This proposal was part of the EB-2017-0319 submission which was subsequently held in abeyance given the cancellation of the provincial government’s Green Energy Fund initiatives.

CNG:

- This business activity has been included as part of EGD's regulated utility as an ancillary business activity and been subject to the imposition of imputed revenues in the event that the program does not achieve the utility's regulated rate of return in any particular year.

CHP:

- Enbridge Gas actively supports the adoption of CHP facilities.