



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

DECISION AND INTERIM RATE ORDER

EB-2018-0234

OM LIMITED PARTNERSHIP

**Application for rate order, price cap rate setting mechanism, and
interim rate commencing September 1, 2018**

BEFORE: **Christine Long**
Presiding Member

September 19, 2018

INTRODUCTION AND PROCESS

OM Limited Partnership (OMLP) filed an application dated August 13, 2018 with the Ontario Energy Board (OEB) pursuant to section 36 of the *Ontario Energy Board Act, 1998* (Act), for an order or orders approving a rate to supply its locally produced natural gas to a new greenhouse facility owned and operated by its affiliate Maricann Group Incorporated (Maricann), effective September 1, 2018 (Application).

The Application follows from a previous application by OMLP for a certificate of public convenience and necessity (certificate) to construct facilities and supply natural gas to the new Maricann greenhouse. In its Decision and Order, the OEB advised OMLP that it could not distribute gas without first obtaining a section 36 rate order of the OEB.¹

The Application proposes a formulaic price cap adjustment. OMLP is proposing a simplified rate design that consists of a fixed charge of \$22,352 per month. In the absence of any Z or Y-factor, the rate charged would remain unchanged over the five-year IR term. OMLP proposes that it would not file an annual rate application unless requesting a Z or Y-factor.

In its application, OMLP requested that if the OEB were unable to provide a decision and order for implementation by OMLP as of September 1, 2018, the OEB declare the proposed rate interim, effective September 1, 2018, and approve rate riders to recover / rebate any revenue differential that results between the implementation date of the OEB's Final Rate Order and September 1, 2018.

The OEB issued a Notice of Hearing on August 28, 2018. The last date for intervention was September 17, 2018. Pursuant to the Notice of Hearing, Union Gas Limited (Union Gas) applied for intervenor status.

OEB FINDINGS

The timelines requested by OMLP for a decision on its Application, including the interim rate order, were extremely short. OMLP is reminded that it should file its applications in anticipation of standard processing times. Nonetheless, in this case, given the timing of the certificate proceeding and Maricann's readiness to begin receiving gas service, the OEB approves the interim rate as proposed, effective September 19, 2018. OMLP's rate

¹ EB-20017-0289. Decision and Order issued June 14, 2018.

will continue to be interim until such time that the OEB issues a decision with respect to the Application. In declaring OMLP's rates to be interim, the OEB emphasizes that this interim order should not be construed as predictive, in any way, of the determination of the OEB on this Application. This interim rate is not necessarily reflective of what the final approved rate may be.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The proposed interim rate shall be effective September 19, 2018 and shall be prorated accordingly for implementation of OMLP's first billing cycle commencing with the distribution of natural gas.

ISSUED at Toronto, September 19, 2018

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary