



EB-2014-0154

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

AND IN THE MATTER OF an Application by Union Gas Limited for an order or orders approving a one-time exemption from Union Gas Limited's approved rate schedules to reduce certain penalty charges applied to direct purchase customers who did not meet their contractual obligations.

PROCEDURAL ORDER NO. 1
May 27, 2014

Union Gas Limited ("Union") filed an application dated April 3, 2014 with the Ontario Energy Board (the "Board") under section 36 of the *Ontario Energy Board Act, 1998*, S.O. c.15, Schedule B, for an order of the Board approving a one-time exemption from its approved rate schedules to reduce certain penalty charges applied to direct purchase customers who did not meet their contractual obligations during the months of February and March, 2014.

The Board issued a Notice of Application dated May 6, 2014. The Notice established May 22, 2014 as the deadline for the filing of intervention requests. The Notice also set out the timeline for the filing of interrogatories and submissions.

The following parties applied for intervenor status in this proceeding:

- Association of Power Producers of Ontario ("APPPrO")
- Building Owners and Managers Association ("BOMA")
- Canadian Energy Strategies ("CES")
- City of Kitchener ("Kitchener")
- Canadian Manufacturers & Exporters ("CME")
- Coco Group
- E2 Energy
- Energy Source Canada ("Energy Source")

- Industrial Gas Users Association (“IGUA”)
- Just Energy
- London Property Management Association (“LPMA”)
- Natural Resource Gas (“NRG”)
- Ontario Greenhouse Vegetable Growers (“OGVG”)
- TransAlta
- TransCanada Energy (“TCE”)

The Board has determined that all parties that requested intervenor status in this proceeding will be granted intervenor status. A list of intervenors in this proceeding is attached as Appendix “A” to this Order.

The Board notes that APPrO, BOMA, Kitchener, CME, E2 Energy, Energy Source, IGUA, LPMA, NRG and OGVG applied for cost eligibility.

The Board has determined that APPrO, BOMA, CME, IGUA, LPMA and OGVG will be eligible to apply for an award of costs under the Board’s *Practice Direction on Cost Awards*.

The Board notes that with regard to APPrO’s request for cost eligibility, electricity generators are generally not eligible for costs in accordance with section 3.05 of the *Practice Direction on Cost Awards*. However, the Board views the interest of APPrO in this proceeding to be the representation of large consumers of gas rather than the representation of its members as electricity generators. Some of APPrO’s members operate gas-fired generation facilities connected to Union’s system, and have contracts with Union relating to gas transportation, storage and delivery. In this instance they are customers of Union and have a significant interest in this proceeding. The Board finds that APPrO, as a non-profit organization representing these customers, is eligible to apply for an award of costs.

The Board has determined that Kitchener, E2 Energy, Energy Source and NRG are not eligible to apply for an award of costs in this proceeding.

In regard to Kitchener, the Board understands that Kitchener has requested cost eligibility on the basis that it will be representing the interests of its customers in this proceeding. However, Kitchener, either as a municipality or a distributor, is disqualified under section 3.05 of the *Practice Direction on Cost Awards* from receiving an award of costs in this proceeding. The Board finds that there are no special circumstances in this case that should remove this disqualification. The

Board will not grant Kitchener's request for cost eligibility but welcomes its participation in the proceeding.

The Board notes that E2 Energy offers fee-based energy management services (including natural gas procurement). E2 Energy has made its claim for cost eligibility on the basis that it primarily represents the direct interests of consumers (e.g. ratepayers) in relation to services that are regulated by the Board. However, E2 Energy is a for-profit commercial entity providing services for a fee to customers and is not constituted as a "consumer" representative, and considering section 3.04(b) of the *Practice Direction on Cost Awards*, the Board will not grant E2 Energy's request for cost eligibility but welcomes its participation in the proceeding.

Energy Source has identified itself as a "gas marketer" and is therefore ineligible for an award of costs in accordance with section 3.05(c) of the *Practice Direction on Cost Awards*. The Board will not grant Energy Source's request for cost eligibility but welcomes its participation in the proceeding.

NRG, as a distributor of natural gas, is disqualified from cost award eligibility under section 3.05(c) of the *Practice Direction on Cost Awards*. Therefore, the Board will not grant NRG's request for cost eligibility but welcomes its participation in the proceeding.

The Board also notes that NRG, in its intervention request, filed evidence that it has asked the Board to put on the record in this proceeding. The Board has determined that the evidence filed by NRG will be allowed on the record of this proceeding as it is pertinent to the issues that the Board will be adjudicating here.

The Board will also offer all intervenors the opportunity to file evidence on the record. In addition, all parties will be offered the opportunity to file interrogatories on the evidence filed by intervenors.

The revised schedule for filings in this proceeding is set out below.

THE BOARD ORDERS THAT:

1. The parties listed in Appendix "A" are granted intervenor status in the proceeding.
2. Board staff and intervenors seeking information and material from Union that is in addition to the evidence filed with the Board, and that is relevant to this

proceeding, shall request it by written interrogatories filed with the Board and delivered to Union and intervenors no later than **June 5, 2014**.

3. Union shall file with the Board complete responses to the interrogatories and deliver them to the intervenors no later than **June 17, 2014**.
4. Intervenors who wish to present evidence shall file that evidence with the Board and deliver it to Union and all intervenors no later than **June 24, 2014**.
5. Anyone (intervenor, Board staff or Union) who requires additional information related to any intervenor evidence, and that is relevant to the hearing, shall request it by written interrogatories filed with the Board and delivered to Union and all intervenors on or before **July 2, 2014**.
6. Responses to the interrogatories on intervenor evidence shall be filed with the Board and delivered to Union and all intervenors on or before **July 10, 2014**.
7. Union shall file its Argument-in-Chief with the Board and serve it on all other parties on or before **July 18, 2014**.
8. Board staff and intervenors who wish to make written submissions shall file such submissions with the Board, and deliver them to Union and other intervenors, on or before **July 29, 2014**.
9. If Union wishes to reply to the submissions of other parties, the reply shall be filed with the Board and delivered to intervenors on or before **August 7, 2014**.

All filings to the Board must quote file number **EB-2014-0154**, 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. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca. If the web portal is not available you may email your document to the BoardSec@ontarioenergyboard.ca. 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 seven paper copies. If you have submitted through the Board's web portal an e-mail is not required.

For all electronic correspondence and materials related to this proceeding, parties must include in their distribution lists the Case Manager, Lawrie Gluck at Lawrie.Gluck@ontarioenergyboard.ca and Counsel, Jennifer Lea at Jennifer.Lea@ontarioenergyboard.ca.

All communications should be directed to the attention of the Board Secretary and be received no later than 4:45 p.m. on the required date.

ADDRESS

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2300 Yonge Street, 27th Floor
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Fax: 416-440-7656

DATED at Toronto, May 27, 2014

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

APPENDIX A

PROCEDURAL ORDER NO. 1

APPLICANT AND LIST OF INTERVENORS

BOARD FILE NO. EB-2014-0154

DATED: May 27, 2014

**Union Gas Limited
EB-2014-0154**

APPLICANT & LIST OF INTERVENORS

May 27, 2014

APPLICANT

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**Union Gas Limited
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**Union Gas Limited
EB-2014-0154**

APPLICANT & LIST OF INTERVENORS

May 27, 2014

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APPLICANT & LIST OF INTERVENORS

May 27, 2014

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APPLICANT & LIST OF INTERVENORS

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APPLICANT & LIST OF INTERVENORS

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