



August 10, 2016

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

Re: Cap and Trade Framework for Natural Gas Utilities-Early Determination regarding Billing of Cap and Trade Related Costs and Customer Outreach EB-2015-0363

Dear Ms. Walli:

I am writing in response to the Ontario Energy Board (OEB) determination that charges related to the recovery of Cap and Trade Program costs will be included in the Delivery Charge on the natural gas bill.

The success of Cap and Trade heavily relies on the government ensuring that costs associated with the program are transparent to the consumer.

AMPCO is dissatisfied with the OEB's decision to bury Cap and Trade costs so that they are not readily visible to consumers. AMPCO and many other stakeholders from across the sector argued for a separate line item on the bill to provide greater transparency of the costs of Cap and Trade. In fact, the natural gas utilities themselves argued for a separate line item for cap and trade costs.

Enbridge's customers told Enbridge that they would like to see a line item on the bill specific to carbon allowance costs. Enbridge's research says that by having this information, customers will be more likely to undertake measures and actions to reduce their GHG emissions.¹

Union Gas supports identifying the cap-and-trade rate on its rate schedules, as well as on the bill. Union does not believe the rate schedule alone will provide adequate transparency and stated that including this charge in the delivery rate does not make it easier to implement the billing systems changes and track the amounts collected.²

Board staff committed to transparency in its discussion paper for the Cap and Trade framework. Having these Cap and Trade costs bundled in the delivery charge does the complete opposite to this said commitment. As a result of this decision natural gas customers will pay more but they won't be able to readily see how much.

To protect the interests of consumers, AMPCO believes the OEB should better promote its own commitment of transparency. As such, AMPCO would like to see the Board reconsider its decision and implement a separate Cap and Trade line item on customers' bills.

¹ Enbridge Gas Distribution Inc. Submission June 22, 2016 Page 3

² Union Gas Limited Submission June 22, 2016 Page 12

Please do not hesitate to contact me if you have any questions or require further information.

Sincerely yours,

A handwritten signature in black ink that reads "Mark Passi". The signature is written in a cursive, slightly slanted style.

Mark Passi
Chair, Board of Directors

CC: Hon. Glenn Thibeault, Minister of Energy
Andrew Teliszewsky, Chief of Staff to the Minister of Energy
Serge Imbrogno, Deputy Minister of Energy