



PUBLIC INTEREST ADVOCACY CENTRE
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February 10, 2020

VIA E-MAIL

Ms. Christine Long
Registrar & Board Secretary
Ontario Energy Board
P.O. Box 2319, 27th
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: EB-2019-0247 Enbridge Gas Inc. 2020 Federal Carbon Pricing Program Application
VECC Response to OEB Letter**

VECC filed a Letter of Intervention on January 17, 2020. In Procedural Order No. 1 dated February 6, 2020, the Ontario Energy Board (OEB) denied VECC's intervention request on the basis that VECC has not adequately explained its interest in the proceeding. The OEB also stated "If parties seek to provide further information to support intervenor status, they should be mindful that the OEB expects the scope of the current proceeding to be limited. The OEB also notes that this is Enbridge Gas' second application in this matter and the OEB expects its review to be mechanistic in nature."

VECC has no intention of inundating the OEB with interventions in mechanistic proceedings (and we don't usually intervene). However, this one is different because of the reasons and involvement provided below. Therefore, we wish to intervene on this limited basis, and we expect the costs claimed to be limited and we are prepared to stay within any pre-ordained hours.

Enbridge Gas requests approval of: (i) an update to the Federal Carbon Charge and Facility Carbon Charge; and (ii) the allocation and disposition of 2019 FCPP-related deferral and variance account balances. The Federal Carbon Charge is applicable to distribution customers in the EGD rate zone and Union rate zones.

For the EGD rate zone, the bill impact of the 2020 carbon charges for a typical residential customer with annual consumption of 2,400 m³ is an increase of \$47.16 per year. For the Union rate zones, the bill impact of the 2020 carbon charges for a typical residential customer with annual consumption of 2,200 m³ is an increase of \$43.15 per year.¹

For the EGD rate zone, the bill impact of the proposed deferral and variance account balance disposition (i.e. one-time billing adjustment) for a typical residential customer with annual consumption of 2,400 m³ is \$21.59. For the Union rate zones, the bill impact of the proposed deferral and variance account balance

¹ Exhibit D Page 7

disposition for a typical residential customer with annual consumption of 2,200 m3 is \$18.17 for customers in the Union South rate zone and \$18.82 for customers in the Union North rate zone.

Enbridge seeks to include the rate changes beginning April 1, 2020. For residential customers, the Federal Carbon Charge is shown as a separate line item on customers' bills. VECC's interest in the current application is related to how Enbridge plans to advise residential customers, specifically low-income customers in advance, that these rate increases are coming in 2020 and future years and there is an opportunity to apply for a tax rebate, and Enbridge has energy efficiency tips and programs to reduce natural gas and the amount of the Federal Carbon Charge on the bill. VECC, along with LIEN, had a preliminary meeting in November 2019 with Enbridge staff to discuss this issue. As part of this proceeding, VECC seeks to provide further input on a Communications Plan for residential/low-income customers related to these new charges.

VECC asks that the OEB please accept its intervention on this limited basis.

Yours truly,

(Original Signed By)

John Lawford
Counsel for VECC

Copy to: Enbridge Gas Inc.