

**Ontario Energy
Board**
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY E-MAIL

January 17, 2017

Mr. Brian Lippold
General Manager
Natural Resource Gas Limited
39 Beech St. E.
P.O. Box 307
Aylmer ON N5H 2S1

Dear Mr. Lippold:

Re: **Natural Resource Gas Limited
Cap and Trade Compliance Plan
Ontario Energy Board File Number: EB-2016-0330**

On November 15, 2016, Natural Resource Gas Limited (NRG) filed its Cap and Trade Compliance Plan with the Ontario Energy Board (OEB) (EB-2016-0330). In accordance with the OEB's Report: Regulatory Framework for Assessment of Costs of Natural Gas Utilities' Cap and Trade Activities (EB-2015-0363) ([Cap and Trade Framework](#)), as part of its updated application filed on November 30, 2016, NRG has requested that various portions of its Compliance Plan be classified as confidential. NRG has made reference to the areas of its application which it deems confidential in Exhibit 1, Section 3 Tab 3 of its Application.

As a general rule, and consistent with the OEB's Rules of Practice and Procedure (Rules) and Practice Direction on Confidential Filings ([Practice Direction](#)), the OEB places materials it receives in the course of the exercise of its authority under the *Ontario Energy Board Act, 1998* and other legislation on the public record so that all interested parties can have equal access to those materials.

The *Climate Change Mitigation and Low-Carbon Economy Act, 2016* (*Climate Change Act*) outlines limitations on the disclosure of certain information. These limitations are

reflected in section 4 of the Cap and Trade Framework.¹ The Cap and Trade Framework indicates that there are three forms of information which may be included within a natural gas utility's Compliance Plan: public information, confidential information and strictly confidential information.

The Cap and Trade Framework provides for two categories of strictly confidential information which arise out of the *Climate Change Act* and Regulations² namely, auction confidential and market sensitive information. Strictly confidential information will be reviewed only by OEB staff and the OEB panel assigned to review and decide the application.³

The Cap and Trade Framework notes that while certain information included in an application may not be strictly confidential it may nevertheless need to be considered confidential on other grounds. For example, it may be strategically or commercially sensitive information.⁴ In those circumstances the OEB requires applicants to file both an un-redacted, confidential version and a non-confidential, redacted version of the document from which information that is the subject of the confidentiality request has been deleted or stricken. The OEB will then determine whether access to such information may be allowed to third parties in accordance with the provisions of the Rules and Practice Direction and may also initiate a process to determine whether the information over which confidentiality is requested is confidential or should be placed on the public record.

Having reviewed both the public and confidential versions of NRG's application, the OEB notes that the application does not clearly distinguish between strictly confidential (OEB review only) and confidential information, if any, which may be provided to other hearing participants subject to providing an executed copy of the OEB's Confidentiality Declaration and Undertaking. Furthermore, certain portions of NRG's evidence are filed confidentially in their entirety, rather than being redacted. Redaction would allow certain non-confidential information contained within certain documents for which confidentiality is otherwise requested to be placed on the public record in redacted form.

In particular, NRG requested that the following exhibits, or parts thereof, be treated as strictly confidential. Subject to any objection by NRG and explanations as to why these sections should not be on the public record, the OEB proposes that NRG file a redacted

¹ *Climate Change Mitigation and Low-carbon Economy Act, 2016*, S.O. 2016, CHAPTER 7 (*Climate Change Act*) and EB-2015-0363 Report of the Board - Regulatory Framework for Assessment of Costs of Natural Gas Utilities' Cap and Trade Activities (Cap and Trade Framework)

² Ontario Regulation 144/16, *The Cap and Trade Program (Cap and Trade Regulation)*

³ Cap and Trade Framework, pages 9-13

⁴ Cap and Trade Framework, pages 13-14

version of these exhibits which would allow the areas of evidence identified below to be placed on the public record:

Ex 1 – Ex Summary, p 2

- Lines 9 – 10 (sentence starting on line 9 with NRG)
- Lines 12 – 17

Ex 3 – Compliance Plan

- Page 12, lines 22 – 24 (1st sentence)
- Page 13, lines 1 – 3 (first two sentences)
- Page 13, lines 21 – 23 (last sentence of paragraph)
- Page 13, lines 24 – 27 (first two sentences)

The OEB requires NRG to review the application material and the areas of evidence contained in this letter that are proposed to be placed on the public record and to file either updated redacted versions of the documents or to provide any objections and explanations as to why these sections of the evidence should not be on the public record. The OEB requires NRG to **respond accordingly by Friday, January 20, 2017.**

This letter and the re-filing of any materials by NRG will not preclude any further OEB-initiated process for determining whether confidentiality requests will be granted or whether the information will be required to be placed on the public record.

Yours truly,

Original Signed By

Kristi Sebalj
Registrar
Office of the Registrar