

**Wallenstein Location:**

Local: (519) 669-5143  
Toll Free: (800) 265-8858  
Fax: (519) 669-3560



**Monkton Location:**

Local: (519) 347-4222  
Toll Free: (877) 456-4292  
Fax: (519) 347-4224

June 22, 2016

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, Suite 2700  
Toronto, ON M4P 1E4

Re: OEB Consultation: Staff Discussion Paper on a Cap and Trade Regulatory Framework for Natural Gas Utilities  
Board File No. EB-2015-0363

Dear Ms. Walli:

I am writing pursuant to the Board's letter dated May 25, 2016 regarding the above proceeding to comment on a recommendation the Board is making to Natural Gas Utilities.

Wallenstein Feed & Supply Ltd.

We are very pleased with the general focus on transparency and optimization of the carbon procurement process. However, we have concerns about a number of recommendations made in the document, specifically the following:

1. Rolling emissions credit purchase cost into delivery charges rather than as a separate line item;
2. Rolling Cap and Trade administrative cost into existing administrative cost line items; and
3. Distributing Cap and Trade administrative cost to its entire rate base, including mandatory and voluntary Cap and Trade participants

Masking the cap and trade costs into the delivery and transportation charges essentially hides the procurement costs from non-participants of Cap and Trade. This makes it difficult for our organization to track our own mission profile, and also goes against the spirit of transparency promised by the OEB. Rolling these costs into existing line items also make it more difficult for Ontarians to hold the gas utilities accountable to optimizing their carbon procurement costs.

Lastly, spreading the administrative cost to mandatory and voluntary Cap and Trade participants unfairly increases the high cost of compliance we already face, further reducing the competitiveness of Ontario businesses.

We do not think these recommendations are made with the consumers' best interest in mind. We strongly suggest the following:

- Separate out costs of emissions credit purchases and administrative costs as separate line items

We respectfully request the Board reconsider the recommendations on the reporting of cap and trade charges as well as the distribution of the administrative costs. We believe these changes will ensure fairness across the utilities' rate base, as well as uphold the spirit of transparency on which the recommendations are based.

Please do not hesitate to contact me if you have any questions or require further information.

Sincerely,  
Linda Feltz  
Purchasing Manager  
Wallenstein Feed & Supply Ltd  
[lindafeltz@wfs.ca](mailto:lindafeltz@wfs.ca)