



2000 – 10423 101 St NW,
Edmonton, Alberta
T5H 0E8 Canada
epcor.com

August 2, 2019

Sent by Electronic Mail, RESS Electronic Filing and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
27-2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EB-2017-0108: Application for certificates of public convenience and necessity for Norfolk County, the County of Elgin, and the County of Middlesex

Re: Service Estimate of EPCOR Natural Gas Limited Partnership (“ENGLP”) for Lammers Residence – including clarification on customer capital contribution and timeline to connect

Further to Procedural Order No. 11 dated July 23, 2019, ENGLP files its reply submissions. ENGLP also provides clarification to its submission dated July 30, 2019.

The cost assessment provided on July 30, 2019 is unchanged, but ENGLP provides four clarifications below:

- There is no capital contribution required for ENGLP to connect this customer;
- ENGLP can connect the Lammers Residence on or before **October 15, 2019, or better**, subject to contractor availability;
- Rates for August 1, 2019 were utilized in the July 30 submission, which are the rates effective July 1, 2019 with the added effect of the Federal Carbon Charge. Since Enbridge provided slightly different calculations, to assist the Board, ENGLP provides a side by side comparison of rates for each customer in Table 1 below; and
- The annual bill for Rate 1 ENGLP customers is decreasing effective January 1, 2020.

Table 1 – Side by Side Comparison of Annual Bill for Ms. Lammers effective July 1, 2019 exclusive of rate riders, taxes, and the Federal Carbon Charge

| Line item | EPCOR Natural Gas LP | Enbridge Gas Distribution Inc. |
|------------------------------|-----------------------------|-----------------------------------|
| Customer Charge | \$198.00 | \$264.00 |
| Delivery to You ¹ | \$350.76 | \$121.77 |
| Gas Supply | \$371.52 | \$358.50 |
| Total | \$920.28² | \$744.27 |
| Difference in Annual Bill | \$176.01 | |

ENGLP would be pleased to provide natural gas service to the Lammers Residence, and that doing so is appropriate and clearly makes the greatest economical sense for this customer over the short and long term, given that the Enbridge Gas capital cost estimate to provide the connection, setting aside the capital contribution Enbridge requires, is almost four times ENGLP's estimate. The OEB has repeatedly stated that CPCN rights are non-exclusive.³

As outlined in ENGLP's letter of July 30, 2019, ENGLP's distribution pipeline is quite literally "across the street" from the Lammers Residence, requiring only a service lateral and associated equipment to make the connection.

To summarize evidence in ENGLP's July 30, 2019 submissions, and this submission, ENGLP provides the following information:

- The total cost estimate to connect the Lammers Residence is **\$3,649.75**;
- No capital contribution is required to connect the Lammers Residence;

¹ In Enbridge Gas Distribution's submission this was shown as two separate line items for 'Delivery Commodity Charge' and 'Storage Services'. Shown together to simplify comparison.

² Equivalent bill based on January 1, 2020 rates, excluding the Federal Carbon Charge, will be \$881.44, approximately \$38.84 lower than for July 1, 2019 for a typical Rate 1 customer, using the Board directed use of 2,200m3 annually.

³ Most recently confirmed in the Board's EB-2016-0004 Decision dated November 17, 2016 on the Generic proceeding on Community Expansion, at pg20, "The OEB notes that neither Franchise Agreements nor Certificates are exclusive".

- Assuming an annual natural gas consumption of 2,200 m³, the annual bill exclusive of taxes and rate riders, and the Federal Carbon Charge would be **\$920.28** or **\$76.69** monthly; and
- Provided that ENGLP has direction from the OEB regarding this matter by **August 15, 2019** and based on information presently available to ENGLP, ENGLP anticipates being able to connect the Lammers Residence on or about **October 15, 2019, or better**, subject to contractor availability.

Please feel free to contact me if you have any questions regarding this matter.

Sincerely,

[Original signed by]

Vince Cooney, P.Eng, MBA
 Senior Manager, Regulatory Affairs, Ontario
 EPCOR Utilities Inc.
VCooney@epcor.com

cc. All intervenors in EB-2017-0108
 Patrick McMahon, Union Gas Limited
 Myriam Seers/Nick Kennedy, Torys LLP
 Dana Bissoondatt/Penny Garnsworthy/Susannah Robinson, EPCOR
 Azalyn Manzano/Ritch Murray/Richard Lanni, Ontario Energy Board
 Scott Lewis, OM Limited Partnership
 Richard King/Patrick Welsh, Osler, Hoskin & Harcourt LLP