



Adam Stiers
Technical Manager
Regulatory Applications
Regulatory Affairs

Tel: (519) 436-4558
Email: astiers@uniongas.com
EGIRegulatoryProceedings@enbridge.com

Enbridge Gas Inc.
P.O. Box 2001
50 Keil Drive N.
Chatham, Ontario, N7M 5M1
Canada

February 13, 2020

BY RESS, EMAIL AND COURIER

Ms. Christine Long
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: Enbridge Gas Inc.
Ontario Energy Board File No.: EB-2019-0247
2020 Federal Carbon Pricing Program Application – Letter of Comment
Interventions**

Background

Enbridge Gas is in receipt of applications for intervenor status in the above noted proceeding submitted by the following parties:

- Anwaatin Inc. (Anwaatin)
- Building Owners and Managers Association, Greater Toronto (BOMA);
- Canadian Manufacturers & Exporters (CME);
- Chiefs of Ontario (COO);
- City of Kitchener (Kitchener);
- Energy Probe (EP);
- Environmental Defence (ED);
- Industrial Gas Users Association (IGUA);
- London Property Management Association (LPMA);
- School Energy Coalition (SEC);
- TransCanada Pipelines Limited (TCPL); and
- Vulnerable Energy Consumers Coalition (VECC).

Enbridge Gas did not object to any of these applications to intervene.

On February 6, 2020, the Ontario Energy Board (“OEB”) issued Procedural Order No. 1 (“PO No. 1”). In PO No. 1, the OEB states:

The application filed by Enbridge Gas is largely mechanistic in nature. In last year’s [2019] Federal Carbon Pricing Program proceeding (EB-2018-0205), the first of its kind, in which many intervenors participated, the OEB established a process by which the carbon charge would be assessed and collected from customers.

The OEB goes on in PO No. 1, to give consideration to the intervenors that expressed interest in the proceeding and notes that ED’s interest is related to:

...promoting both the public interest in environmental protection and the interests of consumers whose energy bills can be reduced through energy efficiency and other means. Environmental Defence's interest also appears to be related to abatement initiatives, which for the aforementioned reasons are not expected to be within the scope of the current proceeding.

The OEB subsequently denied intervenor status for: BOMA, CME, EP, VECC, Kitchener, TCPL, IGUA and ED. The OEB also approved intervenor status for SEC, LMPA, COO and Anwaatin.

On February 11, 2020, the OEB issued an Interim Decision and Order approving Enbridge Gas' proposed rates for the Federal Carbon Charge and Facility Carbon Charge on an interim basis, effective April 1, 2020. The OEB also confirmed the scope of its review of Enbridge Gas' 2020 Federal Carbon Pricing Program application:

The OEB confirms that review of the application filed by Enbridge Gas will be limited to considering recovery of its costs related to the FCPP.

Environmental Defence's Request for Reconsideration

Enbridge Gas is in receipt of ED's February 10, 2020 letter to the OEB requesting reconsideration of its intervenor status (the "Letter") in the current proceeding. Within its Letter, ED presents the issues it wishes to explore through its participation, including: Process, Timing, Fugitive Emissions, Energy Efficiency and New Business Activities. The issues presented by ED appear to exceed the scope of the proceeding as defined by the OEB.

The issues of Process and Timing of future applications for implementation of changes to Federal Carbon Pricing Program-related rates raised by ED are more appropriately managed by the applicant who bears responsibility for compliance with the Greenhouse Gas Pollution Pricing Act ("GGPPA") and Federal Carbon Pricing Program ("FCPP"). Enbridge Gas is considering the appropriateness of combining future FCPP-related applications with other annual rates or deferral and variance account disposition proceedings and may make a combined application to the OEB in the future.

It is unclear what ED's intention is with regard to the proposed issue of Fugitive Emissions as the Federal Carbon Charge does not apply to fugitive emissions. Under the GGPPA, Enbridge Gas is only required to pay the Federal Carbon Charge on natural gas volumes: (i) used at company owned facilities; (ii) used in company owned vehicles; and (iii) delivered to customers who do not hold exemption certificates. Further, unaccounted for gas volumes, of which Fugitive Emissions are a component, are subject to regulatory review by the OEB through other proceedings such as annual deferral and variance account disposition proceedings. If ED's intent is to propose that Enbridge Gas be directed to implement incremental abatement measures through this proceeding as a means to avoid FCPP-related costs associated with fugitive emissions, then, similar to the issues of Energy Efficiency and New Business Activity included in ED's Letter, these issues appear to restate ED's original application for intervenor status which the OEB has previously concluded to be out of scope.

On this basis, Enbridge Gas objects to ED's renewed request for intervenor status.

Other Requests for Reconsideration

Enbridge Gas has reviewed the renewed requests for intervenor status submitted by:

- BOMA;
- EP; and
- VECC.

Enbridge Gas has no objections to these applications.

If you have any questions, please contact the undersigned.

Sincerely,

[original signed by]

Adam Stiers
Technical Manager, Regulatory Applications