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## Filed on RESS and Sent via Courier

Kirsten Walli Board Secretary 2300 Yonge Street, Suite 2700 Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EB-2016-0004 - Generic Proceeding on Natural Gas Expansion

We are counsel to Anwaatin Inc. (Anwaatin) in the above-mentioned proceeding. Please find attached the written submissions of Anwaatin, filed pursuant to Procedural Order No. 3 (May 30, 2016).

Should you have further questions on this matter, please do not hesitate to contact me.

Yours very truly,

Lisa (Elisabeth) DeMarco

Encl.

### **ONTARIO ENERGY BOARD**

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

**AND IN THE MATTER OF** an Application under the Ontario Energy Board's own motion to consider potential alternative approaches to recover costs of expanding natural gas service to communities that are not currently served.

EB-2016-0004

Anwaatin Inc.

**FINAL ARGUMENT** 

#### INTRODUCTION

- We are counsel to Anwaatin Inc. (Anwaatin) in this application under the Ontario Energy
  Board's (the OEB's or the Board's) own motion to consider potential alternative
  approaches to recover costs of expanding natural gas service to communities that are not
  currently served.
- 2. Anwaatin is an indigenous business corporation that works with indigenous communities in linked energy markets that include Ontario, Quebec, California and Manitoba. Anwaatin's mission is to ensure that indigenous communities are front and centre in fighting climate change and leading emerging markets associated with climate change action. Its business focuses on (i) territorial climate change, (ii) readiness for emerging cap-and-trade markets, (iii) strengthening biodiversity and resilience in the face of climate change and (iv) creating partnerships to sell indigenous carbon offsets.
- 3. In this proceeding, Anwaatin represents the following First Nations and related entities:
  - Aroland First Nation;
  - Animbiigoo Zaagiigan Anishinaabek;
  - Bingwi Neyaashi Anishinaabek;
  - Biinjitiwaabik Zaaging Anishinaabek;
  - Red Rock Indian Band:
  - Whitesand First Nation;
  - Mocreebec First Nation: and
  - Waaskiinaysay Ziibi Inc. Development Corporation.
- 4. Anwaatin provides these Final Submissions in attempt to assist the OEB in understanding the interests of Anwaatin's First Nation clients in accessing low-carbon, low-cost natural gas for home, business, industrial/institutional heating, power generation, and reducing the need for First Nations to rely on the electrical grid to provide baseload heat energy.

- 5. These submissions are provided in an overarching policy and pragmatic context for First Nations living in Ontario. That context includes:
  - (a) **energy poverty**: a disproportionate number of Ontario's First Nations live in energy poverty or are saddled with increasing and unmanageable electricity costs;
  - (b) pre-existing sovereignty: Ontario's First Nations have pre-existing sovereignty that must be respected by all government and cannot be ceded by Treaty;
  - (c) duty to consult and accommodate: the duty to consult with and accommodate

    First Nations on decisions and major government discussions has been enshrined in
    the Constitution and affirmed by the Supreme Court of Canada;
  - (d) United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP): Canada has just signed onto the UNDRIP, which, among other things, supports the First Nations rights and Anwaatin asks the Board to consider and read these submissions in this overarching context in attempt to assist it and others in addressing the energy needs of First Nations set out herein.

#### **OVERVIEW OF SUBMISSIONS**

- Anwaatin's submissions address Issues 1, 2, 4 and 8 as set out in Procedural Orders No.
   dated March 9, 2016, and Procedural Order No. 3, dated May 30, 2016. Anwaatin's positions are summarized as follows:
  - (a) **Issue 1:** Anwaatin submits that the Board should include First Nations in its definition of "community," regardless of whether the First Nation in question meets the Board's criteria for being considered a "community" and that the Board should

examine the state of First Nations' energy poverty in Ontario and report on its progress on a regular basis;

- (b) **Issue 2**: Anwaatin submits that the Board should authorize interutility crosssubsidization of natural gas community expansion projects and disburse such subsidies through a universal service fund;
- (c) **Issue 4**: Anwaatin submits that the Board should ensure the natural gas community expansion framework arising from this proceeding places a super-priority on the expansion of natural gas to energy-poor First Nations as quickly as possible; and
- (d) Issue 8: Anwaatin submits that the Board should require that both natural gas companies and municipalities be required to consult and engage with affected and potentially-affected First Nations as part of any process to grant a municipal franchise to distribute natural gas.

#### **BACKGROUND**

7. There is a serious need to address "energy poverty" in First Nations communities through access to affordable, reliable, sustainable and modern energy access. The expense of transporting diesel, heating oil and propane fuels, heating with electricity, and securing wood supplies for supplemental wood stove heating can be cost-prohibitive for First Nations. First Nations in Northern Ontario, for example, commonly pay eight to ten times more than southern Ontarians to heat their homes and other buildings. Natural gas is not available to the First Nations supporting this submission, nor is it available to many First Nations across Ontario.

8. Anwaatin is therefore generally supportive of: (i) the OEB in its initiative to consider natural gas expansion to rural, remote and First Nations communities in Ontario, and (ii) Union Gas Limited (**Union**) in its EB-2015-0179 application for natural gas expansion projects to communities, including certain First Nations.

#### **DETAILED SUBMISSIONS**

#### Issue 1: The definition of "community" must include First Nations

- 9. Anwaatin submits that, regardless of the criteria that the Board applies to define "community" for the purposes of this proceeding, First Nations – even those below defined size thresholds – must be fall within the definition of "community" for the purposes of natural gas service expansion.
- 10. The former Grand Chief, Larry Sault, testified that First Nations often are "out of sight, out of mind" in almost all of their activities. This was confirmed in this proceeding with virtually **all** of the intervenors acknowledging that consultation with First Nations was integral, but virtually **none** of the intervenors took the time to consult with Fist Nations. In fact, Union was the only entity that indicated that it had undertaken consultations with First Nations. None of the other consumer groups, including VECC, undertook consultation with First Nations before purporting to speak on behalf of constituents that include First Nations:

MS. DeMARCO: So can we agree then that a number of First Nations communities would fall within the class of vulnerable energy consumers?

MR. LADANYI: Yes, in general.

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<sup>&</sup>lt;sup>1</sup> EB-2016-0004, Transcript Volume 1, 69:23-25; 80:3-10.

MS. DeMARCO: And in formulating the position that you've given today, and Mr. Hariton -- Dr. Hariton, I have to say on the record, seven advanced -- seven degrees, six of which are advanced degrees, is quite impressive -- in formulating that position, did you consult with First Nations at all?

MR. HARITON: No, not for this, although in community expansion programs that I helped with in Bell, I have had extensive dealings with First Nations. But not in this piece, no.<sup>2</sup>

11. The the municipalities of Kincardine, Arran-Elderslie and the Township of Huron-Kinloss (together, the **South Bruce Municipalities**) indicated that consultations with First Nations were "standard procedure" for any projects in their municipalities:

MS. DeMARCO: And very specifically, is it fair to say that Union indicated that consultation with First Nations was recommended, ongoing?

MAYOR EADIE: It's standard for any projects in our municipalities, anything we're doing, it is just standard procedure now.

MS. DeMARCO: And it's important; is that fair to say?

MAYOR EADIE: Oh, yes, yes.

MS. DeMARCO: Almost even pressing at this point, yes?

MAYOR EADIE: I would say it is just standard; we know it's part of standard procedure.

12. Notwithstanding this importance and standard procedure, the South Bruce Municipalities did not consult with potentially affected First Nations communities before or during the Request for Information (**RFI**):

MS. DeMARCO: Hmm. And South Bruce itself did not initiate further consultations with the First Nations communities on this specific RFI; is that right?

MAYOR TWOLAN: That's correct.3

<sup>&</sup>lt;sup>2</sup> EB-2016-0004, Transcript Volume 4, 122:25-123:10.

<sup>&</sup>lt;sup>3</sup> EB-2016-0004, Transcript Volume 4, 172:3-6.

13. Nor did the South Bruce Municipalities did not include a requirement to consult with First Nations as part of the RFI:

MS. DeMARCO: ... Now, turning specifically to the actual RFI that you issued, and that was provided, I believe, as part of an attachment to an interrogatory at Exhibit S13.South Bruce.2.EGD.1. I'm not going to turn you to any specific part of that RFI unless I've got this wrong. Is it fair to say that the RFI did not -- didn't -- include a requirement to consult with First Nations? Do I have that right?

MAYOR TWOLAN: That's correct.

14. Furthermore, Enbridge did not undertake any broad-based consultations with First Nations to decide which of its expansion projects it would proceed with:

MS. DeMARCO: And just in terms of deciding which projects to proceed with, did Enbridge undertake a consultation with First Nations in its service territory?

MR. McGILL: No. We have had discussions with representatives from Scugog Township with respect to Scugog Island, and we had done a preliminary feasibility analysis on the Hiawatha First Nations in the past.

MS. DeMARCO: But no broad-based consultation we with respect to the First Nations?

MR. McGILL: Not with respect to this proposal.

15. Indigenous leaders and regional and national bodies all face challenges being included in policy discussions and are typically only thought of last, when an initiative is actually happening directly at or on a First Nation.<sup>4</sup> This "out of sight, out of mind" attitude is clearly illustrated in the actions of: the South Bruce Municipalities, in not initiating consultations with potentially affected First Nations communities before or during the RFI, despite consultant and Union recommendations for them to do so;<sup>5</sup> the South Bruce Municipalities in issuing the RFI, which did not include a requirement that bidders consult with potentially

<sup>&</sup>lt;sup>4</sup> EB-2016-0004, Transcript Volume 1, 69:25-70:3.

<sup>&</sup>lt;sup>5</sup> EB-2016-0004, Transcript Volume 4, 169:12-17; 171:9-20.

affected First Nations; the winning bidder in the South Bruce Municipalities' RFI, EPCOR, which provided no evidence on the record or on direct examination that it consulted with First Nations prior to or after submitting its bid; and Enbridge, which did not consult with First Nations in its service territory prior to proposing its natural gas expansion projects.<sup>6</sup>

16. Such failure to engage with affected or potentially affected First Nations perpetuates the "out of sight, out of mind" paradigm with its many short-comings that must be addressed. Anwaatin therefore submits that in order to avoid continued marginalization of First Nations, in part through an "out of sight, out of mind" approach, the Board should take a purposive approach and include all First Nations communities in the definition of "community," regardless of size, and a requirement to consult First Nations communities in the framework. This will assist First Nations in asserting their rights to be consulted and participate in the consideration of natural gas service expansion, even if the First Nations community does not otherwise fall within the "community" definition or a numeric threshold.

# Issue 2: The Board should authorize interutility cross-subsidization of natural gas community expansion projects through a universal service fund

17. Anwaatin submits that the Board should authorize interutility cross subsidization and collect and disburse funds for natural gas service expansion via a universal service fund (USF) mechanism. The objective of a USF is to enable natural gas distributors to bring potentially loss-making or marginal community service projects up to a normal commercial rate of return after a one-time capital subsidy has been received to bridge the distributor's financing gap. <sup>7</sup> The USF would require all utilities approved by the Board to provide

<sup>&</sup>lt;sup>6</sup> EB-2016-0004, Transcript Volume 4, 75:25-76:6.

<sup>&</sup>lt;sup>7</sup> EB-2016-0004, Exhibit R1.Anwaatin.Board Staff.4, pages 1-2.

natural gas service to collect funds from all Ontario natural gas customers on a fair and equitable basis. These funds would then be distributed on a fair and equitable basis to any qualified utility that obtained a municipal franchise and successfully applied to the Board for leave to construct to encourage them to expand service to rural, remote and First Nations communities.<sup>8</sup>

- 18. The proposed USF is outlined in Anwaatin's evidence and would cover both **capital costs for expansion** and **operating costs** beyond those required to serve an average community. The formula for collecting and distributing funds could be reviewed on a regular, periodic basis in order to maximize benefits and service expansion, while minimizing customer costs. The subsidy provided by the USF would be a one-time allocation and would not be open to renegotiation or long-term continuation. Targeted areas and communities would be required to have a realistic potential for the natural gas distributor to achieve a normal rate of return after receiving the subsidy. In the absence of such a return, the community and energy stakeholders should look to alternate means to address energy poverty in First Nations.
- 19. USFs work through principles of availability, affordability and accessibility, consistent with the spirit of EBO 188. Availability means that the level of service is the same for all users, without geographical or other discrimination. Affordability means that, for all users, the price of the service should not be a factor that limits access to services. Accessibility means that all customers should be treated in a non-discriminatory manner with respect to the price of, access to, and quality of the service, in all locations. <sup>11</sup> EBO 188 describes the

<sup>&</sup>lt;sup>8</sup> EB-2016-0004, Anwaatin Evidence, page 5.

<sup>&</sup>lt;sup>9</sup> EB-2016-0004, Anwaatin Evidence, page 5.

<sup>&</sup>lt;sup>10</sup> EB-2016-0004, Exhibit R1.Anwaatin.Board Staff.4, pages 1-2.

<sup>&</sup>lt;sup>11</sup> EB-2016-0004, Anwaatin Evidence, page 5.

economic test that should be used to evaluate a proposed expansion of a gas distributor's distribution system to ensure that these undue rate increases for existing customers do not occur. The key cost causation and related principles were summarized by Mr.

Goulding.<sup>12</sup> This allows a distributor to propose an expansion portfolio that blends projects with customers that are less costly to serve with those that are costlier. EBO 188 is therefore consistent with a USF, in that a USF also strives to keep service available, affordable and accessible. A USF approach with one-time subsidies and short-term surcharges to existing customers is therefore in keeping with the intent of EBO188.<sup>13</sup>

- 20. USFs must include defined and measureable objectives. In the case of natural gas distribution service expansion, a primary objective would be ensuring that First Nation reserves and communities with substantial indigenous populations have access to natural gas service as quickly as possible. First Nations need natural gas service as soon as possible in order to decrease their exposure to energy poverty, however they are not prescriptive as to the type of universal service mechanism that may be appropriate. 15
- 21. Anwaatin submitted two USF approaches for the Board's consideration. First, a simple, fast and efficient approach for incumbent operators with many customers is to establish an internal USF in their service areas and maximize economies of scale to reduce charges to existing customers who would ultimately support subsidies to unserved communities. The incumbent's ratepayers would pay a Board-approved surcharge that the utility would transparently apply as a "smart subsidy" to targeted unserved areas. The "smart subsidy"

<sup>&</sup>lt;sup>12</sup> EB-2016-0004, Transcript Volume 2.

<sup>&</sup>lt;sup>13</sup> EB-2016-0004, Exhibit R1.Anwaatin.Board Staff.5, page 1.

<sup>&</sup>lt;sup>14</sup> EB-2016-0004, Anwaatin Evidence, pages 5-6.

<sup>&</sup>lt;sup>15</sup> EB-2016-0004, Transcript Volume 1, 78:3-6.

would require the incumbent operator to show that there is a capital investment gap and show that this gap represents an unfair burden for customers.<sup>16</sup>

- 22. Second, in areas beyond the service areas of incumbent operators, the Board may choose to allow incumbent operators the opportunity to expand their service area to enable them to use an internal USF to provide service quickly, or may choose to establish a competitive process where incumbents and new entrants can compete for a "smart subsidy" to serve a targeted community or region. The Board may begin to determine the most efficient approach by asking incumbent operators to determine areas near their current service areas where they would be willing and able to operate an internal USF to take advantage of economies of scale and efficiencies, with specific community targets.<sup>17</sup>
- 23. Areas that remain unserved may either have the potential to be in a "smart subsidy zone" and be commercially viable through a "smart subsidy," or may be in a zone where there is a "true access gap" and beyond commercial viability even with a "smart subsidy." Areas that remain unserved by incumbent operators in a "smart subsidy zone" could be opened to a competitive process where a competitively-tendered subsidy process awards funds to the most efficient operator that meets mandated quality of service objectives and requires the lowest subsidy. Any and all competitive processes for a "smart subsidy" must be fair, open, characterized by due process and include requisite consultation with, and a role for, First Nations. Areas in a "true access gap" zone are areas that are beyond commercial viability even where initial "smart subsides" are given.<sup>18</sup>

<sup>&</sup>lt;sup>16</sup> EB-2016-0004, Exhibit R1.Anwaatin.Board Staff.4, page 2.

<sup>&</sup>lt;sup>17</sup> EB-2016-0004, Exhibit R1.Anwaatin.Board Staff.4, page 2.

<sup>&</sup>lt;sup>18</sup> EB-2016-0004, Exhibit R1.Anwaatin.Board Staff.4, pages 2-3.

- 24. Remote First Nation communities that are not connected by all-season roads or by all-season access to water-borne bulk-shipping carriers are likely to be in a "true access gap" zone. A number of provincial, federal and First Nations' plans to build new all-season roads in Ontario are proceeding on schedule. Therefore, Anwaatin anticipates that the number of remote, "true access gap" communities will narrow. Operators serving "true access gap" communities may require energy alternatives, including compressed or liquefied natural gas, or geothermal energy where feasible. Alternatively, the cost of service for "true access gap" areas may remain un-economic until all-season transportation services become available.<sup>19</sup>
- 25. Regardless of which approach the Board finds preferable, Anwaatin submits that the Board should authorize interutility cross-subsidization of natural gas community expansion projects through a universal service fund, which is applied on a regulated utility basis and deployed in a manner that facilitates the lowest cost, most experienced service providers that are experienced in consultation with First Nations.

Issue 4: The Board should ensure that whatever expansion framework it decides upon places a super-priority upon the expansion to energy-poor First Nations, as quickly as possible

- 26. Anwaatin submits that the Board should ensure that its framework places a super-priority on expanding natural gas distribution service to energy-poor First Nations communities in an expedient manner.
- 27. The energy costs of living in Northern Ontario is significantly higher than in Southern Ontario. <sup>20</sup> Without access to natural gas service, electrical bills for families can range from

<sup>&</sup>lt;sup>19</sup> EB-2016-0004, Exhibit R1.Anwaatin.Board Staff.4, page 3.

<sup>&</sup>lt;sup>20</sup> EB-2016-0004, Transcript Volume 1, 70:14-15.

\$700-\$900 per month from December to February, in contrast to \$750 per year for entities with access to natural gas. Despite the high cost of electricity, reliable service is not available for many First Nations households. Ten percent (10%) of First Nations onreserve households across Canada have existing electrical problems or no electricity. and 31% of First Nation households have unsatisfactory heating systems. 21 This figure grows to 37% for households with unsatisfactory heating systems in mid- and Northern reserves. 22 Typically, power outages occur for two to three days every month, 23 with electricity reliability issues all year round.24

- 28. Given the extremely high cost of electric heating and the unreliable electricity supply in many First Nations communities, families must typically supplement electrical heating with heat from burning wood or fuel oil.<sup>25</sup> The costs of heating in First Nations can be so high that families - many of whom otherwise live in poverty - pay close to one third of their household income on energy costs<sup>26</sup> and often have to choose to "heat or eat."<sup>27</sup>
- 29. Households that have difficulty paying their winter electricity bills also suffer numerous related adverse consequences, including late-payment charges or having their service cut off. Band Councils are also often charged with finding funds or other means to assist First Nations families in paying electricity costs. 28 Total heating costs during the winter months can total almost \$1,500 per month.<sup>29</sup> By contrast, families in comparable First Nations

<sup>&</sup>lt;sup>21</sup> EB-2016-0004, Transcript Volume 1, 71:28-72:5.

<sup>&</sup>lt;sup>22</sup> EB-2016-0004, Transcript Volume 1, 72:3-5.

<sup>&</sup>lt;sup>23</sup> EB-2016-0004, Transcript Volume 1, 107:5-7.

<sup>&</sup>lt;sup>24</sup> EB-2016-0004, Transcript Volume 1, 108:24-26.

<sup>&</sup>lt;sup>25</sup> EB-2016-0004, Transcript Volume 1, 73:18-22.

<sup>&</sup>lt;sup>26</sup> EB-2016-0004, Transcript Volume 1, 104:18-20; Exhibit R1.Anwaatin.Board Staff.3 at page 2.

<sup>&</sup>lt;sup>27</sup> EB-2016-0004, Transcript Volume 1, 73:17-18.

<sup>&</sup>lt;sup>28</sup> EB-2016-0004, Transcript Volume 1, 74:5-9.

<sup>&</sup>lt;sup>29</sup> EB-2016-0004, Transcript Volume 1, 72:7-15.

communities with access to natural gas service pay approximately \$750 **per year** in heating costs.<sup>30</sup>

- 30. Lack of access to low-cost heat energy also creates a number of adverse health outcomes for First Nations communities related to indoor air quality. Many families are forced to rely on woodstoves for heat energy in the winter, but doing so can create indoor air quality issues, either because of the quality of wood being burnt or the quality of the heating appliances used to burn it.
- 31. Furthermore, although many houses in First Nations communities are equipped with heat recovery ventilation systems (HRVs) to optimize efficiency and address indoor air quality, HRVs also require a significant amount of electricity to operate. As a result, people on First Nations reserves without access to natural gas service and high electricity bills often unplug their HRV to save on electricity costs. Unplugging HRVs causes further indoor air quality issues, including problems related to mold growth and moisture accumulating on and around windows and doors, freezing them shut<sup>31</sup> there is a dramatic difference in the indoor air-quality conditions in homes that are heated primarily with natural gas, which are more inclined to use their HRV system, as there is a small incremental cost.<sup>32</sup> Finally, these air quality issues are exacerbated by the fact that people in First Nation communities are more likely to report living in over-crowded or substandard housing, both of which maybe risk factor for asthma. Children living in such conditions are also

<sup>&</sup>lt;sup>30</sup> EB-2016-0004, Transcript Volume 1, 72:24-28.

<sup>&</sup>lt;sup>31</sup> EB-2016-0004, Transcript Volume 1, 74:27-75:13.

<sup>&</sup>lt;sup>32</sup> EB-2016-0004, Transcript Volume 1, 76:15-21.

disproportionately affected, as respiratory infections are more likely to occur when children live in damp and poorly-heated substandard housing.<sup>33</sup>

32. Anwaatin submits that access to natural gas as a replacement for wood-burning stoves and electrical heating is integral for First Nations and will significantly reduce the costs to First Nations households, and address certain indoor air-quality and related health issues faced by First Nations.<sup>34</sup> Anwaatin therefore submits that the Board should ensure that whatever process for natural gas service expansion to remote, rural and First Nations communities arises from this proceeding places super-priority on expanding natural gas services to energy-poor First Nations in an expedient manner.

## Issue 8: Affected First Nations must be consulted as part of any process to grant a Municipal Franchise Agreement

- 33. Anwaatin submits that affected First Nations must be consulted as part of any process to grant a Municipal Franchise Agreement (**MFA**) for natural gas distribution. In the Model MFA, "municipality" means "the territorial limits of the Corporation on the date when [the MFA] takes effect, and any territory which may thereafter be brought within the jurisdiction of the Corporation". The definition of a "municipality" therefore does not appear to include First Nation reserve lands.
- 34. In many cases, however, municipalities are adjacent to or surround a First Nation reserve.
  These municipalities will often be covered by treaties or considered as First Nation traditional territory. There appears to be no document, including the Gas Franchise
  Handbook published by a joint committee of "Gas Company and Municipal Sector

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<sup>&</sup>lt;sup>33</sup> EB-2016-0004, Exhibit R1.Anwaatin.Board Staff.1, pages 1-2.

<sup>&</sup>lt;sup>34</sup> EB-2016-0004, Transcript Volume 1, 76:7-11.

Representatives," that encourages or requires a municipality to consult or accommodate affected or potentially-affected First Nations prior to making a decision on an MFA. This lack of consultation is not consistent with the pre-existing and current legal and policy context, choice, or the UNDRIP.

35. Anwaatin therefore submits that gas companies interested in entering into a MFA with a municipality adjacent to or surrounding a First Nation should, together with the province, ensure that the duty to consult with First Nations is discharged prior to the award of a MFA. The Board must ensure that the Natural Gas Expansion Framework requires consultation with First Nations before and after the selection of a natural gas distributor. Consultation must include discussion of any relevant treaty rights and interests and affected First Nations territory.

#### REQUESTED RELIEF

- 36. The First Nations supporting Anwaatin's submissions are directly affected by energy poverty. Natural gas promises an alternative, low-carbon, low-cost source of heat energy that will have the additional benefit of opening local transmission grids to harness renewable energy sources such as solar, wind and hydro-electricity.
- 37. Anwaatin respectfully requests that, as an outcome of this proceeding, the Board include First Nations in its definition of "community," place super-priority on expanding natural gas distribution services to energy-poor First Nations as quickly as possible, and ensure that First Nations are consulted, considered and accommodated as an integral element of the Board's natural gas expansion framework that will result from this proceeding.

- 38. Anwaatin submits that equitable access to energy in the form of natural gas may be accomplished through a cross-subsidy in the form of a universal service fund. Finally, Anwaatin submits that, prior to the award of any MFA, the Board should mandate meaningful consultation with First Nations communities.
- 39. Anwaatin also respectfully requests that the Board commit to examining, and reporting on a regular basis, on the state of First Nation energy poverty in Ontario. Energy poverty exists where there is little or no access to safe, sustainable, affordable modern energy (electricity, and heating and cooking fuels), with minimal harmful effects on health and the environment, in order to enable productive economic activities and public services (e.g. energy for health facilities, schools and street lighting). This will enable the province and First Nations to have access to baseline data on specific energy poverty challenges, and a technology neutral lens to determining the most effective and efficient approaches regulatory, technical, fuel choices to eliminating First Nation energy poverty in Ontario. This will also allow for decision-making that will allow for the objective comparison of energy sources and enhancements, including natural gas, solar and geothermal, in order to meet a range of criteria that include impacts on health, the environment, household incomes, economic development and effective provision of public services.

<sup>&</sup>lt;sup>35</sup> International Energy Agency, 2015, World Energy Outlook 2015 – Methodology for Energy Access Analysis, online: <a href="http://www.worldenergyoutlook.org/media/weowebsite/2015/EnergyAccess">http://www.worldenergyoutlook.org/media/weowebsite/2015/EnergyAccess</a> Methodology 2015.pdf>.

# ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS

20<sup>th</sup> day of June, 2016

Lisa (Elisabeth) DeMarco

DeMarco Allan LLP

Counsel for Anwaatin