

EB-2017-0087

Union Gas Limited

Application for natural gas distribution, transmission and storage rates effective January 1, 2018

PROCEDURAL ORDER NO. 1

October 27, 2017

Union Gas Limited (Union Gas) filed an application dated September 26, 2017 with the Ontario Energy Board (OEB) pursuant to section 36 of the *Ontario Energy Board Act,* 1998 (Act), for an order or orders approving rates for the distribution, transmission and storage of natural gas, effective January 1, 2018.

In July 2013, Union Gas filed an application requesting approval of a multi-year Incentive Ratemaking Framework (the Framework) under File Number EB-2013-0202. The application included a comprehensive settlement agreement between Union Gas and stakeholders. On October 7, 2013, the OEB accepted the settlement agreement as filed. Union Gas' current application for 2018 rates is based on the Framework agreed to in the settlement agreement and approved by the OEB.

Union Gas' current application includes a formulaic price cap adjustment, demand side management budget changes, capital pass-throughs and costs related to the Parkway Delivery Obligation. Union Gas has also proposed to include the fuel ratio and fuel rate in its rate schedule for westerly transportation from Kirkwall to Dawn under the M12-X service.

The OEB issued a Notice of Application and Hearing on October 16, 2017. The last date for intervention was October 23, 2017. The following parties applied for intervenor status:

- Building Owners and Managers Association Toronto (BOMA)
- Canadian Manufacturers and Exporters (CME)
- City of Kitchener (Kitchener)
- Consumers Council of Canada (CCC)
- Enbridge Gas Distribution Inc.
- 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 Association of Physical Plant Administrators (OAPPA)
- School Energy Coalition (SEC)
- TransCanada PipeLines Limited
- Vulnerable Energy Consumers Coalition (VECC)

BOMA, CME, CCC, Energy Probe, FRPO, IGUA, LPMA, OAPPA, SEC and VECC also applied for cost eligibility. No objections were received regarding the requests for intervenor status or cost eligibility.

All parties that requested intervenor status in this proceeding are granted intervenor status. The list of intervenors in this proceeding is attached as Schedule A to this procedural order.

BOMA, CME, CCC, Energy Probe, FRPO, IGUA, LPMA, OAPPA, SEC and VECC are each eligible to apply for an award of costs under the OEB's *Practice Direction on Cost Awards*. Intervenors are reminded that the Notice of Hearing listed the matters that would be considered for cost awards in this proceeding. In its intervention request letter, FRPO referenced the potential for new issues to arise outside of the mechanistic rate adjustments contemplated in the current case and outside of those issues identified by the OEB as being cost eligible. FRPO indicates that it is reserving its position "...to seek cost awards on issues which upon full discovery inform the Board in the need for determination". The OEB reminds FRPO that the OEB will only review cost claims that relate to those issues identified by the OEB as being cost eligible.

Cost eligible intervenors should also be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party, unless a compelling reason is provided when cost claims are filed. The OEB also expects that intervenors will combine their interventions with those of similarly interested

parties, will co-operate with all other parties to the extent possible and will be mindful to avoid duplication.

The OEB declares Union Gas' current approved rates interim as of January 1, 2018 pending the OEB's final rate order. This determination is made without prejudice to the OEB's decision on the application, and should not be construed as predictive of the OEB's final determination on the application or with regards to the effective date of rates arising from this application.

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 all intervenors by November 10, 2017.
- 2. Union Gas shall file with the OEB complete responses to the interrogatories and deliver them to the intervenors and OEB staff by **November 20, 2017**.
- 3. Parties that wish to present evidence shall file that evidence with the OEB and deliver it to Union Gas and all intervenors on or before **November 27, 2017**.
- 4. If any party seeking additional information related to any evidence filed by any intervenor that is in addition to the evidence filed with the OEB and relevant to the hearing, shall request it by written interrogatories filed with the OEB and delivered to Union Gas and all intervenors on or before **December 4, 2017**.
- Responses to the interrogatories on intervenor evidence shall be filed with the OEB and delivered to Union Gas and all intervenors on or before December 11, 2017.
- 6. Unless otherwise ordered by the OEB, a settlement conference will be convened on **December 13**, **2017**, at 9:30 a.m. and will continue on **December 14**, **2017** (if required). The settlement conference will be held in the OEB's hearing room at 2300 Yonge Street, 25th Floor, Toronto.
- 7. Any settlement proposal arising from the settlement conference shall be filed with the OEB by **December 22, 2017**. If the settlement proposal is a partial

- settlement, the outstanding or disputed issues shall be scoped and well-defined, with a recommendation for hearing the issues orally or by written submission.
- 8. 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 **14 days** of the date that the settlement proposal is filed with the OEB.
- 9. If there is no settlement proposal arising from the settlement conference, Union Gas shall file a statement to that effect with the OEB by **December 20, 2017**.
- 10. The oral hearing will commence on **January 8, 2018 at 9:30 a.m**. and if required, will continue on **January 9, 2018**, in the OEB's hearing room at 2300 Yonge Street, 25th Floor, Toronto for the purposes of presenting any settlement proposal and if required, for the consideration or scheduling of any outstanding or disputed issues.

All filings to the Board must quote the file number, **EB-2017-0087** and be made electronically in searchable/unrestricted PDF format through the OEB's web portal at https://www.pes.ontarioenergyboard.ca/eservice/. 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 http://www.oeb.ca/OEB/Industry. If the web portal is not available, parties may email their documents to the address below.

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.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Khalil Viraney at Khalil.Viraney@oeb.ca and Board Counsel, Michael Millar at Michael.Millar@oeb.ca.

ADDRESS

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

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Fax: 416-440-7656

DATED at Toronto, October 27, 2017

ONTARIO ENERGY BOARD

By delegation, before: Kristi Sebalj

Original signed by

Kristi Sebalj Registrar

Schedule A

Procedural Order No. 1

Union Gas Limited

EB-2017-0087

Applicant and List of Intervenors

October 27, 2017

APPLICANT & LIST OF INTERVENORS

October 27, 2017

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