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August 7, 2018

Delivered by Email, RESS & Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
27th Floor, Box 2319
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Enbridge Gas Distribution Inc. – 2017 Disposition of Deferral Account
Balances and Earning Sharing Mechanism
Notice of Intervention of the Association of Power Producers of Ontario
("APPrO")
Board File No. EB-2018-0131**

We are counsel to APPrO in the above-captioned matter. Please find attached APPrO's Notice of Intervention in this proceeding. Paper copies of this letter and the accompanying Notice will be delivered to you by courier.

Should you have any questions or require further information in this regard, please do not hesitate to contact me.

Yours very truly,

BORDEN LADNER GERVAIS LLP

Per:

Original signed by John A. D. Vellone

John A.D. Vellone

cc: David Butters, APPrO
John Wolnik, Elenchus
Andrew Mandyam, Enbridge Gas Distribution Inc.
David Stevens, Aird & Berlis LLP

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Sched. B, as amended;

AND IN THE MATTER OF an Application by Enbridge Gas Distribution Inc. for an Order or Orders approving the clearance or disposition of amounts recorded in certain deferral or variance accounts.

**NOTICE OF INTERVENTION OF THE
ASSOCIATION OF POWER PRODUCERS OF ONTARIO (“APPrO”)**

August 7, 2018

APPrO:

David Butters

President

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AND

**Elenchus Research Associates
Inc.**

83 Guildford Cres.

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John Wolnik

Tel: (519) 474-0844

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INTRODUCTION:

1. Enbridge Gas Distribution Inc. (“Enbridge”) has filed an application with the Ontario Energy Board (the “Board”) under section 36 of the *Ontario Energy Board Act, 1998*, as amended, for an Order or Orders approving the clearance or disposition of amounts recorded in certain deferral or variance accounts (the “Application”). The board has assigned file number EB-2018-0131 to this Application.
2. Within the Decision with Reasons in the EB-2012-0459 proceeding, the Board had established a Custom IR framework to set Enbridge’s rates over the period of 2014-2018. This Decision included, *inter alia*, an Earnings Sharing Mechanism (“ESM”) under which Enbridge is to share earnings above the Board-approved Return on Equity (“ROE”) with ratepayers on a 50 / 50 basis. The Board approved a revised depreciation methodology for Enbridge, the Constant Dollar Net Salvage approach and the approved the refund to customers of \$379.8 million of previously collected site restoration cost (“SRC”) amounts, to be credited to customers through Rider D over the Custom IR term. The Board established the Constant Dollar Net Salvage Adjustment Deferral Account (“CDNSADA”) to track on an annual basis the actual Rider D credits to ratepayers versus the approved amount.
3. Through this Application Enbridge is seeking approval for the following, as described in its Application: Approval to clear the balance of the 2017 Earnings Sharing Mechanism Deferral Account (“ESMDA”), the balances within certain of its 2017 Deferral and Variance Accounts and the 2018 CDNSADA and the 2018 Transactional Impact of Accounting Changes Deferral Account (“TIACDA”). Enbridge also seeks approval to carry forward the balances in certain Deferral and Variance accounts for review and approval in a later proceeding.
4. APPrO hereby requests intervenor status in this proceeding.
5. APPrO previously intervened in Enbridge’s application for a 2018 rate adjustment (EB-2017-0086) and in Enbridge’s application for a 2017 rate adjustment (EB-2016-0215) and a 2016 ESM and Deferral or Variance Account clearance (EB-2017-0102), filing interrogatories and participating in the settlement that was ultimately approved by the

Board.

INTEREST OF THE INTERVENOR:

6. APPrO is a non-profit organization representing more than 100 companies involved in the generation of electricity in Ontario, including generators and suppliers of services, equipment and consulting services. APPrO members produce power from natural gas, as well as hydro, gas, nuclear, wind, waste wood and other sources.
7. Among APPrO's members are gas-fired generators in Enbridge's franchise area. These generators take service from Enbridge primarily under Rate 125. All customers in the Rate 125 rate class are power generators and are not represented by any other consumer group. APPrO's members have a direct and significant interest in this proceeding.
8. The evidence filed by Enbridge indicates that for Rate 125, the rate used by most generators in Enbridge franchise, the Rider D Variance under refund amount is \$417,000¹. The early termination of Rate Rider D has a significant financial impact on Rate 125 customers. No other intervenor represents customers in Rate 125.

SCOPE OF PARTICIPATION:

9. APPrO reserves the right to participate in all aspects of the proceeding. APPrO also reserves the right to present evidence as it may deem necessary.

APPrO's EXPERIENCE AS A FREQUENT INTERVENOR:

10. APPrO has a record of participating in Board proceedings as an intervenor. As required by Rule 22.03(b) of the Board's Rules of Practice and Procedure and Rule 3.03.1 of the Board's Practice Direction on Cost Awards, APPrO filed with the Board information on APPrO's mandate, objectives, membership, constituency, programs and activities and other relevant information within the previous 12 month period as part of EB-2017-0319, EB-2017-0306, EB-2017-0307, EB-2017-0224 / EB-2017-0255 / EB-2017-0275 and EB-2017-0086. This

¹ Exhibit C, Tab 2, Schedule 1, Page 4

document has been updated and attached as Attachment 1 to this Notice of Intervention.

COSTS:

11. Pursuant to s. 3.06 of the Board's Practice Direction on Cost Awards, APPrO intends to seek an award of costs from Enbridge. In accordance with s. 3.03(a) of the Board's Practice Direction on Cost Awards, APPrO represents the direct interests of consumers in relation to Enbridge's regulated services (APPrO's members are the largest consumers of Enbridge's services).
12. APPrO has a record of participating in Board proceedings in a responsible and efficient manner and the Board determined that APPrO was eligible for cost awards in other proceedings, including Union and Enbridge rates cases and several natural gas proceedings that had unique impacts on power generators (including, among others, NGEIR and storage allocation proceedings). APPrO believes it is appropriate for the Board to do so again in the context of this proceeding and in light of the potential impacts of the disposition of the Deferral or Variance Accounts' balances on APPrO's members.

COUNSEL/REPRESENTATIVES

13. APPrO requests that the Board, Enbridge and all intervenors provide it and its counsel and consultant with copies of all written evidence and correspondence related to the proceeding, at the contact information below. APPrO asks that Enbridge deliver (i) a paper copy of its Application and all of its prefiled evidence to Elenchus Research Associates Inc. at the coordinates listed below; (ii) other than the Application and prefiled evidence, electronic versions of the remainder of the filings in this matter will be satisfactory for Elenchus Research Associates Inc. at this time; and (iii) electronic copies of its Application and all other evidence to Borden Ladner Gervais LLP and APPrO at the coordinates listed below.

APPrO:
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AND

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E-mail: jwolnik@elenchus.ca

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 7TH DAY OF AUGUST, 2018.

BORDEN LADNER GERVAIS LLP

Per:

Original signed by John A.D. Vellone

John A.D. Vellone
Counsel to APPrO

Attachment 1

The Association of Power Producers of Ontario

Description

The Association of Power Producers of Ontario ("APPrO") is a not-for-profit trade and professional organization which represents Ontario-based commercial electricity generators and suppliers of services, equipment and consulting services. APPrO is the largest organization of its type in Canada. APPrO was established in 1986 as the Independent Power Producers' Society of Ontario and changed its name to APPrO in 2003.

Mandate and objectives

APPrO's principal objective is the achievement of an economically and environmentally sustainable electricity sector in Ontario that supports the business interests of electricity generators. APPrO's role in the electricity sector is to raise awareness and understanding of its members' concerns with senior decision-makers in government, regulatory bodies and the public at large.

Membership and representative constituency

APPrO currently has about 100 corporate members, who collectively produce more than 95% of the electricity made in Ontario. APPrO's members produce electricity from a range of sources, including natural gas, hydroelectricity, cogeneration, windpower, solar energy, biomass, biogas, nuclear energy and other sources. The total value of assets owned or operated by APPrO members is estimated at more than C\$50 billion, and the total annual sales of electricity by APPrO members exceeds C\$7 billion per year (wholesale value).

Programs and activities

APPrO acts as an advocate for its members. It aims to have a voice on regulatory and policy issues which affect generators in Ontario, including electricity market rules, power procurement processes, the regulation of the natural gas market (both provincially and federally), climate change rules and compliance mechanisms, approval requirements, transmission development, distributed generation, and a number of other issues. APPrO is a leading advocate for public policies and regulatory treatments that it believes will facilitate the development of power generation in the province and assist in the development of a more open and competitive market for power.

APPrO also organizes industry conferences and produces a number of publications. APPrO's magazine, IPPSO FACTO, is an authoritative periodical on the electricity business and policy issues in Canada.

APPrO's authorized representative in OEB proceedings

APPrO's principal authorized representative in proceedings before the Ontario Energy Board (the "Board") is Elenchus Research Associates Inc. ("Elenchus"), represented by John Wolnik.

Borden Ladner Gervais LLP ("BLG"), represented by John A.D. Vellone with support from other BLG associates, will provide support to APPrO and Elenchus for this proceeding EB-2018-0131. Elenchus and BLG's representation of APPrO in proceedings before the Board is pursuant to written retainer agreements.

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