Osler, Hoskin & Harcourt LLP Box 50, 1 First Canadian Place Toronto, Ontario, Canada M5X 1B8 416.362.2111 MAIN 416.862.6666 FACSIMILE



November 12, 2019

Montréal

Calgary

Toronto

Evan J. Barz Direct Dial: 416.862.4209 <u>ebarz@osler.com</u> Matter No.: 1197154

SENT BY ELECTRONIC MAIL, FILED ON RESS & COURIER

OttawaMs Christine E. LongVancouverRegistrar & Board Secretary
Ontario Energy BoardNew YorkP.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms Walli:

EPCOR Natural Gas Limited Partnership – Application for approval to change gas distribution rates and other charges effective January 1, 2020 to December 31, 2024 Board File No.: EB-2018-0336

We are counsel to the EPCOR Natural Gas Limited Partnership ("ENGLP"). Please find enclosed ENGLP's Notice of Motion for an extension of time to file a motion to review and vary the Ontario Energy Board's October 24, 2019 Decision in the above-noted proceeding.

Yours very truly,

Evan J. Barz EB:sv

Enclosure

c: Bruce Brandell/Vince Cooney/Dana Bissoondatt (ENGLP) Patrick McMahon (Enbridge) Scott Stoll (Counsel to Integrated Grain Processors Co-operative Inc.) Paula Zarnett (BDR NorthAmerica Inc.) John Lawford (Counsel to Public Interest Advocacy Centre) Mark Garner (Consultant to Public Interest Advocacy Centre) Richard King (Osler) **IN THE MATTER OF** the *Ontario Energy Board Act*, *1998*, S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an application by EPCOR Natural Gas Limited Partnership for approval to change gas distribution rates and other charges effective January 1, 2020 to December 31, 2024.

NOTICE OF MOTION

EPCOR Natural Gas Limited Partnership ("ENGLP")

EB-2018-0336 (Phase 2)

November 12, 2019

ENGLP WILL MAKE A MOTION to the Ontario Energy Board (the "**Board**" or the "**OEB**") at its hearing rooms at 2300 Yonge Street, Toronto, Ontario on a date and time to be fixed by the Board.

PROPOSED METHOD OF HEARING: ENGLP respectfully requests that the Motion be heard in writing.

RELIEF REQUESTED:

- 1. This Motion is for:
 - (a) An Order pursuant to Rule 7 of the OEB's Rules of Practice and Procedure (the "Board's Rules") extending the time to December 4, 2019 for ENGLP to file a motion pursuant to Rules 40 and 42 of the Board's Rules requesting that the Board

review and vary the Decision of the Board in the above-noted proceeding dated October 24, 2019 (the "**Decision**"); and

(b) Such further and other relief as ENGLP may request and the Board may grant.

THE GROUNDS OF THE MOTION ARE:

2. On January 31, 2019, ENGLP filed its cost of service rate application in proceeding EB-2018-0336 for approval of a rate plan to set natural gas distribution rates for the period January 1, 2020 to December 31, 2024 (the "**Application**"). This was the first rate case filed by ENGLP since acquiring the utility from its predecessor, Natural Resource Gas Limited ("**NRG**").

3. In its Decision and Interim Rate Order dated July 4, 2019 (the "**July Decision**"), the Board accepted the settlement proposal filed by ENGLP on June 10, 2019. The settlement proposal and July Decision deferred the determination of a single issue – namely, the prudence of four projects completed by NRG in 2016 and 2017 to address system integrity issues. The Board scheduled Phase 2 of this proceeding to review the prudence of these projects, which were included in rate base pending completion of such review. This Notice of Motion will hereinafter refer to the projects as the "**Four System Integrity Projects**".

4. The Four System Integrity Projects and their associated 2020 net book (rate base) values are:

- (a) \$402,639 for the Enbridge Gas (formerly Union Gas) Bradley Station Project;
- (b) \$748,383 for the pipeline from the Bradley Station to the Wilson Line project;
- (c) \$498,922 for the pipeline from the existing Putnam Station to Culloden Line project
 (the "**Putnam to Culloden Pipeline**"); and

(d) \$265,015 for the extension of the Springwater Road pipeline from south of Orwell to John Wise Line project.

5. On October 24, 2019, the Board issued the Decision, which, *inter alia*, disallowed the inclusion of the Putnam to Culloden Pipeline in ENGLP's 2020 rate base.

6. ENGLP intends to bring a motion pursuant to Rules 40 and 42 of the Board's Rules to review and vary the OEB's decision to refuse to allow the Putnam to Culloden Pipeline to be included in ENGLP's 2020 rate base on the basis that:

- (a) the Board committed errors of fact that raise doubts as to the correctness of the Decision; and
- (b) facts that were not previously placed in evidence in the proceeding and could not have been discovered by reasonable diligence at the time are now available to ENGLP and should be considered by the Board.

7. Rule 40.03 of the Board's Rules requires ENGLP to bring its motion to review and vary the Decision within 20 calendar days of the date of the Decision (i.e., by November 13, 2019).

8. ENGLP brings the within Motion pursuant to Rule 7 of the Board's Rules requesting that the Board extend the time for ENGLP to bring its motion to review and vary the Decision until December 4, 2019.

9. In support of this request, ENGLP can advise the Board that a key management employee of ENGLP (who was formerly employed by NRG) is returning to work on November 12, 2019 following an extended medical leave of absence, which extended through a portion of the pre-filing period and assembly of evidence, as well as the entirety of discovery and the submission

process with respect to the Application. During the medical leave, ENGLP was not authorized to contact said employee.

10. This employee was the General Manager of NRG and was deeply involved in the Four System Integrity Projects, including the Putnam to Culloden Pipeline, and will be able to provide critical additional evidence regarding the manner and extent to which the Putnam to Culloden Pipeline has a material impact on system integrity issues, addressed system reliability issues, facilitated future growth of the distribution system in southwestern Ontario, and was a high priority project that should not have been deferred.

11. ENGLP also believes that this employee's information will clarify parts of the record that OEB Staff and intervenors submitted was incomplete.

12. Given the proximity between this employee's return from medical leave (November 12) and the deadline for ENGLP to file its motion to review and vary the Decision (November 13), ENGLP respectfully requests that the Board grant the within Motion extending the time to file ENGLP's motion to review and vary the Decision until December 4, 2019. This employee will be returning to work on a part-time basis and the requested extension will allow ENGLP to prepare its additional evidence in a manner that respects and supports this employee's gradual return to work.

13. Granting the requested relief is reasonable given that the above-noted circumstances were beyond the control of ENGLP, and no other party will be prejudiced by the delay in filing.

14. Rules 7, 8, 40, and 42 of the Board's Rules.

15. Such further and other grounds as counsel may advise and this Board may accept.

ALL OF WHICH IS RESPECTFULLY SUBMITTED

November 12, 2019

EPCOR Natural Gas Limited Partnership by its counsel, Osler, Hoskin & Harcourt LLP Per: Evan J. Barz