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January 14, 2016

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
26<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, ON  
M4P 1E4

DELIVERED BY EMAIL

Dear Ms. Walli,

**RE: Board File No. EB-2015-0276 Union Gas Limited 2014 DSM Deferral and Variance Accounts**

We are writing on behalf of the Ontario Greenhouse Vegetable Growers ("OGVG") in regard to the referenced Application. The Application by Union Gas Limited ("Union Gas") is for an Order or Orders disposing amounts recorded in 2014 in relation to their conservation program spending.

The Ontario greenhouse vegetable sector is a major contributor to the Ontario economy, generating over \$840 million in farm gate receipts and accounting for approximately 10,000 jobs annually. OGVG, as an organization, represents all 211 greenhouse pepper, tomato and cucumber growers in the province. Given the nature of greenhouse production systems, OGVG members are heavily reliant on energy, particularly natural gas. Over one third of greenhouse production costs are energy-related and as such rate increases and pricing adjustments serve to threaten the global competitiveness of the sector.

The Ontario greenhouse sector is growing. In fact, in evidence filed by Union Gas in its 2013 rate case, the greenhouse sector was shown to be the fastest growing sector of Union's business markets exhibiting a doubling of volume between the 2007 Board-approved and the 2013 Forecast volumes. OGVG members' natural gas consumption is important to Union Gas and greenhouse production in general is important to the Ontario economy.

As a not-for-profit organization, OGVG does not have other funding sources to ensure experienced representation to participate in and assist the Board with these regulatory proceedings. Therefore OGVG would respectfully request a determination of eligibility for cost award in this proceeding. OGVG retains professionals who have experience

representing intervenor interests and, OGVG respectfully submits, have assisted the Board in previous proceedings in an efficient and responsible manner.

### **ISSUES OF CONCERN**

Without limiting the generality of OGVG's interest in the accuracy and reasonableness of Union's requested relief in this proceeding, OGVG notes that its members largely obtain distribution service from Union in rate classes that have experienced material increases in rates in recent years as a result of demand side management program spending that is delivered to some members of those classes and paid for by all members of those classes. OGVG has, in previous proceedings, including EB-2015-0029 (Union's application for approval of its proposed DSM program spending for the years 2015 and beyond) expressed its concern about the variation of spending between the original, budgeted amounts allocated to the different rate classes and the actual amounts that are ultimately recovered from each rate class. It is proceedings such as this one where the Board reviews the annual DSM spending insofar as it either resembles or deviates from Union's originally budgeted DSM spending.

### **PARTICIPATION**

OGVG intends to participate in any pre-hearing procedures, including interrogatories or technical conferences, and settlement conferences. OGVG also intends to participate in any oral hearing of this matter, and in written or oral submissions, as well as any other parts of the process that the Board should order.

### **REPRESENTATION**

If the intervention requested is granted, then OGVG asks that further communications with respect to this matter be sent to the following:

Dr. Justine Taylor  
Environmental Projects Specialist  
Ontario Greenhouse Vegetable Growers  
32 Seneca Road, Leamington, Ontario  
N8H 5H7

Phone 519-326-2604

Email: [jtaylor@ontariogreenhouse.com](mailto:jtaylor@ontariogreenhouse.com)

AND

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Yours very truly,



Michael R. Buonaguro

CC: Chris Ripley  
Crawford Smith