

<b>Reply to the Attention of</b>	Mike Richmond
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<b>Our File No.</b>	231915
<b>Date</b>	July 31, 2017

**RESS & E-MAIL** <boardsec@ontarioenergyboard.com>

Ms. Kristen Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319, 27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

**Re: EB-2017-0147**  
**Application for Intervenor Status by**  
**Canadian Propane Association**

We are counsel for the Canadian Propane Association (“**CPA**”). The CPA was an intervenor and a full and active participant in the Board’s generic hearing on natural gas expansion, EB-2016-0004 (the “**Generic Hearing**”). The CPA is also an intervenor and active participant in the ongoing EB-2015-0179 (Phase II) proceeding, a Union application which is the first of its kind to be governed by the Board’s decision in the generic hearing (the “**Union Hearing**”).

### **Enbridge’s Fenelon Falls Application**

It has come to our attention that Enbridge Gas Distribution Inc. (“**Enbridge**”) appears to have filed an application with the Board on July 26, 2017 in respect of a natural gas expansion project to serve the community of Fenelon Falls, pursuant to sections 36 and 90 of the OEB Act (the “**FF Application**”). While a copy of part of the FF Application is posted to Enbridge’s web site,<sup>1</sup> nothing appears to be posted to the Board’s RDS system yet in respect of the FF Application. The last item posted is a letter from the Board dated April 24, 2017 indicating that Enbridge’s “intends to file an application by June 2017”.

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<sup>1</sup> <https://www.enbridgegas.com/assets/docs/A-2-1%20Application%20Fenelon%20Falls.pdf>

## **Intervenor Status Request**

Notwithstanding the lack of any application posted to the OEB system, but on the assumption that a FF Application has on fact been submitted, the CPA hereby seeks intervenor status in any proceeding relating to the FF Application.

## **About the CPA**

The CPA is the national voice of the propane industry in Canada, representing over 400 member companies in every region of the country. Members include propane producers, wholesalers, transporters, equipment and appliance retailers, manufacturers, and distributors, and associated industries.

The CPA works with governments and regulators on policy issues that affect the propane industry, such as providing cost efficient energy to consumers. It provides key services such as industry training through the Propane Training Institute and emergency response for liquid propane gas and flammable liquids through Emergency Response Assistance Canada. The CPA also provides industry members with a forum to collaborate on best practices for propane.

## **Relevance to the CPA**

The CPA's grounds for, and interest in, this application are threefold.

First, the CPA represents propane industry members who currently serve the communities that Enbridge seeks to supply with natural gas through this application. If natural gas becomes available in those communities as an alternative to propane, the businesses and customer base of CPA members serving those communities will be directly impacted. Furthermore, CPA members' customers who choose not to convert or are not eligible to convert may also be significantly impacted as the economics of serving those remaining customers changes. This in turn will lead to further direct impacts on CPA members.

Secondly, the FF Application purports to made pursuant to the Board's decision in the Generic Hearing, including a System Expansion Surcharge of 23¢/m<sup>3</sup> for a term of 40 years. The submissions of the various participants in the Union Hearing suggest that there remain divergent views as what the Board's decision in the Generic Hearing meant, and in particular what is or is not a cross-subsidy. The CPA has the same interest in addressing this question, and testing whether Enbridge's proposal is consistent with the principles enumerated in the Generic Hearing, as it did in the Generic Hearing and does in the ongoing Union Hearing.

Thirdly, Enbridge claims in its FF Application that its conclusions are based on its forecasts of costs, customer additions and revenues. As such forecasts and revenues presumably relate to customer conversions from propane to natural gas supply ("presumably" because we are not able to see any of the schedules to the FF Application until it is posted) the CPA, its members and their customers are in the best position to help the OEB test and verify these claims and forecasts.

**Issues to be Addressed**

The CPA intends to focus its participation on the that part of the FF Application submitted under Section 36 of the OEB Act relating to rates, surcharges, and subsidies.

The CPA is not likely to make any submissions on the “leave to construct” portion of the FF Application under Section 90 of the OEB Act, but this can be confirmed once we have had an opportunity to review the FF Application in full, following its posting.

**Intended Participation Level**

The CPA intends to participate fully in those aspects described above, including interrogatories, settlement conferences, oral or written submissions, and any oral or written hearing processes.

**Costs**

The CPA requests that be eligible for recovery of the reasonably incurred costs of its intervention in this matter. The CPA represents the interests and policy perspectives of the propane industry (a key segment of Ontario’s energy sector), and those interests and policy perspectives therefore includes the development of an efficient, reliable and cost effective energy sector. This is relevant to the Board’s mandate and the policy considerations underlying this application. The CPA submits that it meets the eligibility requirements under section 3.03(b) of the Board’s *Practice Direction on Cost Awards*.

While section 3.03.1 of the *Practice Direction on Cost Awards* requires an annual filing for “a party that frequently applies for intervenor status and cost award eligibility”, the CPA has only applied for intervenor status in one prior proceeding (EB-2015-0179), and therefore is not, in our view, a “frequent” applicant for intervenor status. If the Board has a different view, please advise so that the CPA can begin preparing a section 3.03.1 filing if necessary.

**Communications/Representative**

The CPA requests that copies of written evidence and all circulated correspondence related to this matter be directed as follows:

<i>Paper and Email:</i>	<i>Email only:</i>	<i>Email only:</i>
Mike Richmond McMillan LLP 181 Bay Street, Suite 4400 Toronto, ON M5J 2T3 Tel: (416) 865-7832   Fax: (416) 865-7048  mike.richmond@mcmillan.ca	Nathalie St. Pierre Chief Executive Officer Canadian Propane Association  nathaliestpierre@propane.ca	Peter Maddox Regional Manager, Ontario Canadian Propane Association  peter.maddox@propane.ca

On behalf of the CPA, we appreciate the Board's consideration of this submission.

Yours truly,

A handwritten signature in black ink, appearing to read "Michael Richmond".

Mike Richmond

cc EGDRegulatoryProceedings@enbridge.com  
fcass@airdberlis.com