



**EB-2012-0433**

**IN THE MATTER OF** the Ontario Energy Board Act 1998, S.O. 1998, c.15, (Schedule B), and in particular, S. 36 thereof;

**AND IN THE MATTER OF** the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B, and in particular, S.90.(1) thereof;

**AND IN THE MATTER OF** the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B, and in particular, S.91 thereof;

**AND IN THE MATTER OF** an application by Union Gas Limited for an Order or Orders for pre-approval of recovery of the cost consequences of all facilities associated with the development of the proposed Parkway West site;

**AND IN THE MATTER OF** an application by Union Gas Limited for an Order or Orders granting leave to construct natural gas pipelines and ancillary facilities in the Town of Milton.

### **PROCEDURAL ORDER NO. 1 and COST ELIGIBILITY DECISION**

Union Gas Limited ("Union Gas") filed an application with the Ontario Energy Board (the "Board") dated January 29, 2013, seeking approval to construct 750 meters of natural gas pipeline and associated facilities, including a standby compressor in the Town of Milton. The approximate cost of the project is \$200 million. Construction of the proposed pipeline is scheduled to commence in 2013. Union has also applied to recover the costs of the project from ratepayers once the project is completed in January 2016.

The Board has assigned file number EB-2012-0433 to this application.

The Board issued a Notice of Application dated March 5, 2013.

This application is related to two other applications that are currently before the Board: a separate application by Union to construct a natural gas pipeline in the Brantford/Hamilton area (EB-2013-0074), and an application by Enbridge Gas Distribution Inc. ("Enbridge") to construct two segments of natural gas pipeline in Toronto (EB-2012-0451). Information about these projects can be found on the Board's website at [EB-2013-0074](#) and [EB-2012-0451](#).

### **Issues and Process Conference**

Enbridge and Union have both filed letters setting out their views on the appropriate process to be followed for the three applications. These letters can be viewed on the [Board's advanced regulatory document search website](#) by entering both EB-2012-0451 and EB-2012-0433 in the search field. Both companies recognize that while there are a number of interdependencies between the applications, there are also distinct and unrelated elements to each of the projects. The companies propose that the three applications follow parallel, but separate paths. The timing of procedural steps (such as an issues day and interrogatories) would be aligned to allow parties to explore the inter-related issues of the projects; however the three applications would not be combined and the non-interdependent issues could proceed separately and at their own pace. The Board is considering this proposal and is also considering an alternative whereby the applications would be combined, but the issues would be heard in a phased manner in order to separate the interrelated issues and the stand alone issues in each application.

The Board would like to hear submissions from parties on the appropriate process for the three applications. The Board also intends to develop an Issues List or Issues Lists for the applications.

An Issues and Process Conference will be convened at the Board on Friday, April 26, 2013. This conference will be open to all parties and Board staff, but will not be transcribed or attended by the Board panel hearing the application. The purpose of the Issues and Process Conference will be for parties to attempt to reach agreement on an Issues List and an appropriate process for the applications. With respect to process, the Board would like the parties to discuss the companies' proposals, the alternative described above, as well as any other options. In addition, specific procedural steps should be proposed. Board staff

has prepared a draft Issues List to serve as a starting point for the issues discussion, which is attached as Appendix A to this Procedural Order.

The Issues and Process Conference will be followed by an Issues and Process Day held before the Board panel. At the Issues and Process Day parties will have the opportunity to make submissions on any agreement reached at the conference and any unresolved matters. Following the Issues and Process Day, the Board will make a final determination on an Issues List (or Lists) and the process to be followed in the applications.

### **Draft Issues List**

A draft Issues List has been included in Appendix A. Parties will be able to provide their comments on the draft issues list at the Issues and Process Conference and the subsequent Issues and Process Day.

### **Decision on Intervenor Status and Cost Eligibility**

The Board received a number of requests for intervenor and cost eligibility status. Subject to Union Gas filing any objections to the requests for intervenor status and cost eligibility, the Board's findings are outlined below.

The following parties filed requests for intervenor status, but not cost eligibility:

1. City of Kitchener ("Kitchener")
2. Enbridge Gas Distribution Inc. ("Enbridge")
3. Gaz Metro Limited Partnership ("Gaz Metro")
4. Independent Electricity System Operator ("IESO")
5. Ontario Power Generation ("OPG")
6. TransCanada PipeLines Limited ("TransCanada")
7. TransCanada Energy Limited ("TCE").

The Board grants intervenor status to each of these parties.

The following parties filed requests for intervenor status and cost eligibility:

1. Association of Power Producers of Ontario ("APPrO")

2. Building Owners and Managers Association - Toronto ("BOMA")
3. Consumers Council of Canada ("CCC")
4. Canadian Manufacturers and Exporters ("CME")
5. Energy Probe Research Foundation ("Energy Probe")
6. Frontenac Forest Estates Inc. ("Frontenac")
7. Federation of Rental-housing Providers of Ontario ("FRPO")
8. Green Energy Coalition ("GEC")
9. Industrial Gas Users Association ("IGUA")
10. London Property Management Association ("LPMA")
11. School Energy Coalition ("SEC")
12. Vulnerable Energy Consumers Coalition ("VECC")

The Board will grant Frontenac intervenor status. The Board notes that Frontenac has stated that it may seek cost eligibility at a later date. Since no formal request has been made, the Board will not decide on Frontenac's cost eligibility at this time. However, the Board generally does not grant cost eligibility to individual landowners unless the proposed facilities are on their property or the utility requires access to their property.

The Board approves the requests for intervenor status and cost eligibility for each of the other parties listed above. The Board expects parties with common interests to coordinate their efforts so as to avoid duplication. In determining cost awards, the Board will consider whether parties with similar interests have coordinated their interventions sufficiently.

The Board considers it necessary to make provisions for the following matters related to this proceeding. The Board may issue further procedural orders from time to time.

#### **THE BOARD ORDERS THAT:**

1. An Issues and Process Conference will be held on **Friday, April 26, 2013** beginning at 9:30 a.m. in the Board's West Hearing Room on the 25<sup>th</sup> Floor at 2300 Yonge Street, Toronto, ON.

2. An Issues and Process Day will be held on **Tuesday, April 30, 2013** beginning at 9:30 a.m. in the Board's North Hearing Room on the 25<sup>th</sup> Floor at 2300 Yonge Street, Toronto, ON.

All filings to the Board must quote the file number, EB-2012-0433, be made through the Board's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at [www.ontarioenergyboard.ca/OEB/Industry](http://www.ontarioenergyboard.ca/OEB/Industry). If the web portal is not available, parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:00 p.m. on the required date.

Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
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Filings:  
<https://www.pes.ontarioenergyboard.ca/eservice/>  
E-mail: [boardsec@ontarioenergyboard.ca](mailto:boardsec@ontarioenergyboard.ca)  
Tel: 1-888-632-6273 (Toll free)  
Fax: 416-440-7656

**DATED** at Toronto, April 17, 2013  
**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

**APPENDIX A**

**UNION GAS LIMITED  
Board File No. EB-2012-0433**

**Draft Issues List**

**Union Gas Limited - Parkway West (EB-2012-0433)**  
**Union Gas Limited - Brantford-Kirkwall / Parkway D (EB-2013-0074)**  
**Enbridge Gas Distribution Inc. - GTA Project (EB-2012-0451)**

**Draft Issues List**

**A. COMMON ISSUES<sup>1</sup>**

1. Are the proposed facilities needed? Considerations include demand, reliability, security of supply, diversity and rational expansion of the transmission and distribution network.
2. Do the proposed facilities meet the Board's economic tests as outlined in the Filing Guidelines on the Economic Tests for Transmission Pipeline Applications, dated February 21, 2013?
3. What are the rate impacts to customers and are they appropriate?
4. Are any of the alternatives to the proposed facilities preferable to the proposed facilities?

**B. SPECIFIC ISSUES FOR EACH APPLICATION <sup>2</sup>**

**Union Gas Limited - Parkway West (EB-2012-0433)**

5. Has an environmental assessment and routing/siting been completed in accordance with the OEB Environmental Guidelines for Hydrocarbon Pipelines?
6. Are there any outstanding landowner matters relating to the proposed facilities routing and construction?
7. Are the proposed facilities designed in accordance with current technical and safety requirements?
8. Has there been adequate consultation with any affected First Nations or Metis communities?

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<sup>1</sup> Common Issues are issues with interdependencies among two or more of the subject LTC applications.

<sup>2</sup> The Specific Issues are separate and distinct matters to be considered by the Board in regards to each of the individual projects.

9. Should pre-approval to recover the cost consequences of the proposed facilities be granted?

**Union Gas Limited - Brantford-Kirkwall / Parkway D (EB-2013-0074)**

10. Has an environmental assessment and routing/siting been completed in accordance with the OEB Environmental Guidelines for Hydrocarbon Pipelines?
11. Are there any outstanding landowner matters for the proposed facilities routing and construction?
12. Are the proposed facilities designed in accordance with current technical and safety requirements?
13. Has there been adequate consultation with any affected First Nations and Metis communities?
14. Should the request for pre-approval to recover the cost consequences of the proposed facilities be granted?
15. Should pre-approval of the cost consequences of two long term transportation contracts be granted?

**Enbridge Gas Distribution Inc. - GTA Project (EB-2012-0451)**

16. Has an environmental assessment and routing/siting been completed in accordance with the OEB Environmental Guidelines for Hydrocarbon Pipelines?
17. Are there any outstanding landowner matters for the proposed facilities routing and construction?
18. Are the proposed facilities designed in accordance with current technical and safety requirements?
19. Has there been adequate consultation with any affected First Nations or Metis communities?
20. Should approval of Enbridge's proposed rate methodology for the service to be provided to TransCanada be granted?



**APPENDIX B**

**UNION GAS LIMITED  
Board File No. EB-2012-0433**

**List of Intervenor**

**Union Gas Limited  
EB-2012-0433**

**APPLICANT & LIST OF INTERVENORS**

April-17-13

**APPLICANT**

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**Union Gas Limited**

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**INTERVENORS**

**Rep. and Address for Service**

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(APPRO)**

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**Union Gas Limited**

**EB-2012-0433**

**APPLICANT & LIST OF INTERVENORS**

**April-17-13**

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**Union Gas Limited  
EB-2012-0433**

**APPLICANT & LIST OF INTERVENORS**

April-17-13

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**Union Gas Limited**

**EB-2012-0433**

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**April-17-13**

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**Union Gas Limited  
EB-2012-0433**

**APPLICANT & LIST OF INTERVENORS**

**April-17-13**

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**Union Gas Limited  
EB-2012-0433**

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**Union Gas Limited  
EB-2012-0433**

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**April-17-13**

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**Union Gas Limited  
EB-2012-0433**

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**April-17-13**

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**Union Gas Limited**

**EB-2012-0433**

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**April-17-13**

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**Union Gas Limited**

**EB-2012-0433**

**APPLICANT & LIST OF INTERVENORS**

**April-17-13**

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