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November 11, 2019

Delivered by Email, RESS & Courier

Ms. Christine Long, Registrar and Board Secretary
Ontario Energy Board
P.O.Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: Enbridge Gas Inc. 2020 Rates Application
Notice of Intervention of the Association of Power Producers of Ontario
("APPrO")
Board File No. EB-2019-0194**

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 Research Associates Inc.
Mark Kitchen, Enbridge Gas Inc.
David Stevens, Aird and 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 Inc., pursuant to section 36(1) of the *Ontario Energy Board Act, 1998* for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of January 1, 2020.

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

November 11, 2019

APPrO

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AND

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Inc.**

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John Wolnik

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INTRODUCTION:

1. On August 30, 2018, in the MAADs Decision (EB-2017-0306 / EB-2017-0307), the Ontario Energy Board (the “**Board**”) approved a rate setting mechanism (Price Cap IR) for Enbridge Gas Inc. (“**EGI**” or the “**Applicant**”), which set out a multi-year incentive rate-setting mechanism (“**IRM**”) for a five-year term from 2019 to 2023.
2. On October 8, 2019, EGI filed an application with the Board under section 36 of the *Ontario Energy Board Act, 1998*, as amended, for an Order approving or fixing just and reasonable rates for the distribution, transmission and storage of natural gas effective January 1, 2020 (the “**Application**”), being the second annual rate adjustment application under the IRM. As part of the proposal, EGI requests that the IRM rate adjustment aspect of the Application be adjudicated and approved by late November, so that interim rates can be approved and implemented on January 1, 2020.
3. On October 25, 2019, EGI filed its application and evidence to seek ICM funding for two projects – the NPS 30 Don River Replacement Project in the Enbridge Gas Distribution Inc. (“**EGDI**”) rate zone and the Windsor Line Replacement Project in the Union Gas Ltd.’s (“**UGL**”) rate zones (the “**ICM Projects**”).
4. EGI stated in its Application that by mid-November 2019 it will file a cost allocation study for the Union rate zones that takes into account four projects (Panhandle Reinforcement, Dawn-Parkway expansion including Parkway West, Brantford-Kirkwall/Parkway D and the Hagar Liquefaction Plant) and that includes a proposal for addressing TransCanada’s C1 Dawn to Dawn TCPL service.
5. In the Application, EGI asked the Board to process and adjudicate the Application in a bifurcated manner to allow updated interim rates to be in place for January 1, 2020.
6. APPrO hereby requests intervenor status in the Application.
7. APPrO actively participated in the Applicant’s 2019 Rate Application (EB-2018-0305) and EGDI and UGL (i.e. the predecessor utilities of EGI) application for amalgamation and rate-

setting mechanism (EB-2017-0306 / EB-2017-0307) 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:

8. 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.
9. Among APPrO's members are gas-fired generators in both EGDI and UGL's 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.
10. The evidence filed by the Applicant indicates that it seeks approval of distribution rates for each of its three rates zones (EGDI, Union North and Union South) effective January 1, 2020, including all adjustments resulting from the application of the Applicant's Board-approved IRM rate adjustment and the continuation of approved deferral and variance accounts for 2020. In addition, the Applicant will file a cost allocation study that takes account of certain large projects undertaken by Union that have already come into service. These changes are material and will have an impact on gas-fired generators, including APPrO's members.
11. APPrO was an active participant in EGI's 2019 Rate Application (EB-2018-0305) and EGDI and UGL's amalgamation and rate-setting mechanism applications (EB-2017-0306/EB-2017-0307) and APPrO has an interest in ensuring that the request for rates is in accordance with the Board's Decision in those proceedings.

12. APPrO's interest in this proceeding is to represent the interests of generators, including in respect of the Applicant's proposed 2020 rate adjustments; cost allocation study for the Union rate zones as required by the Board in the EB-2017-0306/EB-2017-0307 Decision; the request for ICM funding; the Applicant's proposed process of approving rates; and the proposed effective date for rates.

SCOPE OF PARTICIPATION:

13. 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:

14. 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-2019-0082, EB-2018-0305, EB-2018-0249 / EB-2018-0253, EB-2018-0331, EB-2018-0131, and EB-2017-0319. This document has been updated and attached as Attachment 1 to this Notice of Intervention.

COSTS:

15. 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 of the Applicant's services.
16. 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 2020 rate adjustment on APPrO's members.

COUNSEL/REPRESENTATIVES

17. 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 (i) paper copies of its Application, all of its prefiled evidence, and the remainder of the filings in this matter to Elenchus Research Associates Inc. at the coordinates listed below; and (ii) 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 11TH DAY OF NOVEMBER, 2019

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 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 Elenchus Research Associates Inc. ("Elenchus"), represented by John Wolnik. Borden Ladner Gervais LLP ("BLG"), represented by John A.D. Vellone and Flora Ho with support from other BLG associates, will provide support to APPrO and Elenchus for this proceeding EB-2019-0194. Elenchus and BLG's representation of APPrO in proceedings before the Board is pursuant to written retainer agreements.