

EB-2012-0451 EB-2012-0433 EB-2013-0074

IN THE MATTER OF an application by Enbridge Gas Distribution Inc. for: an order or orders granting leave to construct a natural gas pipeline and ancillary facilities in the Town of Milton, City of Markham, Town of Richmond Hill, City of Brampton, City of Toronto, City of Vaughan and the Region of Halton, the Region of Peel and the Region of York; and an order or orders approving the methodology to establish a rate for transportation services for TransCanada Pipelines Limited;

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; an Order or Orders granting leave to construct natural gas pipelines and ancillary facilities in the Town of Milton; an Order or Orders for pre-approval of recovery of the cost consequences of all facilities associated with the development of the proposed Brantford-Kirkwall/Parkway D Compressor Station project; an Order or Orders for pre-approval of the cost consequences of two long term short haul transportation contracts; and an Order or Orders granting leave to construct natural gas pipelines and ancillary facilities in the City of Cambridge and City of Hamilton.

PROCEDURAL ORDER NO. 12 October 15, 2013

The Ontario Energy Board has received three related applications requesting approval for the Applicants to undertake system expansion projects: one filed by Enbridge Gas Distribution Inc. ("Enbridge") and two filed by Union Gas Limited ("Union") (the "Applicants").

A record of all procedural matters that have been dealt with up to this point in this combined proceeding is available on the Board's web site.

GTA-Parkway

On Thursday, October 10, 2013 the Board sat for the final scheduled oral hearing day. Following the last witness panel, the School Energy Coalition ("SEC") proposed that the evidentiary portion of the proceeding remain open until the Settlement Agreement between TCPL, Union, Enbridge and Gaz Metro is completed and filed with the Board and parties have the opportunity to consider whether further oral testimony is required. SEC submitted that the economics of the projects are such that greater certainty regarding the likely TCPL tolls would be important to understanding the impacts of the projects on Ontario ratepayers. SEC also argued the importance of understanding the contingency arrangements in the event the NEB does not approve the Settlement Agreement. Intervenors generally supported this request.

The Applicants opposed the request, citing the detrimental effects of further delay and advancing the argument that the Settlement Agreement is not necessary to the Board's deliberations on the applications. The Applicants further argued that regardless of the Settlement Agreement there will continue to be uncertainty regarding TCPL tolls, and that as the Applicants, the onus is on them in any event to support their case.

SEC responded that given the unprecedented size of the projects, greater understanding of the finalized Settlement Agreement would be important and might enhance the ability of intervenors to support the projects. SEC noted that the delays to date have been the result of Applicant actions.

The Board agrees with SEC that the groundwork has been laid to establish the importance of the Settlement Agreement to the projects and the consequential impacts for ratepayers. Clearly the agreement in principle, and the associated Term Sheet, has had an important impact on the applications overall. It is also clear that certain key provisions remain to be resolved through the development of the Settlement Agreement itself.

The Applicants indicated earlier that the Settlement Agreement was targeted for completion by the beginning of October. At that time, all parties and the Board therefore expected that the Settlement Agreement would be finalized before the appearance of the joint panel. The Board now understands that the timing has changed to the end of October.

The Board appreciates that the Applicants are concerned about the potential for delay. However, the Applicants have indicated that the Settlement Agreement will be finalized by the end of October. The Board concludes that if the Settlement Agreement is completed by this date, the delay will be minimal. On that basis, the Board will require the Applicants to file the Settlement Agreement with this Board no later than October 31, 2013. If the Settlement Agreement is consistent with the Term Sheet and the testimony provided to date, as the Applicants have indicated it will be, then the Board would not expect that any further oral examination would be required. Further testimony would be warranted only if there was a substantial difference between the provisions of the Settlement Agreement (and the resulting tolls) and the related evidence to date.

Union requested that Argument-in-Chief be due Monday, October 21, 2013. On that basis, intervenor and Board Staff submissions would be due Monday, November 4, 2013 in any event, and reply argument due Monday, November 18, 2013.

Assuming no further testimony is required, the Board will allow the intervenors and Board Staff a modest delay in the filing of argument to Friday, November 8th. This provides the parties with a week to consider the Settlement Agreement. Reply argument will be due Friday, November 22, 2013, although it is open to the Applicants to file earlier. The result is that if events unfold as the Applicants claim they will, then the delay will be less than a week.

THE BOARD ORDERS THAT:

1. Enbridge and Union shall file written Argument-in-Chief with the Board and copy all parties on or before **Monday**, **October 21**, **2013**.

- 2. Enbridge and Union shall file the finalized Settlement Agreement between Union, Enbridge, TCPL and Gaz Metro with the Board on or before **Thursday, October 31, 2013** and shall copy the document to all parties.
- Board staff and intervenors may file written submissions with the Board and copy all parties on or before Friday, November 8, 2013.
- 4. Enbridge and Union may file written reply submissions with the Board and copy all parties on or before **Friday**, **November 22**, **2013**.

All filings to the Board must quote the file number, EB-2012-0451/EB-2012-0433/EB-2013-0074, 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. 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 27th Floor 2300 Yonge Street Toronto ON M4P 1E4 Attention: Board Secretary

Filings:

https://www.pes.ontarioenergyboard.ca/eservice/

E-mail: <u>boardsec@ontarioenergyboard.ca</u>

Tel: 1-888-632-6273 (Toll free)

Fax: 416-440-7656

DATED at Toronto, October 15, 2013

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli Board Secretary

APPENDIX A

ENBRIDGE GAS DISTRIBUTION INC. EB-2012-0451

UNION GAS LIMITED EB-2012-0433 EB-2013-0074

Case Timetable

APPENDIX A

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

Case Timetable Date: October 15, 2013

	Event	Date
1.	Interrogatories filed	May 21
2.	Interrogatory responses	June 7
3.	Technical Conference	June 12
4.	Undertakings from Technical Conference filed	June 18
5.	Intervenor evidence	June 28
6.	Motion Record Supporting Evidence – Union and Gaz Metro	July 3
7.	TransCanada evidence	July 5
8.	Submissions on Union's confidentiality request	July 5
9.	Interrogatories on Intervenor evidence, excluding TransCanada evidence	July 5
10.	Reply Submission on Union's confidentiality Request	July 9
11.	Response to Motion Record by all parties	July 9
12.	Oral Hearing on Motion	July 11
13.	Interrogatories on TransCanada evidence	July 12
14.	Interrogatory responses on Intervenor evidence, including TransCanada	July 19
15.	Motion Record Supporting Evidence – Environmental Defence	July 25
16.	Response to Environmental Defence Motion Record by all parties	August 1
17.	Interrogatories on Enbridge Evidence update by all parties	August 2

	Event	Date
18.	Reply submission by Environmental Defence	August 7
19.	Interrogatory responses by Enbridge on evidence update	August 12
20.	TransCanada evidence update	August 16
21.	Interrogatories on TransCanada evidence update by all parties	August 20
22.	Interrogatory responses by TransCanada on evidence update	August 26
23.	Settlement Conference	August 28
24.	Settlement Agreement and Proposed Hearing Plan filed	September 4
25.	Pre-Hearing Conference	September 5
26.	Oral Hearing	September 12
27.	Continuation of Oral Hearing	October 9
28.	Applicants' Argument-in-chief	October 21
29.	Applicants to file Settlement Agreement	October 31
30.	Written submissions for all parties	November 8
31.	Applicants' written reply submissions	November 22