December 3, 2013

#### Filed on RESS

Ms. Kirsten Walli Board Secretary Ontario Energy Board 27th Floor 2300 Yonge Street Toronto ON M4P 1E4



Barristers & Solicitors / Patent & Trade-mark Agents

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Your reference EB-2013-0365 Our reference

Dear Ms. Walli:

# Union Gas Limited – 2014 Rates Application (EB-2013-0365) Association of Power Producers of Ontario ("APPrO") Request for Intervention

APPrO respectfully requests intervenor status in the above-noted proceeding.

Please do not hesitate to contact me should you have any questions or concerns.

Yours very truly,

#### Original signed by

John Beauchamp Associate

JB/mnm

**Enclosure** 

Cop(y/ies) to: Chris Ripley (Union Gas Limited)

Crawford Smith (Torys) David Butters (APPrO) John Wolnik (Elenchus)

Elisabeth DeMarco (Norton Rose Fulbright Canada LLP)

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#### **ONTARIO ENERGY BOARD**

**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** an Application by Union Gas Limited, pursuant to section 36(1) of the Ontario Energy Board Act, 1998, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of January 1, 2014.

#### **NOTICE OF INTERVENTION**

## ASSOCIATION OF POWER PRODUCERS OF ONTARIO ("APPrO")

**December 3, 2013** 

#### John Beauchamp

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Email: John.Beauchamp@nortonrosefulbright.com

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## Norton Rose Fulbright Canada LLP

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- 1. We are counsel to APPrO and hereby request intervenor status on their behalf in the above-noted proceeding.
- 2. APPrO is a non-profit organization representing more than 100 companies involved in the generation of electricity in Ontario, including generators and suppliers of services, equipment and consulting services. APPrO members produce power from natural gas, as well as hydro, gas, coal, nuclear, wind, waste wood and other sources.
- 3. As stated in its Application, any customers to whom Union sells gas, or on whose behalf Union distributes, transmits or stores gas will be affected by this proceeding. Natural gas fired generators in Ontario are major customers of the Applicant and the cost consequences of this application will impact rates.
- 4. There is over 9,000 MW of gas-fired power generation situated in Ontario. The aggregate annual natural gas consumption from these plants represents approximately 20% of the total natural gas consumed within the Province. These generators purchase distribution services from Union primarily under classes 20, 25 and 100 in Union North and under rate class T2 in Union South. Generators also contract for Union's M12 transportation services.
- 5. Union was an applicant in a proceeding before the Board for an order of the Board approving or fixing a multi-year incentive rate mechanism ("IRM") to determine rates for the regulated distribution, transmission and storage of natural gas over the 2014-2018 period. APPrO was granted intervenor status and cost eligibility in that proceeding (EB-2013-0202), and was party to the Settlement Agreement filed in support of that application.
- 6. Union is now applying to the Board, pursuant to section 36 of the Act and pursuant to the annual rate-setting process <u>underlying the IRM in that Settlement Agreement</u>, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas effective January 1, 2014. APPrO's members thus have a direct and significant interest in this proceeding and would like to participate in it.
- Pursuant to s. 3.06 of the Board's Practice Direction on Cost Awards, APPrO intends to seek an award of costs from Union as a representative of a major customer class of the Applicant. In accordance with s. 3.03(a) of the Board's Practice Direction on Cost Awards, APPrO represents the direct interests of consumers in relation to Union's regulated services.
- 8. APPrO has a record of participating in Board proceedings in a responsible and efficient manner and, in addition to the matters mentioned above, has been held eligible for cost awards in other several natural gas proceedings that had unique impacts on power generators. These include, among others: Union's 2013 Rebasing Proceeding (EB-2011-0210); and Union's application for

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an order of the Board amending or varying the rate or rates charged to customers as of October 1, 2012 in connection with the sharing of 2011 earnings under the incentive rate mechanism approved by the Board as well as final disposition of 2011 year-end deferral account and other balances (EB-2012-0087). APPrO believes it is appropriate for the Board to do so again in the context of this proceeding.

9. APPrO reserves the right to participate in all aspects of the proceeding and hereby requests that the Board, Union and any other intervenors provide it, its counsel and its consultant with copies of all evidence and correspondence related to the proceeding, at the contact information below:

APPrO 25 Adelaide St. East Suite 1602 Toronto, ON M5C 3A1

Attention: David Butters, President Telephone: 416-322-6549, x231 Facsimile: 416-481-5785

Email: david.butters@appro.org

AND

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AND

Elenchus 83 Guildford Crescent London ON N6J 3Y3 Attention: John Wolnik Telephone: 519-474-0844

E-mail: jwolnik@elenchus.ca

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 3<sup>rd</sup> day of December, 2013

# Original signed by

John Beauchamp Norton Rose Fulbright Canada LLP Counsel for APPrO

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