



EB-2015-0276

Union Gas Limited

**Application for approval of final balances and for
clearance of certain Demand Side Management deferral
and variance accounts into rates.**

PROCEDURAL ORDER NO. 1

February 4, 2016

Union Gas Limited (Union) filed an application with the Ontario Energy Board (the OEB) on December 9, 2015 under section 36 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, (Schedule B), for an order or orders approving the final balances in certain 2014 Demand Side Management (DSM) deferral and variance accounts. Union is also seeking the disposition of the balances in these accounts, and inclusion into rates, within the next available Quarterly Rate Adjustment Mechanism following the OEB's approval.

The accounts which are the subject of the application and the balances recorded are as follows:

DSM Incentive Deferral Account	\$8,988,000 (to shareholder)
Lost Revenue Adjustment Mechanism Variance Account	\$848,000 (to shareholder)
DSM Variance Account	\$1,664,000 (to shareholder)

The net balance of the DSM Accounts is \$11,500,000 to be collected from ratepayers.

Union has also applied to the OEB for such final and interim orders and/or accounting orders as may be necessary in relation to clearance of the accounts which are the subject of this application.

Intervenors

The OEB issued a Notice of Application and Hearing on December 22, 2015. The following parties applied for intervenor status (* denotes a request for cost eligibility):

- Association of Power Producers of Ontario (APPrO)*
- Building Owners and Managers Association, Greater Toronto (BOMA)*
- Canadian Manufacturers and Exporters (CME)*
- Enbridge Gas Distribution Inc. (Enbridge)
- Green Energy Coalition (GEC)*
- London Property Management Association (LPMA)*
- Ontario Greenhouse Vegetable Growers (OGVG)*
- Ontario Sustainable Energy Association (OSEA)*
- School Energy Coalition (SEC)*

All parties that requested intervenor status in this proceeding are hereby granted intervenor status. The list of parties in this proceeding is attached as Appendix “A” to this Procedural Order. I have also determined that APPrO, BOMA, CME, GEC, LPMA, OGVG, OSEA, and SEC are eligible to apply for an award of costs under the OEB’s *Practice Direction on Cost Awards*.

Confidentiality

Pursuant to the OEB’s *Practice Direction on Confidential Filings* (the Practice Direction) Union requested that certain areas of the two Custom Project Savings Verification Reports remain confidential. Specifically, customer names and sensitive commercial information has been redacted by Union in these reports.

Pursuant to the provisions of the Order below, Union shall provide confidential versions of the evidence to counsel and consultants for intervenors who have signed and filed with the OEB the form of Declaration and Undertaking from the Practice Direction. A process for the filing of written submissions on whether the currently redacted information should remain confidential or be made public is provided below.

Baseline Boiler Study

The OEB's [Decision and Order](#) on Union's clearance of its 2013 DSM accounts application (EB-2014-0273) stated the following regarding conducting a baseline heating boiler study:

As stated in the Enbridge decision, the OEB is supportive of the proposed boiler efficiency base case study in 2015 to be conducted in co-operation with Enbridge with the findings being incorporated in the evaluation of the 2014 results. The OEB is also supportive of the OEB staff suggestion regarding a minimum threshold for project base case documentation in future audits.¹

In its application, Union stated that the Technical Evaluation Committee (TEC) initiated the boiler efficiency base case study in March 2015 and the study results are anticipated in 2016. Union noted that at the September 2015 TEC meeting, the TEC, with the support of OEB staff, endorsed the current savings assumptions for prescriptive boilers for savings claimed by utilities for their respective 2014 DSM audits and clearance of DSM Accounts. Union further noted that the TEC agreed that upcoming boiler related study results will apply to future savings.

Subject to any further orders from the OEB related to the baseline boiler study, provision is being made for parties to include, in their written submissions, whether and how best to address the absence of the baseline boiler study in the context of the broader disposition of the DSM Incentive Deferral Account and Lost Revenue Adjustment Mechanism Variance Account.

The OEB is making provision for the following matters related to this proceeding, unless the OEB orders otherwise during the course of the proceeding. The OEB may issue further procedural orders from time to time.

IT IS THEREFORE ORDERED THAT:

1. Union shall provide confidential versions of the evidence to counsel and consultants for parties that have signed and filed with the OEB the form of

¹ Decision and Order dated June 4, 2015, page 6.

Declaration and Undertaking from the Practice Direction on Confidential Filings in relation to such evidence.

2. OEB staff and intervenors shall request any information and material from Union that is in addition to Union's evidence, and that is relevant to the hearing, by written interrogatories filed with the OEB and copied to Union and all other intervenors by **February 22, 2016**.
3. Union shall file with the OEB complete written responses to the interrogatories and copy intervenors by **March 7, 2016**.
4. OEB staff and intervenors may file a written submission on whether the information filed confidentially should remain confidential or be placed on the public record of this proceeding on or before **February 22, 2016**.
5. Union may file a written reply to any written submission on confidentiality from OEB staff or intervenors on or before **March 7, 2016**.
6. Unless the OEB orders otherwise, any written submission by OEB staff and intervenors, including any submission on the absence of the baseline boiler study, shall be filed with the OEB and delivered to all other parties by **March 23, 2016**.
7. Union may file a written reply submission with the OEB, and deliver it to intervenors by **April 6, 2016**.

All filings to the OEB must quote the file number, EB-2015-0276, and be made electronically through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>, in searchable / unrestricted PDF format. Two paper copies must also be filed at the OEB's address provided below. 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 <http://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 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Vince Mazzone at Vince.Mazzone@ontarioenergyboard.ca and OEB Counsel, Michael Millar at Michael.Millar@ontarioenergyboard.ca.

ADDRESS

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Attention: Board Secretary

E-mail: boardsec@ontarioenergyboard.ca
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

DATED at Toronto, February 4, 2016

ONTARIO ENERGY BOARD

By delegation, before: Kristi Sebalj

Original signed by

Kristi Sebalj
Registrar

APPENDIX A

APPLICANT AND LIST OF INTERVENORS

EB-2015-0276

UNION GAS LIMITED

DATED: February 4, 2016

Union Gas Limited

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APPLICANT & LIST OF INTERVENORS

February 04, 2016

APPLICANT

Rep. and Address for Service

Union Gas Limited

Vanessa Innis

Manager Regulatory Applications
Union Gas Limited
Union Gas Limited, 50 Keil Drive North,
Chatham, ON N7M 5M1

Tel: 516-436-5334

Fax: Not Provided

vinnis@uniongas.com

APPLICANT COUNSEL

Alexander Smith

Torys LLP

79 Wellington Street West

Suite 3000

Toronto Dominion Centre Box 270

Toronto ON M5K 1N2

Tel: 416-865-8142

Fax: 416-865-7380

asmith@torys.com

INTERVENORS

Rep. and Address for Service

**Association of Power
Producers of Ontario**

David Butters

President & CEO

Association of Power Producers of Ontario

25 Adelaide St. E.

Suite 1602

Toronto ON M5C 3A1

Tel: 416-322-6549 Ext: 231

Fax: 416-481-5785

David.Butters@appro.org

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**Association of Power
Producers of Ontario**

John Wolnik

Elenchus Research Associates Inc.

34 King Street East

6th Floor

Toronto ON M5C 2X8

Tel: 519-474-0844

Fax: 416-348-0641

jwolnik@elenchus.ca

Elisabeth DeMarco

Counsel

DeMarco Allan LLP

5 Hazelton Avenue, Suite 200

Toronto ON M5R 2E1

Tel: 647-991-1190

Fax: 888-734-9459

Lisa@demarcoallan.com

Cary Ferguson

DeMarco Allan LLP

5 Hazelton Avenue, Suite 200

Toronto ON M5R 2E1

Tel: 888-389-5798

Fax: 888-734-9459

cary@demarcoallan.com

**Building Owners and
Managers Association
Toronto**

Thomas Brett

Partner

Fogler, Rubinoff LLP

77 King Street West

Suite 3000

Toronto ON M5K 1G8

Tel: 416-941-8861

Fax: 416-941-8852

tbrett@foglers.com

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**Building Owners and
Managers Association
Toronto**

Marion Fraser

President
Fraser & Company
33 Harbour Square
Suite 502
Toronto ON M5J 2G2
Tel: 416-941-9729
Fax: 416-941-8852
Marion.Fraser@rogers.com

**Canadian Manufacturers &
Exporters**

Paul Clipsham

Director of Policy, Ontario Division
Canadian Manufacturers & Exporters
6725 Airport Rd.
Suite 200
Mississauga ON L4V 1V2
Tel: 289-566-9538
Fax: 905-672-1764
paul.clipsham@cme-mec.ca

Vincent DeRose

Borden Ladner Gervais LLP
100 Queen St.
Suite 1300
Ottawa ON K1P 1J9
Tel: 613-787-3589
Fax: 613-230-8842
vderose@blg.com

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**Canadian Manufacturers &
Exporters**

Emma Blanchard

Borden Ladner Gervais LLP
100 Queen Street
Suite 1300
Ottawa ON K1P 1J9
Tel: 613-369-4755
Fax: 613-230-8842
eblanchard@blg.com

**Enbridge Gas Distribution
Inc.**

Tania Persad

Legal Counsel, Regulatory
Enbridge Gas Distribution Inc.
500 Consumers Road
Willowdale ON M2J 1P8
Tel: 416-495-5891
Fax: 416-495-5994
tania.persad@enbridge.com

Andrew Mandyam

Director
Enbridge Gas Distribution Inc.
500 Consumers Rd.
Toronto ON M2J 1P8
Tel: 416-495-5499
Fax: 416-495-6072
egdregulatoryproceedings@enbridge.com

Green Energy Coalition

David Poch

Barrister
Green Energy Coalition
1649 Old Brooke Road
Maberly ON K0H 2B0
Tel: 613-264-0055
Fax: 613-264-2878
dpoch@eelaw.ca

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Green Energy Coalition

Kai Millyard

Green Energy Coalition
72 Regal Road
Toronto ON M6H 2K1
Tel: 416-651-7141
Fax: 416-651-4659
kai@web.net

Chris Neme

Energy Futures Group
P.O. Box 587
Hinesburg VT 05461
Tel: 802-482-5001 Ext: 1
Fax: 802-329-2143
cneme@energyfuturesgroup.com

**London Property
Management Association**

Randy Aiken

Aiken & Associates
578 McNaughton Ave. W.
Chatham ON N7L 4J6
Tel: 519-351-8624
Fax: 519-351-4331
randy.aiken@sympatico.ca

**Ontario Greenhouse
Vegetable Growers**

Michael Buonaguro

Barrister and Solicitor
The Energy Boutique
24 Humber Trail
Toronto ON M6S 4C1
Tel: 416-767-1666
Fax: 416-767-1666
mrb@mrb-law.com

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**Ontario Greenhouse
Vegetable Growers**

Justine Taylor

Environmental Projects Specialist
Ontario Greenhouse Vegetable Growers
32 Seneca Road
Leamington ON N8H 5H7
Tel: 519-326-2604
Fax: Not Provided
jtaylor@ontariogreenhouse.com

**Ontario Sustainable Energy
Association**

Joanna Vince

Willms & Shier Environmental Lawyers LLP
4 King Street West
Suite 900
Toronto ON M5H 1B6
Tel: 416-862-4830
Fax: Not Provided
jvince@willmsshier.com

Robert Woon

Willms & Shier Environmental Lawyers LLP
4 King Street West
suit 900
Toronto ON M5H 1B6
Tel: 416-862-4871
Fax: 416-863-1938
rwoon@willmsshier.com

Marion Fraser

President
Fraser & Company
33 Harbour Square
Suite 502
Toronto ON M5J 2G2
Tel: 416-941-9729
Fax: 416-941-8852
Marion.Fraser@rogers.com

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School Energy Coalition

Wayne McNally

SEC Coordinator
Ontario Public School Boards' Association
439 University Avenue
18th Floor
Toronto ON M5G 1Y8
Tel: 416-340-2540
Fax: 416-340-7571
wmcnally@opsba.org

Jay Shepherd

Jay Shepherd Professional Corporation
2200 Yonge St.
Suite 1302
Toronto ON M4S 2C6
Tel: 416-804-2767
Fax: 416-483-3305
jay.shepherd@canadianenergylawyers.com

Mark Rubenstein

Jay Shepherd Professional Corporation
2200 Yonge St.
Suite 1302
Toronto ON M4S 2C6
Tel: 416-804-2767
Fax: 416-483-3305
mark.rubenstein@canadianenergylawyers.com