Ontario Energy Board P.O. Box 2319 2300 Yonge Street 27th Floor 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 2300, rue Yonge 27^e étage Toronto ON M4P 1E4 Téléphone: 416-481-1967 Télécopieur: 416-440-7656 Numéro sans frais: 1-888-632-6273



BY E-MAIL AND WEB POSTING

August 21, 2017

- To: All Rate-Regulated Natural Gas Distributors All Participants in the Consultation Process EB-2015-0363 Technical Advisory Group Members Eligible for Cost Awards
- Re: Notice of Hearing for Cost Awards Technical Advisory Group for the OEB's Long-Term Carbon Price Forecast and Marginal Abatement Cost Curve Board File No.: EB-2016-0359

Background

As outlined in Section 5.2 of the <u>Regulatory Framework for the Assessment of Costs of</u> <u>Natural Gas Utilities' Cap and Trade Activities</u> (the "Regulatory Framework") issued September 26, 2016, the Ontario Energy Board (OEB) determined that it will provide a long-term carbon price forecast (LTCPF) and a marginal abatement cost curve (MACC). The LTCPF and the MACC will be used by the natural gas utilities as inputs into the development of their Cap and Trade Compliance Plans and will also be used by the OEB in its assessment of the cost consequences of the utilities' Plans.

The LTCPF provides 10 year forecasts of the cost of carbon allowances. The MACC provides information on a range of potential GHG abatement activities along a spectrum of costs. OEB staff procured an expert consulting firm, ICF Consulting Canada Inc. (ICF), to develop the LTCPF and MACC.

Technical Advisory Group

In addition to the expertise from ICF, the OEB established a Technical Advisory Group (TAG) comprised of technical experts to provide input and advice on the development of the LTCPF and MACC.

The Technical Advisory Group included three experts in energy efficiency and/or climate change mitigation and/or carbon abatement, representatives of Union Gas and Enbridge Gas, and observers from several organizations.

Cost Award Eligible TAG Participants

The following persons are eligible for an award of costs:

- Dave Sawyer, EnviroEconomics
- Chris Neme, Energy Futures Group
- Jotham Peters, Navius Research Inc.

Notice of Hearing

The OEB is initiating a hearing on its own motion in order to determine the cost awards for the persons identified above.

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 participants shall submit their cost claims by **August 28, 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 Participants must use the customized Cost Claim Form attached as Appendix A to this Notice

2. Rate regulated natural gas distributors will have until **September 5, 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 participant against whose claim the objection is being made.

- The eligible participant whose cost claim was objected to will have until September 12, 2017 to file with the OEB a reply submission as to why its cost claim should be allowed. One copy of the reply submission is to be served on the objecting party.
- 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 <u>www.oeb.ca</u> 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.oeb.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@oeb.ca. Persons that do not have internet access should provide a CD or diskette containing their filing in PDF format.

All filings must quote file number **EB-2016-0359** and include your name, address, e-mail address, telephone number, 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 and the filings may be published 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, August 21, 2017

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli Board Secretary

Notice of Hearing for Cost Awards Dated August 21, 2017 Long Term Carbon Price Forecast (LTCPF) and Marginal Abatement Cost Curve (MACC) (EB-2016-0359)

APPENDIX A

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

The forms that Eligible Participants must complete are provided in a separate MS Excel Workbook named, "EB-2016-0359 NOH Appendix A Cost Claim Form".