

**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



May 23, 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:       Application by Union Gas Limited (“Union”) an order or orders clearing  
          certain non-commodity related deferral accounts and sharing utility earning  
          pursuant to a Board-approved earnings sharing mechanism  
          Board File No. EB-2017-0091**

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.

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  
          Karen Hockin, Union Gas Limited  
          Crawford Smith, Torys 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** an Application by Union Gas Limited pursuant to section 36(1) of the *Ontario Energy Board Act, 1998*, for an order or orders clearing certain non-commodity related deferral accounts and sharing utility earning pursuant to a Board-approved earnings sharing mechanism.

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

**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

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 application filed by Union Gas Limited ("Union") with the Ontario Energy Board ("OEB") on April 21, 2017 seeking final disposition and recovery of certain 2016 deferral account balances and earnings sharing amount (the "Application"). The Board has assigned file number EB-2017-0091 to this Application.

## 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. Most of APPrO's gas-fired generator members are large volume customers within Union's franchises. These large volume customers individually contract for significant quantities of distribution services from Union. Within the Union's North and South franchise areas, gas-fired generators primarily contract for distribution services under Rate 20, Rate 25, and Rate 100 in Union North and T2 in Union South.
4. APPrO completes an analysis of materiality and does not always intervene in deferral and variance account disposition proceedings. However, in this proceeding, Union is for the first time seeking approval of disposition of its 2016 Cap-and-Trade Administrative Costs. APPrO's interests are to ensure that these costs meet the principles of cost-effectiveness, rate predictability, transparency, flexibility and continuous improvements and are in accordance with the OEB's *Report of the Board – Regulatory Framework for Assessment of Costs of Natural Gas Utilities' Cap and Trade Activities*.
5. These costs 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-2016-0296, EB-2016-0300, 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 relation 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 Application on APPrO's members.

### **COUNSEL/REPRESENTATIVES**

10. APPrO requests that the Board, Union 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 Union deliver electronic copies of their Applications and all other evidence to Borden Ladner Gervais LLP, Elenchus Research Associates Inc. 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

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 23RD DAY OF MAY, 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 not-for-profit trade and professional organization which represents Ontario-based commercial electricity 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-2017-0091. Elenchus and BLG's representation of APPrO in proceedings before the Board is pursuant to written retainer agreements.

TOR01: 6842423: v2