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March 13, 2019

**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: 2019 Federal Carbon Pricing Program Application**  
**EB-2018-0187 – Enbridge Gas Inc. operating as Union Gas Limited**  
**EB-2018-0205 – Enbridge Gas Inc. operating as Enbridge Gas Distribution Inc.**

We are counsel to the Association of Power Producers of Ontario (“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  
Adam Stiers, Enbridge Gas Inc.  
Myriam Seers, Torys LLP

**EB-2018-0187**  
**EB-2018-0205**

**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 Inc., pursuant to section 36(1) of the *Ontario Energy Board Act, 1998* for an order or orders for rates resulting from the Greenhouse Gas Pollution Pricing Act.

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

**March 13, 2019**

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## **INTRODUCTION:**

1. On January 1, 2019, Enbridge Gas Distribution Inc. (“**EGDI**”) and Union Gas Limited (“**UGL**”, and together with EDGI the “**Predecessor Utilities**”) amalgamated to form Enbridge Gas Inc. (the “**Applicant**”).
2. On January 11, 2019, the Applicant filed an application with the Ontario Energy Board (the “**Board**”) under section 36(1) of the *Ontario Energy Board Act, 1998*, as amended, for an order or orders for rates resulting from the Greenhouse Gas Pollution Pricing Act (“**GGPPA**”) (the “**Application**”). The Application consolidates the original applications filed by each of the Predecessor Utilities in October 2018 into a single application for all rate zones.
3. Through this Application, the Applicant is seeking approval for just and reasonable rates for the EGDI and UGL rate zones effective April 1, 2019 to allow the Applicant to recover the other costs (including Facility Carbon Charge costs) associated with compliance with the GGPPA.
4. APPrO hereby requests intervenor status in the Application.
5. APPrO actively participated in the Predecessor Utilities’ application for amalgamation and rate-setting mechanism (EB-2017-0306 / EB-2017-0307), cap and trade compliance plans (EB-2016-0296 / EB-2016-0300 / EB-2016-0330, EB-2017-0224 / EB-2017-0255), and in prior year rate adjustments for both EGDI (EB-2017-0086, EB-2016-0215, EB-2015-0114) and UGL (EB-2014-0271, EB-2015-0116).

## **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. APPrO’s members have a direct and significant interest in this proceeding.

7. Among APPrO's members are gas-fired generators in both Predecessor Utilities' franchise areas. In the EGDI franchise area, generators took service primarily under Rate 125. All customers in the Rate 125 rate class are power generators and are not represented by any other consumer group. Within the UGL franchise area, gas-fired generators contract for distribution and transportation services under several rate classes, including Rate 100 and Rate 20 in Union North and Rate T2 and Rate M12 in Union South.
8. APPrO's interest in this proceeding is to represent the interests of generators, including in respect of the Applicant's request to charge customers a Federal Carbon Charge in the amount required to be paid pursuant to the GGPPA. Many APPrO members are expected to be obligated to comply with the Output-Based Pricing System ("OBPS") under the GGPPA. APPrO wishes to confirm these generators will not be subject to the Applicant's proposed Federal Carbon Charge (to avoid double charging these generators for compliance under the GGPPA). It is also reasonable to expect that other APPrO members may not be subject to the OBPS, and may be covered by the Applicant's proposed Federal Carbon Charge. APPrO wishes to explore the justness and reasonableness of the proposed Federal Carbon Charge for these customers. Finally, it is reasonable to expect that certain APPrO members may be subject to the OBPS in some years, but not others. APPrO wishes to explore the processes proposed by the Applicant to account for these transitional years.

**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-2018-0305, EB-2018-0249

/ EB-2018-0253, EB-2018-0331, EB-2018-0131, EB-2017-0224 / EB-2017-0255 and EB-2017-0319. This 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 the Applicant. 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 the Applicant's regulated services. APPrO's members are among the largest consumers the Applicant 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 in both UGL and EGDI 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 GGPPA rate adjustment on APPrO's members.

#### **COUNSEL/REPRESENTATIVES**

13. APPrO requests that the Board, the Applicant 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 the Applicant deliver electronic copies of its Application and all other evidence to Borden Ladner Gervais LLP and APPrO at the coordinates listed below.

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ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 13TH DAY OF MARCH, 2019

**BORDEN LADNER GERVAIS LLP**

**Per:**

*Original signed by John A. D. Vellone*

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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 non-profit trade and professional 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 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 Borden Ladner Gervais LLP ("BLG"), represented by John A.D. Vellone with support

from other BLG associates, will provide support to APPrO for this proceeding EB-2018-0187 and EB-2018-0205. BLG's representation of APPrO in proceedings before the Board is pursuant to written retainer agreements.

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