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January 14, 2020

Reply To:Thomas BrettDirect Dial:416.941.8861E-mail:tbrett@foglers.comOur File No.195878

VIA RESS, EMAIL AND COURIER

Ontario Energy Board 2300 Yonge Street 27th Floor Toronto, Ontario M4P 1E4

Attention: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2019-0255: OEB, Potential Projects to Expand Access to Natural Gas Distribution

Please find enclosed herewith BOMA's Comments on the Draft Guidelines.

Yours truly,

FOGLER, RUBINOFF LLP

Thomas Brett TB/dd Encls. cc: All Parties (via email)

ONTARIO ENERGY BOARD

Potential Projects to Expand Access to Natural Gas Distribution

Comments on the Draft Guidelines for Potential Projects to Expand Access to Natural Gas Distribution of Building Owners and Managers Association, Greater Toronto ("BOMA")

January 14, 2020

Tom Brett

Fogler, Rubinoff LLP 77 King Street West, Suite 3000 P.O. Box 95, TD Centre North Tower Toronto, ON M5K 1G8

Counsel for BOMA

BOMA's Comments

BOMA appreciates the opportunity to provide its comments on these Draft Guidelines.

BOMA supports the initiative to expand access to natural gas distribution and only has two comments on the draft guidelines:

- In Part 111, section 3.3, each application should include a corresponding estimate of carbon emissions and plans to reduce carbon emissions in each project, including an estimate of the potential reductions.
- 2. Although the Draft Guidelines exclude Demand Side Management ("DSM") costs for the future operation of the expanded distribution system, proponents should include the costs of plans to reduce the initial estimate of carbon emissions.

It makes no environmental or economic sense to extend natural gas to customers whose existing building stock or industrial processes add avoidable carbon emissions. One of the most difficult and costliest elements of DSM is reaching customers at the time they are making fuel- and equipment-based decisions. This requirement would reduce total costs of reducing estimated carbon emissions by combining the customer contact for conversion with the customer contact to realize savings.

Equipment choices, increased insulation, better windows, operation and maintenance plans – all the various elements of the current slate of DSM offered by Enbridge – should be applied to customers who are opting to take advantage of new access to natural gas and be included in the cost of providing access.

The proponent should pay the full cost of applicable upgrades and improvements, but customers who don't elect to take advantage of these energy saving improvements should not have access to natural gas. This condition should remain in place in perpetuity.

Assessment of proponents' projects should be recognized for reducing the average consumption level from 2,200 m3 per year by 10% and DSM evaluation processes should be used to ensure this has occurred. With respect to other market segments, a review of Enbridge and previous Union results should be done to develop similar estimates by segment, building type. or industry.

The Ontario government's Climate Plan includes the continued application of natural gas DSM. It would be counter-productive to expand the natural gas system without due regard for carbon emissions.

ALL OF WHICH IS RESPECTFULLY SUBMITTED