



Ontario Energy Board Commission de l'énergie de l'Ontario

DECISION AND ORDER ON COST AWARDS

EB-2017-0185

UNION GAS LIMITED

**Application for quarterly rate adjustment mechanism commencing
July 1, 2017**

By Delegation, before: Pascale Duguay

August 23, 2017

INTRODUCTION AND SUMMARY

Union Gas Limited (Union) filed an application dated June 9, 2017, with the Ontario Energy Board (OEB) for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of natural gas commencing July 1, 2017 (the application).

The Decision and Interim Order was issued on June 27, 2017 which, among other things, directed eligible parties to file their cost claims with the OEB and Union no later than July 7, 2017. Union had until July 21, 2017 to object to any aspect of the costs claimed. Any responses to Union's concerns were to be filed with the OEB and Union by July 28, 2017.

The Canadian Manufacturers & Exporters (CME), the Federation of Rental-housing Providers of Ontario (FRPO) and the Industrial Gas Users Association (IGUA) filed cost claims with the OEB and copied Union.

On July 17, 2017, Union filed a letter stating that it had no objection to the cost claims.

OEB Findings

I have reviewed the cost claims filed and find the costs claims of CME and IGUA to be reasonable and find that these parties are entitled to 100% of their reasonably incurred costs of participating in this proceeding. With respect to the intervention of FRPO, I find the cost claim to be excessive having regards to the contribution of FRPO in the OEB gaining a better understanding of the issues in this proceeding. As previously stated in the decision and order and acknowledged by FRPO, the QRAM process was developed to provide an expedited and mechanistic rate-setting process. The issues raised by FRPO were primarily related to the analysis of alternative supply or transportation options which are not part of the QRAM process. These issues are being reviewed in the Consultation on the Framework for the Assessment of Distributor Gas Supply Plans, and are not within the scope of the QRAM process. Therefore, I find that FRPO's cost claim should be reduced by 50%.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Pursuant to section 30 of the *Ontario Energy Board Act, 1998*, Union Gas Limited shall pay:

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|---|------------|
| • Canadian Manufacturers & Exporters | \$364.99 |
| • Federation of Rental-housing Providers of Ontario | \$1,491.60 |
| • Industrial Gas Users Association | \$1,085.71 |

2. Pursuant to section 30 of the *Ontario Energy Board Act, 1998*, Union Gas Limited shall pay the OEB's costs of, and incidental to, this proceeding immediately upon receipt of the OEB's invoice.

DATED at Toronto August 23, 2017

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary