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January 15, 2020

VIA RESS AND COURIER

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

Dear Ms. Long:

Re: Potential Projects to Expand Access to Natural Gas Distribution Board File No.: EB-2019-0255

We are counsel to Anwaatin Inc. (Anwaatin) in the above-referenced proceeding. Anwaatin appreciates the opportunity to provide its comments on the *Draft Guidelines for Potential Projects to Expand Access to Natural Gas Distribution* (the **Draft Guidelines**) pursuant to the Ontario Energy Board's (the **Board**'s) December 19, 2019, letter.

Anwaatin is a collective of Indigenous communities including Indigenous rights holders with land, territory, and Indigenous rights that are often affected by natural gas distribution projects. The Anwaatin First Nations are directly affected by energy poverty. Anwaatin submits that access to natural gas in rural, northern, and First Nation communities can have substantial benefits for electricity transmission and distribution systems by significantly reducing demand for electricity grid, access to low-carbon, low-cost natural gas in rural, northern, and First Nation communities can increase the life of transmission systems, reduce the need for costly refurbishments, and open up the grid for helpful distributed energy resources including local generation, local energy storage, and local micro-grids, all of which can result in improvements in energy reliability and reductions in energy poverty.

The Government of Ontario is on the record stating that expanding access to natural gas to more rural, northern, and First Nation communities is a top priority. Anwaatin strongly supports the Government's initiative to expand access to natural gas distribution systems for new customers and provides these comments on the Draft Guidelines in the context of the overarching energy poverty that the Anwaatin First Nations experience, and the co-benefits that expanded access to natural gas may have for those communities. This includes providing lower-cost natural gas for

residential, commercial/institutional, and industrial heating, and reducing First Nations' reliance on the electrical grid and other sources for baseload heat energy.

Anwaatin's comments on the Draft Guidelines introduce sustainable development as a key factor in the Board's consideration of projects and Anwaatin submits that the Board may benefit from an approach that examines the comparative sustainable development outcomes of each potential project.

Anwaatin submits that alleviating energy poverty in Indigenous communities should be a central goal of any project to expand access to natural gas distribution and should therefore be reflected and highlighted in the Draft Guidelines. This letter addresses Anwaatin's comments on the Draft Guidelines and timelines and confidentiality in accordance with the Board's December 19, 2019, letter and the Supplemental Decision on Cost Award Eligibility dated January 15, 2020.

Draft Guidelines

Anwaatin respectfully proposes, for the above reasons, that the following <u>additions</u> and deletions should be made to the requirements set out in the Draft Guidelines:

Part II – Description of Proponent's Technical Expertise and Financial Capability

2.3 Describe the proponent's experience and expertise in conducting consultation with Indigenous communities and provide evidence of the proponent's ability to conduct such consultation

Part III – Description of and Support for Project

- 3.1 Provide a general overview of the project which is to include the following: communities to be connected (including any and all Indigenous communities, and Indigenous community members both on- and off-reserve); a profile of the communities to be connected that includes income disparity, average energy use and annual costs; existing population of each community by residential, commercial/institutional and industrial sectors; project co-benefits to Indigenous communities; routing; length of pipeline; nominal pipe size; <u>"virtual pipeline"</u> network configurations using compressed and/or liquefied natural gas and nonpipeline storage, transportation, and regasification systems.
- 3.4 [...]

Provide the estimated annual costs of the existing alternative fuels relative to natural gas, including the annual savings with natural gas <u>and the extent to which</u>

the project proponent expects that the proposed project would reduce the household energy cost burden in the project area.¹

Provide estimates of potential cost and reliability benefits to local and regional electricity transmission and distribution systems made possible through reduction in the use of electricity for heating with the switch to natural gas in the project area.

Provide evidence for how the proposed project will support future expansion of access to natural gas whether through pipelines or through "virtual pipeline" networks using compressed and/or liquefied natural gas and non-pipeline storage, transportation, and regasification systems.

- 3.6 Provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the project, including details of any commitment to financial support.
- <u>3.8 Provide a copy of the proponent's Indigenous consultation policy and/or</u> <u>Indigenous peoples policy.</u>
- 3.9 Provide a statement addressing how the proponent and the project address or will address sustainable development goals as reflected in the Board's *Environmental Guidelines for the Location, Construction and Operation of Hydro Carbon Pipelines and Facilities in Ontario* (7th Edition, 2016) and the United Nations Sustainable Development Goals², including, in particular, the following:
 - Goal 1: End poverty in all its forms everywhere.
 - Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all.
 - <u>Goal 8: Promote sustained, inclusive and sustainable growth, full and productive employment and decent work for all.</u>
 - <u>Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</u>
 - Goal 13: Take urgent action to combat climate change and its impacts.

Part V – Section 36.2 Funding

5.1 Provide the total amount of section 36.2 funding needed to support the project <u>and</u> <u>provide evidence that the project would otherwise be considered uneconomic</u> <u>under existing policies.³</u>

Timelines and Confidentiality

Anwaatin supports the Board's proposed 90-day timeline for project proponents to file information with the Board, subject to evidence of proponents' development of a satisfactory Indigenous consultation plan. Anwaatin has no specific comments on the treatment of information as

¹ See Letter from Minister of Energy, Northern Development and Mines and Associate Minister of Energy to Ontario Energy Board, December 12, 2019, at page 2 (point 7) [**Section 35 Letter**].

² United Nations General Assembly, A/RES/70/1 (October 21, 2015), online at: <u>https://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E</u>.

³ See Section 35 Letter at page 2.

confidential, but agrees that any such treatment should be carried out in accordance with the Board's *Rules of Practice and Procedure* and its *Practice Direction on Confidential Filings*.

Sincerely,

Lisa (Elisabeth) DeMarco

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