



**Ontario Energy Board
Commission de l'énergie de l'Ontario**

**DECISION AND ORDER ON COST AWARDS
EB-2015-0238**

Distributor Gas Supply Planning

BEFORE: Cathy Spoel
Presiding Member

Christine Long
Vice Chair and Member

December 22, 2016

INTRODUCTION AND SUMMARY

Background

Pursuant to the [staff report cover letter](#) for the Natural Gas Market Review 2014, the OEB initiated a consultation dealing with [Distributor Gas Supply Planning](#) which included cost awards for eligible persons under section 30 of the *Ontario Energy Board Act, 1998* for participation in certain activities.

The letter dated [October 20, 2015](#) notified stakeholders that cost awards would be available to eligible persons under section 30 of the *Ontario Energy Board Act, 1998* in relation to their participation in eligible activities as set out in Appendix A of the letter. The letter also indicated that any costs awarded will be recovered from all rate regulated natural gas distributors based on their respective distribution revenues.

On August 12, 2016, the OEB issued the [Staff Report to the Ontario Energy Board on the Distributor Gas Supply Planning Consultation](#) which concluded this consultation and on October 4, 2016, the OEB issued its Notice of Hearing for Cost Awards (the Notice of hearing) in relation to the consultation.

In its Notice of Hearing, the OEB determined that the following participants (together, the “Eligible Participants”) were eligible to apply for an award of costs in this consultation process:

- Association of Power Producers of Ontario (APPrO)
- Building Owners and Managers Association (BOMA)
- Canadian Manufacturers & Exporters (CME)
- Consumers Council of Canada (CCC)
- Energy Probe Research Foundation (Energy Probe)
- Federation of Rental-housing Providers of Ontario (FRPO)
- Industrial Gas User’s Association (IGUA)
- London Property Management Association (LPMA)
- School Energy Coalition (SEC)
- Vulnerable Energy Consumers Coalition (VECC)

The Notice of Hearing included the consultation activities and the maximum number of hours for which cost claims may be filed.

As noted above, in the letter the OEB indicated that costs awarded would be apportioned among rate-regulated natural gas distributors based on their respective

distribution revenues. That apportionment was consistent with the methodology that was in place at the time for allocating costs for cost assessment purposes under section 26 of the OEB Act. On February 9, 2016, the OEB issued a [letter](#) giving notice of changes to its Cost Assessment Model. Specifically, under the revised Cost Assessment Model cost assessments for distributors are now based on customer numbers rather than revenues. The OEB considers it appropriate to apportion cost awards for this initiative in a manner consistent with the revised Cost Assessment Model, and has therefore determined that costs awarded will be apportioned within the distributor class based on customer numbers rather than revenues. This revised apportionment is reflected in Schedule A.

The OEB received cost claims from APPrO, BOMA, CME, CCC, Energy Probe, FRPO, IGUA, LPMA, SEC and VECC. On October 27, 2016, Union Gas Limited (Union) filed its response to the cost claims and stated that it had no concerns with the cost claims. On October 28, 2016, Enbridge Gas Distribution (Enbridge) filed its response to the cost claims filed and stated that it has no overall objection to the cost claims but noted a few items regarding disbursements in APPrO's, BOMA's, CME's, FRPO's cost claims. Enbridge noted that there were two stakeholder conferences during the proceeding and that the number of hours claimed might be greater than the hours put forward by the OEB on the *Statement of Fees Being Claimed* form.

OEB Findings

The cost claims filed by the other Eligible Participants are in accordance with the OEB's Notice of Hearing. The OEB finds that each of these Eligible Participants is entitled to 100% of its reasonably incurred costs of participating in this proceeding. The claim of APPrO requires a minor reduction to correct an error in the HST calculation for parking charge. The claim of BOMA also requires a minor reduction because the courier receipt does not match with the claim. The claim of CME requires a minor reduction because the taxi receipt does not match with the claim. The claim of FRPO also requires a reduction to correct an error in the HST calculation for taxi charge. The Board finds that the claims of CCC, Energy Probe, IGUA, LPMA, SEC and VECC and the adjusted claims of APPrO, BOMA, CME and FRPO are reasonable. The OEB approves cost awards for the eligible participants as follows:

- | | |
|---|-------------|
| • Association of Power Producers of Ontario | \$2,269.95 |
| • Building Owners and Managers Association | \$2,622.61 |
| • Canadian Manufacturers & Exporters | \$2,431.19 |
| • Consumers Council of Canada | \$5,034.15 |
| • Energy Probe Research Foundation | \$4,260.00 |
| • Federation of Rental-housing Providers of Ontario | \$12,832.07 |

| | |
|--|------------|
| • Industrial Gas User's Association | \$9,102.92 |
| • London Property Management Association | \$6,190.14 |
| • School Energy Coalition | \$3,131.23 |
| • Vulnerable Energy Consumers Coalition | \$3,209.15 |

Process for Paying the Cost Awards

The amount payable by each natural gas distributor in relation to costs awarded to each Eligible Participant is listed in Schedule A to this Decision and Order. However, the amounts will not be paid directly by the distributor to the participant.

The OEB will use the process set out in section 12 of the *Practice Direction* to implement the payment of the cost awards. Therefore, the OEB will act as a clearing house for all payments of cost awards relating to this consultation process. Invoices will be issued to distributors at the same time as the invoices for cost assessments are made under section 26 of the Act. The practice of the OEB is to issue to each licensed distributor one invoice that covers all cost awards payable by the distributor for the relevant period. As a result, the invoice may cover cost awards payable in relation to a number of consultations, including this one.

THE ONTARIO ENERGY BOARD THEREFORE ORDERS THAT:

1. Each distributor listed in Schedule A to this Decision and Order shall pay the amounts set out in Schedule A in relation to the costs awarded to each Eligible Participant.
2. Each distributor listed in Schedule A to this Decision and Order shall pay the OEB's costs of, and incidental to, this consultation.
3. The payments referred to in paragraphs 1 and 2 shall be made to the OEB in accordance with the invoice issued to each distributor, and shall be due at the same time as cost assessments under section 26 of the Act are due.

DATED at Toronto December 22, 2016

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Schedule A
OEB's Decision and Order on Cost Awards
EB-2015-0238

| Gas Distributor, Transmitter, Storage Company | APPo | BOMA | CME | CCC | EP | FRPO | IGUA | LPMA | SEC | VECC | Total |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Enbridge Gas Distribution | \$ 1,354.93 | \$ 1,565.43 | \$ 1,451.17 | \$ 3,004.87 | \$ 2,542.78 | \$ 7,659.43 | \$ 5,433.52 | \$ 3,694.88 | \$ 1,869.03 | \$ 1,915.53 | \$ 30,491.57 |
| Union Gas | \$ 909.79 | \$ 1,051.14 | \$ 974.42 | \$ 2,017.68 | \$ 1,707.40 | \$ 5,143.07 | \$ 3,648.43 | \$ 2,481.00 | \$ 1,254.99 | \$ 1,286.22 | \$ 20,474.14 |
| Natural Resource Gas | \$ 5.23 | \$ 6.04 | \$ 5.60 | \$ 11.60 | \$ 9.82 | \$ 29.57 | \$ 20.97 | \$ 14.26 | \$ 7.21 | \$ 7.40 | \$ 117.70 |
| TOTAL | \$ 2,269.95 | \$ 2,622.61 | \$ 2,431.19 | \$ 5,034.15 | \$ 4,260.00 | \$ 12,832.07 | \$ 9,102.92 | \$ 6,190.14 | \$ 3,131.23 | \$ 3,209.15 | \$ 51,083.41 |