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BY E-MAIL AND WEB POSTING

April 17, 2017

To: All Rate-Regulated Natural Gas Distributors

All Participants in EB-2015-0245

Re: Notice of Hearing for Cost Awards

Natural Gas Demand Side Management Evaluation Advisory Committee

Board File No.: EB-2015-0245

Background

On August 21, 2015 the Ontario Energy Board (OEB) issued <u>a letter</u> establishing the process to evaluate the results of Natural Gas Demand Side Management (DSM) programs from 2015 to 2020.

As part of the OEB's evaluation process, an Evaluation Advisory Committee (EAC) made up of experts representing both utility and non-utility stakeholders was formed.

In the August 21, 2015 letter, the OEB stated 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 the EAC.

Based on the criteria set out in section 3 of the OEB's *Practice and Direction on Cost Awards*, the OEB has determined that the following persons are eligible for an award of costs:

- Chris Neme, Energy Futures Group
- Jay Shepherd, Jay Shepherd Professional Corporation
- Marion Fraser, Fraser & Company

- Robert M. Wirtshafter, Wirtshafter Associates, Inc.
- Ted Kesik, University of Toronto

The August 21, 2015 letter indicated that costs awarded will be recovered from all rate-regulated natural gas distributors based on their respective distribution revenues. This 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.

On September 29, 2016 the OEB issued its first decision on cost awards for participation in the EAC. The OEB's September 29, 2016 cost award decision provided approval for costs related to EAC activities between August 21, 2015 and July 7, 2016.

This notice of cost awards is in relation to EAC activities from July 8, 2016 to March 31, 2017. The maximum number of hours and eligible activities are outlined in Appendix A of this Notice.

Notice of Hearing

The OEB is initiating this hearing on its own motion in order to determine the cost awards that will be made in accordance with section 30 of the *Ontario Energy Board Act, 1998* in relation to eligible DSM evaluation consultation activities that have occurred since July 7, 2016.

The OEB intends to proceed by way of written hearing unless a party can satisfy the OEB that there is a good reason for not holding a written hearing. If a party wants to object to a written hearing, the objection must be received by the OEB no later than **7** days after the date of this Notice.

Assuming that the OEB does not receive any objections to a written hearing, the hearing will follow the process set out below.

1. Eligible persons shall submit their cost claims by **May 4, 2017**. The cost claim must be filed with the OEB and one copy is to be served on each rate-regulated natural gas distributor. The cost claims must be completed in accordance with section 10 of the OEB's *Practice Direction on Cost Awards*.

Eligible persons must use the customized Cost Claim Form attached as Appendix B to this Notice.

- 2. Natural gas distributors will have until **May 15, 2017** to object to any aspect of the costs claimed. The objection must be filed with the OEB and one copy must be served on the eligible person against whose claim the objection is being made.
- 3. An eligible person whose cost claim was objected to will have until **May 23, 2017** to make a reply submission as to why its cost claim should be allowed. A copy of the reply submission must be filed with the OEB and one copy is to be served on the objecting natural gas distributor.
- 4. The OEB will then issue its decision on cost awards. The OEB's costs may also be addressed in the cost awards decision.

Service of cost claims, objections and reply submissions on other parties may be effected by courier, registered mail, facsimile or e-mail.

The OEB will use the process set out in section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards. Therefore, the OEB will act as a clearing house for all payments of cost awards in this process. For more information on this process, please see the OEB's *Practice Direction on Cost Awards* and the October 27, 2005 letter regarding the rationale for the OEB acting as a clearing house for the cost award payments. These documents can be found on the OEB's website at www.ontarioenergyboard.ca on the "Rules, Guidelines and Forms" webpage.

Parties must file two paper copies and one electronic copy of their filings with the Board Secretary by **4:45 pm** on the required dates. The OEB requests that parties make every effort to provide electronic copies of their filings in searchable / unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the OEB's web portal at https://www.pes.ontarioenergyboard.ca/eservice/. A user ID is required to submit documents through the OEB's web portal. If you do not have a user ID, please visit the "e-filings services" webpage on the OEB's website at www.ontarioenergyboard.ca, and fill out a user ID password request. Additionally, interested parties are requested to

follow the document naming conventions and document submission standards outlined in the document entitled "RESS Document Preparation – A Quick Guide" also found on the e-filing services webpage. If the OEB's web portal is not available, electronic copies of filings may be filed by e-mail at boardsec@ontarioenergyboard.ca. Persons that do not have internet access should provide a CD containing their filing in PDF format.

All filings must quote file number **EB-2015-0245** and include your name, address telephone number and, where available, your e-mail address and fax number.

All filings in this hearing (i.e., cost claims, objections, or replies), will form part of the public record. Copies of the filings will be available for inspection at the OEB's office during normal business hours and the filings may be placed on the OEB's website. If the filing is from a private citizen (i.e., not a lawyer representing a client, not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), before making the filing available for viewing at the OEB's offices or placing the filing on the OEB's website, the OEB will remove any personal (i.e., not business) contact information from the filing (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the filing may be available for viewing at the OEB's offices and will be placed on the OEB's website.

If you do not file a letter objecting to a written hearing or do not participate in the hearing by filing written materials in accordance with this Notice, the OEB may proceed without your participation and you will not be entitled to further notice in this proceeding.

Dated at Toronto, April 17, 2017

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli Board Secretary

Attachment

Notice of Hearing for Cost Awards Dated April 13, 2017

Natural Gas Demand Side Management – Evaluation Advisory Committee (EB-2015-0245)

Appendix A: Natural Gas DSM Evaluation Advisory Committee Consultation Activities for Which Cost Claims may be Filed and Maximum Number of Hours

Activity Eligible for Cost Awards	Maximum Number of Hours
Review and written comments on the EM&V Plan (September 16, 2016)	2 hours
Review and written comment on the CPSV and NTG Scope of Work (October 8, 2016)	2 hours
Preparation for and attendance at the EAC Meeting on October 20, 2016 (6.5 hours)	Actual Meeting Time multiplied by 1.5
Review and written comments on the TRM/Mindtouch operationalization topic (October 24, 2016)	1 hour
Review and written comments on the NTG IDI Guides and Methods (November 14, 2016)	2 hours
Review and written comments on the NTG Vendor Survey Guide	2 hours
Review and written comments on CPSV Site Reports (3) and Evaluation Contractor Policy Decisions memo (February 17, 2017)	2.5 hours
Preparation for and attendance at the EAC call on February 22, 2017 (2 hours)	Actual Meeting Time multiplied by 1.5
Review and written comments on CPSV Site Reports (4) (February 28, 2017)	1.5 hours
Preparation for and attendance at the EAC call on March 6, 2017 (3 hours)	Actual Meeting Time multiplied by 1.5
Review and written comments on CPSV Site Reports (9) (March 10, 2017)	4 hours
Preparation for and attendance at the EAC call on March 21, 2017 (2.5 hours)	Actual Meeting Time multiplied by 1.5
Review and written comments on CPSV Site Reports (21) (March 24, 2017)	8 hours
Preparation for and attendance at the EAC call on March 31, 2017 (3 hours)	Actual Meeting Time multiplied by 1.5

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Natural Gas Demand Side Management – Evaluation Advisory Committee (EB-2015-0245)

Appendix B: Ontario Energy Board Cost Claim for Consultations:
Affidavit and Summary of Fees and Disbursements

The forms that eligible persons must complete are provided in a separate MS Excel Workbook named, "EB-2015-0245 NOH Appendix B Cost Claim Form – April 2017".