

March 11, 2014

Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Re: EB-2012-0451 – Greater Toronto Area (“GTA”) LTC Project
EB-2012-0433 – Parkway West Project
EB-2013-0074 – Brantford-Kirkwall/Parkway D Project
Union Gas Limited - Comments on Cost Claims

Dear Ms. Walli:

Union Gas Limited (“Union”) has reviewed the cost claims of Association of Power Producers of Ontario (“APPRO”), Building Owners and Managers Association of Greater Toronto (“BOMA”), Consumers Council of Canada (“CCC”), Council of Canadians (“COC”), Canadian Manufacturers & Exporters (“CME”), Energy Probe, Environmental Defence, Federation of Rental-housing Providers of Ontario (“FRPO”), Green Energy Coalition (“GEC”), Industrial Gas Users Association (“IGUA”) , London Property Management Association (“LPMA”), Markham Gateway, School Energy Coalition (“SEC”) and Vulnerable Energy Consumer’s Coalition (“VECC”) for the above noted proceeding. The cost claims for Union are summarized below by intervenor.

<u>Intervenor</u>	<u>Cost Claim to Union</u>	<u>Total Cost Claim</u>
VECC	\$ 16,227.53	\$ 36,399.58
GEC	\$ 32,815.03	\$ 320,195.01
CCC	\$ 34,306.80	\$ 102,361.05
LPMA	\$ 35,223.90	\$ 59,932.01
SEC	\$ 40,218.00	\$ 90,655.00
IGUA	\$ 42,442.21	\$ 91,503.95
Energy Probe	\$ 44,641.64	\$ 100,958.26
FRPO	\$ 51,635.94	\$ 111,567.04
CME	\$ 85,544.69	\$ 171,089.37
APPrO	\$ 95,871.28	\$ 194,583.77
COC	\$ 107,562.30	\$ 215,124.61
BOMA	\$ 165,287.93	\$ 264,153.83
Total	\$ 751,777.25	\$ 1,758,523.48

The cost claims of Environmental Defence and Markham Gateway were attributed entirely to Enbridge Gas Distribution (“EGD”).

Union observes that there is a wide range of cost claims for these proceedings. Union, however, is limiting its comments to the cost claim of BOMA. Union’s concerns with the BOMA claim relate to: 1) the number of hours claimed in relation to that of other intervenors; and 2) the allocation of the costs between Union and Enbridge.

Magnitude of Hours Claimed by BOMA

The BOMA cost claim included 628 hours for preparation for the combined projects. In Union’s view this is excessive. At 628 hours, BOMA’s hours of preparation are 27% higher than that of COC at 494 hours. Union notes that the hours of preparation for COC includes preparation time for consultants it retained to prepare intervenor evidence. BOMA did not retain any experts, nor did it call any evidence. Further, BOMA’s hours of preparations are 93% higher than that of CME, the next highest in hours claimed for preparation.¹

Allocation of Costs between Union and EGD

In Procedural Order #2 at page 5, the Board determined that “intervenors will track their costs for the related issues separately from the costs for the project- specific issues. The applicants will share the costs for the related issues equally and be responsible for their own project-specific costs.” Union interpreted this determination by the Board to mean that in the absence of being able to directly attribute costs to projects, costs would be shared 50/50 between the applicants. BOMA has not taken this approach.

Both Mr Brett’s and Ms Fraser’s cost claims are submitted on a total combined basis for the projects. Union submits that these costs should be allocated 50/50 between Union and EGD as agreed to by parties and determined by the Board. In its cost claim, BOMA submitted additional spreadsheet backup for hours billed by Mr Brett allocated to each of the 3 applications. While broken out by project in these back up sheets, the vast majority of the hours billed do not appear to be specific to each project. Rather the hours are allocated equally between the 3 applications (1/3 to Parkway West, 1/3 to Parkway D/Brantford to Kirkwall and 1/3 to the GTA Project). This results in an overall allocation of approximately 2/3 to Union and 1/3 to EGD. In Union’s view this approach is not consistent with what was contemplated in Procedural Order #2 or with the cost claims

¹ In preparing its cost claim APPrO did not separate costs between preparation and other activities. Accordingly, Union is not able to easily compare BOMA’s hours claimed to that of APPrO. The total hours claimed by APPrO was 569 which is less than the hours claimed by BOMA for preparation alone.

submitted by other parties. Further a 2/3 Union, 1/3 EGD split in costs without supporting documentation seems inconsistent with the constituency represented by BOMA i.e. the Building Owners and Managers Association of **Greater Toronto** (*emphasis added*).

Yours truly,

[original signed by]

Karen Hockin
Manager, Regulatory Initiatives

Crawford Smith, Torys
Mark Kitchen, Union Gas
Edith Chin, Enbridge Gas Distribution
EB-2012-0451/EB-2012-0433/EB-2013-0074 Intervenors