



EPCOR Natural Gas Limited Partnership

Notice of Motion to Review and Vary Phase 2 Decision and Order in EB-2018-0336 dated October 24, 2019

PROCEDURAL ORDER NO. 1 December 17, 2019

On December 4, 2019, EPCOR Natural Gas Limited Partnership (EPCOR Natural Gas) filed with the Ontario Energy Board (OEB), a Notice of Motion to Review and Vary the OEB's Phase 2 Decision and Order in EB-2018-0336, in accordance with Rules 40 and 42 of the OEB's *Rules of Practice and Procedure*. EPCOR Natural Gas has brought forward the motion to repeal the OEB's decision to disallow the cost of the Putnam to Culloden pipeline to its 2020 rate base.

EPCOR Natural Gas's 2020-2024 rates proceeding was divided into two phases. While the Phase 1 decision approved a settlement proposal on all issues in the proceeding, Phase 2 dealt with four system integrity projects that were deferred as part of the settlement proposal. In its Phase 2 Decision and Order dated October 24, 2019, the OEB allowed two system integrity projects (Bradley Station and Bradley to Wilson pipeline) to be added to the 2020 rate base. The Springwater pipeline was allowed to be entered into rates in 2021 while the Putnam to Culloden pipeline was not permitted to be entered into rate base. However, the OEB provided EPCOR Natural Gas the opportunity to file evidence to justify the cost of the Putnam to Culloden pipeline at the next rebasing.

EPCOR Natural Gas has filed the Motion on the following basis:

- a) 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 EPCOR Natural Gas and should be considered by the OEB; and
- b) the OEB committed errors of fact that raise doubts as to the correctness of the Phase 2 Decision and Order in EB-2018-0336.

EPCOR Natural Gas has filed an affidavit of Mr. Brian Lippold, the general manager of EPCOR Natural Gas in support of the motion. According to EPCOR Natural Gas, Mr. Lippold has provided critical additional information in the affidavit that was not previously available to the company, regarding the manner and extent to which the Putnam to Culloden pipeline has a material impact on system integrity issues.

The OEB has determined that it will dispense with the threshold question and hear the Motion to Review and Vary on its merits.

On November 14, 2019, the OEB issued the Phase 2 rate order that determined final rates to be effective January 1, 2020, which excluded the cost of the Putnam to Culloden and Springwater pipelines. EPCOR Natural Gas has requested a stay to the operation of the rate order pending a determination on the motion.

The OEB will not grant the requested stay to the operation of the rate order effective January 1, 2020. The OEB notes that as part of the Phase 1 settlement proposal accepted by the OEB, EPCOR Natural Gas has been granted the 2016-2017 System Integrity Capital Deferral Account. The deferral account specifically deals with the revenue requirement impact of the four system integrity projects. Should the decision on the motion require any remedial measures, such as adding the contested project into rate base, these can be implemented (including any retrospective impacts) through the above referenced deferral account.

The OEB deems the parties that were granted intervenor status in the EB-2018-0336 proceeding as intervenors in this Motion to Review and Vary. In addition, those parties that were granted cost eligibility status in the EB-2018-0336 case are also eligible for cost awards in this proceeding. The list of approved intervenors is attached as Schedule A to this procedural order.

The OEB has also determined a schedule (as set out below) for reviewing the motion.

THE ONTARIO ENERGY BOARD ORDERS THAT:

- OEB staff and intervenors shall request any information and material from EPCOR Natural Gas that is in addition to the evidence (affidavit) filed and that is relevant to the subject of the motion, by written interrogatories filed with the OEB and delivered to EPCOR Natural Gas and all other parties by January 14, 2020.
- 2. EPCOR Natural Gas shall file with the OEB complete written responses to all interrogatories and serve them on all intervenors by **January 24, 2020**.

- 3. Intervenors and OEB staff who wish to file final arguments on the motion shall file them with the OEB and serve them on other intervenors by **February 10, 2020**.
- 4. EPCOR Natural Gas shall file their reply argument with the OEB and serve it on all intervenors by **February 24, 2020**.

All materials filed with the OEB must quote file number, **EB-2019-0276**, be made in a searchable/unrestricted PDF format and sent electronically through the OEB's web portal at https://pes.ontarioenergyboard.ca/eservice. Two paper copies must also be filed at the OEB's address provided below. Filings must clearly state the sender's name, postal address and telephone number, fax number and email address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at https://www.oeb.ca/industry. If the web portal is not available parties may email their documents to the address below. Those who do not have computer access are required to file seven paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Khalil Viraney at khalil.viraney@oeb.ca and OEB Counsel, Michael Millar at michael.millar@oeb.ca.

ADDRESS

Ontario Energy Board P.O. Box 2319 2300 Yonge Street, 27th Floor Toronto ON M4P 1E4 Attention: Board Secretary

Email: boardsec@oeb.ca
Tel: 1-888-632-6273 (Toll free)

Fax: 416-440-7656

DATED at Toronto, December 17, 2019

ONTARIO ENERGY BOARD

Original signed by

Christine E. Long Registrar and Board Secretary

Schedule A

List of Applicant and Intervenors

EPCOR Natural Gas LP

EB-2019-0276

Procedural Order No. 1

Dated: December 17, 2019

APPLICANT & LIST OF INTERVENORS

December 17, 2019

APPLICANT Rep. and Address for Service

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Partnership

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EPCOR Natural Gas Limited

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APPLICANT & LIST OF INTERVENORS

December 17, 2019

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APPLICANT & LIST OF INTERVENORS

December 17, 2019

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APPLICANT & LIST OF INTERVENORS

December 17, 2019

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