

John A.D. Vellone
T 416-367-6730
F 416.367.6749
jvellone@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com



January 6, 2017

Delivered by Email, RESS & Courier

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

Dear Ms. Walli:

Re: Applications by Union Gas Limited, Enbridge Gas Distribution Inc. and Natural Resource Gas Limited for approval of the cost consequences of Cap and Trade Compliance Plans and for interim rates effective January 1, 2017. Board File No. EB-2016-0296 / EB-2016-0300 / EB-2016-0330

We are counsel to the Association of Power Producers of Ontario (“APPrO”) in the above-captioned matter. Please find attached APPrO’s Notice of Intervention in this proceeding. Paper copies of this letter and the accompanying Notice will be delivered to you by courier.

Please also find attached a completed Form of Declaration and Undertaking for the release of confidential information pursuant to the Board’s Practice Direction on Confidential Filings last revised on October 28, 2016.

Should you have any questions or require further information in this regard, please do not hesitate to contact me.

Yours very truly,

BORDEN LADNER GERVAIS LLP

Per:

Original signed by John A.D. Vellone

John A.D. Vellone

cc: David Butters, APPrO
John Wolnik, Elenchus
Andrew Mandyam, Enbridge Gas Distribution Inc.
Fiona Oliver-Glasford, Enbridge Gas Distribution Inc.
Dennis O’Leary, Aird & Berlis LLP
Vanessa Innis, Union Gas Limited
Crawford Smith, Torys LLP
Brian Lippold, Natural Resource Gas Ltd.
Richard J. King, Osler, Hoskin & Harcourt LLP

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Sched. B, as amended;

AND IN THE MATTER OF Applications by Union Gas Limited, Enbridge Gas Distribution Inc. and Natural Resource Gas Limited for approval of the cost consequences of Cap and Trade Compliance Plans and for interim rates effective January 1, 2017.

**NOTICE OF INTERVENTION OF THE
ASSOCIATION OF POWER PRODUCERS OF ONTARIO (“APPrO”)**

January 6, 2017

APPrO:
David Butters
President
25 Adelaide Street East
Suite 1602
Toronto ON M5C 3A1
Tel: (416) 322-6549, x231
Facsimile: (416) 481-5785
Email: david.butters@appro.org

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide St W.
Toronto ON M5H 4E3

John A.D. Vellone
Tel: (416) 367-6730
Facsimile: (416) 361-2758
Email: jvellone@blg.com

Jessica-Ann Buchta
Tel: (416) 367-6066
Facsimile: (416) 367-6749
Email: jbuchta@blg.com

AND

**Elenchus Research Associates
Inc.**
83 Guildford Cres.
London, ON N6J 3Y3

John Wolnik
Tel: (519) 474-0844
Facsimile: (416) 348-9930
E-mail: jwolnik@elenchus.ca

INTRODUCTION:

1. The Association of Power Producers of Ontario ("APPrO") hereby requests intervenor status in respect of the combined proceeding on the applications filed by each of Union Gas Limited ("Union Gas"), Enbridge Gas Distribution Inc. ("Enbridge") and Natural Resource Gas Limited ("NRG") (collectively the "Gas Utilities") with the Ontario Energy Board ("OEB") on November 15, 2016 seeking approval of the forecast costs arising from their respective Cap and Trade Compliance Plans for the January 1 - December 31, 2017 time period (the "2017 Cap and Trade Compliance Plans"). The Gas Utilities filed their applications in accordance with the OEB's *Report of the Board – Regulatory Framework for Assessment of Costs of Natural Gas Utilities' Cap and Trade Activities* ("Cap and Trade Framework")¹. The Board has assigned file numbers EB-2016-0296, EB-2016-0300, and EB-2016-0330 to this combined proceeding.

INTEREST OF THE INTERVENOR:

2. APPrO is a non-profit organization representing more than 100 companies involved in the generation of electricity in Ontario, including generators and suppliers of services, equipment and consulting services. APPrO members produce power from natural gas, as well as hydro, gas, nuclear, wind, waste wood and other sources.
3. Among APPrO's members are gas-fired generators in the Enbridge and Union Gas franchise areas. Within the Enbridge franchise, these generators take service primarily under Rate 125. All customers in the Rate 125 rate class are power generators and are not represented by any other consumer group. Within the Union franchise, gas-fired generators contract for distribution and transportation services under several rate classes, including Rate T2 and Rate M12.
4. APPrO's members have a direct and significant interest in this proceeding. APPrO's interests are to ensure that the 2017 Cap and Trade Compliance Plans meet the principles of cost-effectiveness, rate predictability, transparency, flexibility and continuous improvements. The evidence filed by the Gas Utilities indicates that the anticipated costs

¹ EB-2015-0363

to APPrO members that are customers include the following:

- a. The cost to Enbridge customers under Rate 125 is approximately \$21,000,000 annually;² and
 - b. The cost to generators served by Union Gas under Rate T2 and Rate M12 is not discernible from the evidence that has been disclosed, but we anticipate it to be similar in magnitude as the impact on Enbridge generators.
5. These increases are material and will have an impact on gas-fired generators, and to the extent generators include these incremental costs in their offers/bids in the IESO administered markets, on the Hourly Ontario Electricity Price.

SCOPE OF PARTICIPATION:

6. APPrO reserves the right to participate in all aspects of the proceeding. APPrO also reserves the right to present evidence as it may deem necessary.

APPrO's EXPERIENCE AS A FREQUENT INTERVENOR:

7. APPrO has a record of participating in Board proceedings as an intervenor. As required by Rule 22.03(b) of the Board's Rules of Practice and Procedure and Rule 3.03.1 of the Board's Practice Direction on Cost Awards, APPrO filed with the Board information on APPrO's mandate, objectives, membership, constituency, programs and activities and other relevant information within the previous 12 month period as part of EB-2015-0114, EB-2016-0028 and EB-2016-0215. This document has been updated and attached as Attachment 1 to this Notice of Intervention.

COSTS:

8. Pursuant to s. 3.06 of the Board's Practice Direction on Cost Awards, APPrO intends to seek an award of costs from the Gas Utilities. In accordance with s. 3.03(a) of the Board's Practice Direction on Cost Awards, APPrO represents the direct interests of consumers in

² Calculated using the volume forecast for Rate 125 (B/2/1 Page 6) and the unitize rate of 3.3471 ¢/m³ (G/1/1/1 Page 4).

relation to Enbridge and Union Gas' regulated services.

9. APPrO has a record of participating in Board proceedings in a responsible and efficient manner and the Board determined that APPrO was eligible for cost awards in other proceedings, including Union Gas and Enbridge rates cases; and several natural gas proceedings that had unique impacts on power generators (including, among others, NGEIR and storage allocation proceedings). APPrO believes it is appropriate for the Board to do so again in the context of this proceeding and in light of the potential impacts of the 2017 Cap and Trade Compliance Plans on APPrO's members.

COUNSEL/REPRESENTATIVES

10. APPrO requests that the Board, the Gas Utilities and all intervenors provide it and its counsel and consultant with copies of all written evidence and correspondence related to the proceeding, at the contact information below. APPrO asks that the Gas Utilities deliver (i) paper copies of their Applications and all other evidence in this matter to Elenchus Research Associates Inc. at the coordinates listed below; and (ii) electronic copies of their Applications and all other evidence to Borden Ladner Gervais LLP and APPrO at the coordinates listed below.

APPrO:
David Butters
President
25 Adelaide Street East
Suite 1602
Toronto ON M5C 3A1
Tel: (416) 322-6549, x231
Facsimile: (416) 481-5785
Email: david.butters@appro.org

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide St W.
Toronto ON M5H 4E3

John A.D. Vellone
Tel: (416) 367-6730
Facsimile: (416) 361-2758
Email: jvellone@blg.com

Jessica-Ann Buchta
Tel: (416) 367-6066
Facsimile: (416) 367-6749
Email: jbuchta@blg.com
AND

**Elenchus Research Associates
Inc.**
83 Guildford Cres.
London, ON N6J 3Y3

John Wolnik
Tel: (519) 474-0844
Facsimile: (416) 348-9930
E-mail: jwolnik@elenchus.ca

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 6TH DAY OF JANUARY, 2017

BORDEN LADNER GERVAIS LLP

Per:

Original signed by John A.D. Vellone

John A.D. Vellone
Counsel to APPrO

Attachment 1

The Association of Power Producers of Ontario

Description

The Association of Power Producers of Ontario ("APPrO") is a non-profit trade and professional organization representing more than 100 companies involved in the generation of electricity in Ontario, including generators and suppliers of services, equipment and consulting services. APPrO is the largest organization of its type in Canada. APPrO was established in 1986 as the Independent Power Producers' Society of Ontario and changed its name to APPrO in 2003.

Mandate and objectives

APPrO's principal objective is the achievement of an economically and environmentally sustainable electricity sector in Ontario that supports the business interests of electricity generators. APPrO's role in the electricity sector is to raise awareness and understanding of its members' concerns with senior decision-makers in government, regulatory bodies and the public at large.

Membership and representative constituency

APPrO currently has about 100 corporate members, who collectively produce more than 95% of the electricity made in Ontario. APPrO's members produce electricity from a range of sources, including natural gas, hydroelectricity, cogeneration, windpower, solar energy, biomass, biogas, nuclear energy and other sources. The total value of assets owned or operated by APPrO members is estimated at more than C\$50 billion, and the total annual sales of electricity by APPrO members exceeds C\$7 billion per year (wholesale value).

Programs and activities

APPrO acts as an advocate for its members. It aims to have a voice on regulatory and policy issues which affect generators in Ontario, including electricity market rules, power procurement processes, the regulation of the natural gas market (both provincially and federally), climate change rules and compliance mechanisms, approval requirements, transmission development, distributed generation, and a number of other issues. APPrO is a leading advocate for public policies and regulatory treatments that it believes will facilitate the development of power generation in the province and assist in the development of a more open and competitive market for power.

APPrO also organizes industry conferences and produces a number of publications. APPrO's magazine, IPPSO FACTO, is an authoritative periodical on the electricity business and policy issues in Canada.

APPrO's authorized representative in OEB proceedings

APPrO's principal authorized representative in proceedings before the Ontario Energy Board (the "Board") is Elenchus Research Associates Inc. ("Elenchus"), represented by John Wolnik. Borden Ladner Gervais LLP ("BLG"), represented by John A.D. Vellone with support from other BLG associates, will provide support to APPrO and Elenchus for this proceeding EB-2016-0296 / EB-2016-0300 / EB-2016-0330. Elenchus and BLG's representation of APPrO in proceedings before the Board is pursuant to written retainer agreements.

TOR01: 6594501: v4

Ontario Energy Board

Form of Declaration and Undertaking

EB-^{EB-2016-0296 / 0300 / 0330}

IN THE MATTER OF Cap and Trade Compliance Plan Costs for Enbridge, Union and NRG

DECLARATION AND UNDERTAKING

I, John A.D. Vellone, am counsel of record or a consultant for
Association of Power Producers of Ontario ("APPo").

DECLARATION

I declare that:

1. I have read the *Rules of Practice and Procedure* of the Ontario Energy Board (the "Board") and all Orders of the Board that relate to this proceeding.
2. I am not a director or employee of a party to this proceeding for which I act or of any other person known by me to be a party in this proceeding.
3. I understand that this Declaration and Undertaking applies to all information that I receive in this proceeding and that has been designated by the Board as confidential and to all documents that contain or refer to that confidential information ("Confidential Information").
4. I understand that execution of this Declaration and Undertaking is a condition of an Order of the Board, that the Board may apply to the Superior Court of Justice to enforce it.

UNDERTAKING

I undertake that:

1. I will use Confidential Information exclusively for duties performed in respect of this proceeding.
2. I will not divulge Confidential Information except to a person granted access to such Confidential Information or to the Board.
3. I will not reproduce, in any manner, Confidential Information without the prior written approval of the Board. For this purpose, reproducing Confidential Information includes scanning paper copies of Confidential Information, copying the Confidential Information onto a diskette or other machine-readable media and saving the Confidential Information onto a computer system.
4. I will protect Confidential Information from unauthorized access.
5. With respect to Confidential Information other than in electronic media, I will, promptly following the end of this proceeding or within 10 days after the end of my participation in this proceeding:
 - (a) return to the Board Secretary, under the direction of the Board Secretary, all documents and materials in all media containing Confidential Information, including notes, charts, memoranda, transcripts and submissions based on such Confidential Information; or
 - (b) destroy such documents and materials and file with the Board Secretary a certification of destruction in the form prescribed by the Board pertaining to the destroyed documents and materials.
6. With respect to Confidential Information in electronic media, I will:
 - (a) promptly following the end of this proceeding or within 10 days after the end of my participation in this proceeding, expunge all documents and materials containing Confidential Information, including notes, charts, memoranda, transcripts and submissions based on such Confidential Information, from all electronic apparatus and data storage media under my direction or control and file with the Board Secretary a certificate of destruction in the form prescribed by the Board pertaining to the expunged documents and materials; and
 - (b) continue to abide by the terms of this Declaration and Undertaking in relation to any such documents and materials to the extent that they subsist in any electronic apparatus and data storage media under my direction or control and cannot reasonably be expunged in a manner that ensures that they cannot be retrieved.
7. For the purposes of paragraphs 5 and 6, the end of this proceeding is the date on which the period for filing a review or appeal of the Board's final order in this

proceeding expires or, if a review or appeal is filed, upon issuance of a final decision on the review or appeal from which no further review or appeal can or has been taken.

8. I will inform the Board Secretary immediately of any changes in the facts referred to in this Declaration and Undertaking.

Dated at Toronto, Ontario this 6th day of
January, 2017.

Signature: _____

Name: John A.D. Vellone

Company/Firm: Borden Ladner Gervais LLP

Address: 22 Adelaide Street W, Suite 3400, Toronto, ON M5H 4E3

Telephone: 416-367-6730

Fax: 416-367-6749

E-mail: jvellone@blg.com