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Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street  
Suite 2700  
Toronto, ON M4S 1E4

Dear Ms. Marconi:

**Re: Enbridge Gas Inc. ("Enbridge Gas")  
EB-2022-0200 – 2024 Rates Application  
Response to City of Ottawa Letter of Comment**

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On July 21, 2023, staff on behalf of the City of Ottawa submitted a letter of comment in the rebasing proceeding. While Enbridge Gas has not been responding individually to earlier letters of comment, the contents and timing of the City of Ottawa letter require a response.

It appears to Enbridge Gas that the City of Ottawa letter was strategically filed immediately in advance of Enbridge Gas witnesses providing testimony about capital plans and integrated resource planning (IRP). Enbridge Gas expects that one or more active parties in the rebasing proceeding will be asking the Company to respond to the assertions and recommendations in the letter. Of course, Enbridge Gas will be prepared to answer any such questions in testimony. However, there are a number of incomplete or inaccurate assertions and positions advanced in the City of Ottawa letter to which Enbridge Gas wishes to respond in writing and in advance of its testimony about IRP and capital planning.

Enbridge Gas remains committed to delivering safe and reliable natural gas to Ottawa residents, businesses and institutions in Ottawa and Gatineau. We deliver gas to almost 400,000 customers – residents, business, industries, and institutions, in the nation's capital. Enbridge Gas operates nearly 5,000 kilometers of pipeline within the city to do that. The St Laurent pipeline is an important component of that network. It directly supplies approximately 165,000 customers in the City of Ottawa and Gatineau. Some of these customers provide critical services, like hospitals. All of our customers count on a reliable, dependable energy source for their heating and daily operations year-round, but most especially in the winter months.

While the St. Laurent Ottawa North Pipeline is not the primary focus of the current 2024 Cost of Service hearing, the submission made by the City of Ottawa staff leaves the impression that Enbridge Gas's consultation regarding the St. Laurent Pipeline has been insufficient. More troubling is that the City of Ottawa's letter deliberately leaves

the impression that very little has occurred in the last fourteen months which advances IRP, Demand Side Management (DSM), or indeed any of the long-term energy objectives which Enbridge Gas shares with the City of Ottawa. Nothing could be further from the truth.

Enbridge Gas values its relations with municipalities across the province and it has actively participated, in good faith, on a number of fronts, with the City of Ottawa to further progress on energy and climate change issues. Ontarians, and Ottawans in particular, are relying on successful and productive relations between utilities like Enbridge Gas and municipalities to help deliver that progress.

As we will illustrate in our responses to various statements and recommendations included in the City of Ottawa's letter, it is misleading and unfounded for City of Ottawa staff to portray Enbridge Gas's participation as anything but reliable and committed.

**A) Ottawa staff statement:** *"Require gas distribution utilities to engage in more effective outreach with municipalities (i.e. energy and emission planners) on gas IRP, demand side management and activities related to the energy transition."*

**Enbridge Gas reply:** Enbridge Gas has been actively engaging with the City of Ottawa on these issues and items. The insinuation that what is being done with the City of Ottawa is insufficient is incorrect. More broadly, Enbridge Gas also objects to the insinuation from the City of Ottawa that Enbridge Gas's outreach efforts are insufficient with the other 312 municipalities in Ontario where we operate.

Since the OEB's Decision in the St. Laurent Ottawa North Replacement Project in May of 2022, Enbridge Gas has met with the City of Ottawa a total of 16 times. Six<sup>1</sup> of these meetings focused on (1) the St. Laurent Project, including pipeline integrity updates, (2) IRP implementation at Enbridge Gas, (3) IRP analysis completed for St. Laurent project, including capacity scenarios, demand forecast process and assumptions, translating the Energy Evolution plan and an analysis of IRP alternatives, and (4) a list of Enbridge Gas Ottawa projects. The IESO and Hydro Ottawa were in attendance for three of these meetings. These meetings were supplemented by regular email communications with City staff. At no time during these meetings was the suggestion made by City staff that such outreach and these meetings was ineffective.

Additionally, since the decision in November of 2022 on Enbridge Gas's Application for the Multi-Year Natural Gas Demand Side Management Plan, Enbridge Gas has met with the City of Ottawa ten times<sup>2</sup> to discuss DSM and activities related to the energy transition. The topics of those meetings included Enbridge Gas's offerings and collaboration opportunities to enhance activity in Ottawa to reduce greenhouse gas emissions. These meetings were supplemented by regular email

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<sup>1</sup> Meeting dates: September 6, 2022; September 22, 2022; October 27, 2022; January 16, 2023; February 22, 2023; April 3, 2023.

<sup>2</sup> Meeting dates: January 11, 2023; February 3, 2023; February 6, 2023; February 24, 2023; March 10, 2023; April 12, 2023; April 14, 2023; May 12, 2023; May 24, 2023; June 14, 2023.

communication. The following is a summary of some of the initiatives Enbridge Gas has engaged on with the City of Ottawa:

- 1) Enbridge Gas supported the City's 2022 "Biogas Optimization Study" for the Robert O. Pickard Environmental Centre water treatment plant. Enbridge Gas's technical and economic support was rolled into the biogas optimization study. This advances renewable natural gas development.
- 2) Enbridge Gas has presented the City of Ottawa with an offer of exterior cladding for social housing and co-operatives part 9 buildings through the Home Winter Proofing Program (HWP) to support building envelope improvements. This offer is currently available to further our collaborative partnership with the City of Ottawa and provides sustainable solutions to affordable housing needs.
- 3) The City of Ottawa and surrounding region will be the focus of enhanced professional air sealing treatment as part of the Home Winter Proofing Program (HWP) this year for low- income energy consumers. Targeted outreach for the HWP offer will be taking place in Ottawa and eastern Ontario. This furthers home efficiency for those who can least afford it to help lower their energy costs.
- 4) Enbridge Gas and the City of Ottawa are collaborating on a technological proof of concept pilot. The pilot will work to understand how different technologies can significantly reduce a building's energy usage targeting multi-unit residential buildings to support deep energy retrofits.
- 5) Enbridge Gas is currently partnering with the City of Ottawa to provide a training course through the Canadian Institute for Energy Training - [Making the Case for Decarbonization Projects](#). The course objective is to enable engineers and Certified Energy Managers with the tools and expertise needed to develop a business case for decarbonization projects.
- 6) The Federal government, through NRCan, have partnered with Enbridge Gas to deliver the Canada Greener Homes Grant ("CGHG") through the Home Efficiency Rebate Plus ("HER+") residential offering, which launched in January 2023. HER+ utilizes DSM funding to both enhance the Canada wide measure rebate levels available for CGHG and also increases the funding cap from \$5,000 to \$10,000 for Enbridge Gas customers. Enbridge Gas delivers HER+ to Ottawa homes, including the ability for gas customers to receive large incentives for electrification measures, such as ground source or cold climate air source heat pumps, along with numerous other rebates for increasing the efficiency of the building envelope. Ottawa residents are also able to access the Canada Greener Homes Loan program, which allows for up to \$40,000 to be borrowed, interest free, for a 10-year term. This complements Ottawa's Better Loan program.

**B) Ottawa staff statement:** *“The City of Ottawa recently became aware of Enbridge Gas IRP Workshops held for the Ottawa area but unfortunately did not receive notice to allow participation in the workshop. We encourage the OEB and Enbridge Gas to enhance the communication plan for IRP so that all relevant stakeholders are informed and can participate in consultation activities.”*

**Enbridge Gas reply:** Enbridge Gas convened an Integrated Resource Planning session for eastern Ontario, including Ottawa, on April 11, 2023.

On March 20, 2023, Enbridge Gas individually invited 24 Ottawa City Councilors, one from each ward, as well as the Mayor to participate in this session. In addition, Enbridge Gas promoted the webinar more broadly through the Association of Municipalities of Ontario (AMO) through the AMO Watch File and a geo-targeted social media campaign through Facebook. Enbridge Gas regrets that the authors of the City of Ottawa letter apparently did not receive notice of the IRP session. There was certainly no intention to exclude anyone. Enbridge Gas will ensure that staff from the Planning, Real Estate and Economic Development group at the City of Ottawa receive notice of the next eastern Ontario IRP session.

**C) Ottawa staff statement:** *“The City is awaiting clarifications on proposed plans to advance IRP in Ottawa. Conversations to date have focused on the St. Laurent pipeline, and we have encouraged a broader IRP assessment for applicable projects Enbridge Gas intends to pursue.”*

**Enbridge Gas reply:** In the meetings between Enbridge Gas and City of Ottawa staff, Enbridge Gas has reiterated that the St. Laurent Pipeline Project is just the beginning of our conversations about the future and that we look forward to discussing all other future projects after the rebasing hearing. Enbridge Gas reiterated that there are no timing concerns with regards to the other projects. Enbridge Gas is fully prepared to thoroughly discuss and renew IRP discussions with detailed analysis well in advance of any future projects. Enbridge Gas’s 2023-2032 Asset Management Plan includes the following future projects impacting the City of Ottawa:

- Quincy Avenue
- Orville Street
- Stevenage Drive
- Barrhaven
- Bunker Road
- Carp Pressure Increase
- Bank Street
- Sherwood Drive
- Ottawa Reinforcement from Richmond Gate

**D) Ottawa staff statement:** *“Directly and through the OEB IRP Technical Working Group continue to keep track of the status of IRP in the St. Laurent area of Ottawa and publicly provide what IRP analysis is being conducted. Currently, the City does not have awareness of the analysis or the decision making process”*

**Enbridge Gas reply:** On February 22, 2023, Enbridge Gas met with City of Ottawa staff, the IESO, and Hydro Ottawa to make an 18 page presentation on Integrated Resource Planning relevant to the St. Laurent project. The presentation provided an update on pipeline integrity, steps in demand forecasting, Energy Evolution Plan impacts, and Enbridge Gas's five step assessment process. Enbridge Gas expected all who participated at that meeting would have a very clear awareness of the analysis conducted and decision-making process. Materials associated with that meeting are included on the record of the rebasing case, as Exhibit JT 5.37.

In the fall, Enbridge Gas plans to offer another series of webinars province-wide to share which projects are in the Asset Management Plans for each region in Ontario and that will include an overview of any related IRP analysis.

- E) Ottawa staff statement:** *"The City of Ottawa submits that there is significant opportunity to integrate IRP with City of Ottawa programs, for example the City of Ottawa's Better Homes Loan Program. Currently, there appears to be no visible communication to consumers on IRP options, which limits the ability to identify alternatives and take action."*

**Enbridge Gas reply:** This item has been discussed many times with staff from the City of Ottawa. Enbridge Gas has consistently communicated that the notion of IRP is that specific efficiency efforts and programs are deployed in relation to specific future facilities requirements. The goal of IRP is that the targeted deployment of IRP alternatives (IRPAs) will avoid, delay or downsize the facilities project in a cost-effective manner. The Better Homes Loan Program was and will be considered as an IRPA in relation to the St. Laurent project, and it may also be considered as an IRPA in conjunction with future infrastructure needs being considered in the City of Ottawa.

- F) Ottawa staff statement:** *"Consider opportunities to remove barriers that may be impeding the energy transition generally and gas IRP in particular. For example, the City of Ottawa is familiar with a proposed gas system expansion at 5371 Boundary Road in Ottawa. City of Ottawa climate change and resiliency staff became aware of this prospective project in February 2023 and enquired as to whether Enbridge Gas's geothermal division could meet the required load. Enbridge Gas stated that this would not be possible as they are prohibited by OEB decision EB-2020-0091 from referring projects from the regulated business to geothermal or related partners that include affiliates"*

**Enbridge Gas reply:** Enbridge Gas repeats that its regulated gas distribution business is separate from other non-regulated business offerings. However, Enbridge Gas is open to exploring the full range of currently available IRPAs when determining whether IRP can delay, downsize or avoid a system expansion project. It should be noted that the OEB's current IRP Framework for Enbridge Gas does not permit the Company to consider electric IRPAs or geothermal solutions.

**G) Ottawa staff statement:** *“Include electric air-source heat pumps as an IRP option in alignment with what the OEB promotes for Demand Side Management. Program alignment is important to avoid consumer confusion and ensure the greatest results.”*

**Enbridge Gas reply:** As noted, Enbridge Gas is not permitted to include electricity-based energy solutions as IRPAs under the OEB’s first generation IRP Framework. Note, though, that Enbridge Gas (with the support of the IRP Technical Working Group) is proposing limited deployment of electric air-source heat pumps as an IRPA on a pilot basis in the recently-filed IRP Pilot Project Application for Parry Sound. Any further deployment of electric IRPAs will need to be done in close coordination with the local electricity system partners, as geo-targeted electrification programs could have a significant impact on a local grid. That proceeding is just beginning, and there is no OEB decision as yet.

## **Conclusion**

It is disappointing for Enbridge Gas, given all the important work over the past year with City of Ottawa staff, to have that effort cast in such different light. While Enbridge Gas would prefer to address all the matters noted above through direct discussions with staff from the City of Ottawa, the fact that the City filed its letter at a time when Enbridge Gas witnesses are about to give testimony at the rebasing hearing about the matters covered in the City of Ottawa letter necessitates this public response.

With that being said, Enbridge Gas pledges to be transparent and open with Ottawa City Council and to further broaden our shared interests. We would be pleased to lead (or participate in) a discussion with Council and/or continue discussions with senior City staff regarding Integrated Resource Planning, energy efficiency and upcoming projects in Ottawa.

Yours Truly,

*Mark Kitchen*

Mark Kitchen  
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Enbridge Gas Incorporated

cc. City of Ottawa