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Calgary

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street 27th Floor, P.O. Box 2319  
Toronto, ON M4P 1E4 ([boardsec@ontarioenergyboard.ca](mailto:boardsec@ontarioenergyboard.ca))

Ottawa

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Dear Ms. Walli:

**re EB-2017-0108: Application for Certificates of Public Convenience and Necessity for Norfolk County, County of Elgin and County of Middlesex**

**re Letter of Comment of EPCOR Regarding OEB Staff “Options”**

On behalf of EPCOR Natural Gas Limited Partnership (“EPCOR”), we write further to the Submissions the Ontario Energy Board (“OEB”) Staff dated April 12, 2018 and the Reply Submission of Union Gas Limited (“Union”) dated April 26, 2018.

After having an opportunity to review both OEB Staff’s submissions and Union’s reply submissions, EPCOR maintains its position outlined in its submission of April 12, 2018, namely that there is no evidence before the OEB warranting intervention into EPCOR’s Certificates of Public Convenience and Necessity (“Certificates”). However, EPCOR’s submissions were provided without the benefit of OEB Staff’s submissions and Union’s reply submissions.

In brief, OEB Staff proposed two options to address the alleged issue of overlapping Certificates: Option “A”, a narrower, more tailored and arguably fairer approach limiting each utility’s Certificates to the metes and bounds of their existing infrastructure, and Option “B”, a broader, arguably less fair, and arguably premature approach granting Certificates for the entirety of a lower-tier municipality where the utility is the only distributor in an area, and Certificates limited to the metes and bounds of existing infrastructure where more than one utility provides service.

In response, Union proposed an Option “C” approach where a utility would be issued a new Certificate for the entirety of a municipality where that utility was the only distributor in the area or where one distributor had the “majority” of the infrastructure in the municipality, with the “minority” distributor receiving a limited Certificate covering only the specific lots where the distributor currently has infrastructure.

EPCOR submits that if the OEB is inclined to select any of these proposed Options (as opposed to dismissing Union's application in its entirety), EPCOR is most supportive of OEB Staff's Option "A" approach. More specifically, EPCOR is most supportive, in the circumstances, of OEB Staff's proposal to issue limited Certificates, using a metes-and-bounds approach, in place of the existing upper-tier Certificates.

EPCOR agrees with OEB Staff that any other approach (particularly Union's Option "C" approach) would be unfair, given that both distributors have had equal rights to the upper-tier Certificate areas by virtue of the existing Certificates, and would be premature, given that competition to serve the unserved areas in the lower-tier municipalities may be possible and has not been examined in this proceeding.

If required, we would be happy to provide further submissions regarding the matters discussed in this letter. Please do not hesitate to contact me if you have any questions.

Yours very truly,



Patrick G. Welsh

c (email only):      Azalyn Manzano/Ritchie Murray/Richard Lanni, *Ontario Energy Board*  
Britt Tan /Shawna Sicotte/Brian Lippold, *EPCOR Natural Gas Limited Partnership*  
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