

EB-2017-0091

#### **Union Gas Limited**

# Application for disposition and recovery of certain 2016 deferral account balances and approval of earnings sharing amount with ratepayers

### PROCEDURAL ORDER NO. 1 June 2, 2017

Union Gas Limited (Union Gas) filed an application with the Ontario Energy Board (OEB) on April 21, 2017 for approval to dispose of and recover certain 2016 deferral account balances. Union Gas has indicated in its application that its 2016 actual utility earnings did not exceed the threshold as agreed to in the Settlement Agreement in EB-2013-0202 and therefore there is no sharing of earnings with ratepayers.

The total net balance of all the deferral accounts that have been requested for disposition by Union Gas would result in a \$45.771 million debit as at December 31, 2016. The total rate impact for a typical residential customer in the South (Windsor to Hamilton) would be \$13.34 and \$35.06 for customers in other service areas and is proposed to be recovered over a six-month period, from October 1, 2017 to March 31, 2018.

A Notice of Hearing was issued on May 9, 2017 and was served and posted as per the direction of the OEB.

The following parties applied for intervenor status:

- Association of Power Producers of Ontario (APPrO)
- Building Owners and Managers Association Toronto (BOMA)
- City of Kitchener
- Consumers Council of Canada (CCC)
- Energy Probe Research Foundation (Energy Probe)
- Federation of Rental-housing Providers of Ontario (FRPO)
- Industrial Gas Users Association (IGUA)
- London Property Management Association (LPMA)
- Ontario Greenhouse Vegetable Growers (OGVG)
- School Energy Coalition (SEC)
- TransCanada PipeLines Limited (TransCanada)

Vulnerable Energy Consumers Coalition (VECC)

Each of APPrO, BOMA, CCC, Energy Probe, FRPO, IGUA, LPMA, OGVG, SEC and VECC also applied for cost award eligibility. No objections were received regarding the requests for intervenor status or cost eligibility.

Intervenor status is hereby granted to each of the parties listed above. Each of APPrO, BOMA, CCC, Energy Probe, FRPO, IGUA, LPMA, OGVG, SEC and VECC is eligible to apply for an award of costs under the OEB's Practice Direction on Cost Awards in respect of only those accounts for which the OEB indicated it would allow costs in its Notice of Hearing. The list of intervenors in this proceeding is attached as Schedule A to this procedural order.

In the OEB's Notice of Hearing, the OEB indicated that intervenor cost claims would be allowed only for certain specifically listed accounts/issues in the proceeding. In its intervention request, FRPO argued that gas supply issues, which were not specified by the OEB as being cost eligible, should be eligible for cost awards. In reply, Union Gas filed a letter dated May 19, 2017 opposing the request of FRPO. Union Gas noted that there is a separate on-going proceeding that the OEB has convened to develop a framework to assess the gas supply plans of the utilities (EB-2017-0129). Furthermore, Union Gas is not seeking any specific approval related to the information filed on Incremental Transportation Contracting Analysis in its current application.

Having reviewed FRPO's request and Union Gas' submission on this issue, the OEB has determined that it will not allow cost claims from cost eligible parties in relation to gas supply issues in this proceeding. The OEB notes that Union Gas is not seeking any specific approval in the current proceeding in relation to information filed in support of its gas supply plan. Further, there is an ongoing proceeding (EB-2017-0129) in which FRPO could raise any questions or concerns in relation to gas supply issues.

To the extent they are relevant to the specific requests of Union Gas in this proceeding, FRPO is free to pursue gas supply issues in the current proceeding, but is reminded that it will not be able to recover its reasonably incurred costs in respect of such issues.

It is necessary to make provision for the following matters related to this proceeding. The OEB may issue further procedural orders from time to time.

#### IT IS THEREFORE ORDERED THAT:

OEB staff and intervenors that require information and material from Union Gas
that is in addition to Union Gas' evidence and that is relevant to the hearing, shall
request it by written interrogatories filed with the OEB and delivered to Union Gas

and intervenors by June 19, 2017.

- 2. Union Gas shall file with the OEB complete responses to the interrogatories and deliver them to the intervenors by **July 11, 2017**.
- A settlement conference will be convened on July 17, 18 and 19, 2017 at 9:30

   a.m. with the objective of reaching a settlement among the parties on the issues.
   The Settlement Conference will be held in the OEB's hearing room at 2300

   Yonge Street, 25<sup>th</sup> Floor, Toronto.
- 4. Any settlement proposal arising from the settlement conference shall be filed with the OEB by **August 4, 2017**.
- 5. If a settlement proposal is filed, OEB staff's submission on the settlement proposal shall be filed with the OEB and served on all parties within **8 days** from that date the settlement proposal is filed.
- 6. If there is no settlement proposal filed, Union Gas shall file a statement to that effect with the OEB by **July 24, 2017**.

All filings to the OEB must quote the file number, EB-2017-0091 and be made electronically in searchable / unrestricted PDF format through the OEB's web portal at <a href="https://www.pes.ontarioenergyboard.ca/eservice/">https://www.pes.ontarioenergyboard.ca/eservice/</a>. Two paper copies must also be filed. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <a href="http://www.ontarioenergyboard.ca/OEB/Industry">http://www.ontarioenergyboard.ca/OEB/Industry</a>. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

### **ADDRESS**

Ontario Energy Board P.O. Box 2319 2300 Yonge Street, 27th Floor Toronto ON M4P 1E4 Attention: Board Secretary

E-mail: <a href="mailto:boardsec@oeb.ca">boardsec@oeb.ca</a>
Tel: 1-888-632-6273 (Toll free)

Fax: 416-440-7656

**DATED** at Toronto, June 2, 2017 **ONTARIO ENERGY BOARD** 

By delegation, before: Kristi Sebalj

Original signed by

Kristi Sebalj Registrar

### Appendix 'A'

То

Procedural Order No. 1 Union Gas Limited

EB-2017-0091

### **Applicant and List of Intervenors**

June 2, 2017

### **APPLICANT & LIST OF INTERVENORS**

June 02, 2017

APPLICANT Rep. and Address for Service

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### **APPLICANT & LIST OF INTERVENORS**

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June 02, 2017

### Association of Power Producers of Ontario

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### **APPLICANT & LIST OF INTERVENORS**

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June 02, 2017

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### **APPLICANT & LIST OF INTERVENORS**

4 - June 02, 2017

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### **APPLICANT & LIST OF INTERVENORS**

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June 02, 2017

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### **APPLICANT & LIST OF INTERVENORS**

- 6 June 02, 2017

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### **APPLICANT & LIST OF INTERVENORS**

7 - June 02, 2017

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### **APPLICANT & LIST OF INTERVENORS**

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