

Ontario | Commission Energy | de l'énergie Board | de l'Ontario

DECISION AND ORDER ON COST AWARDS

EB-2019-0137

Consultation to Review Natural Gas Supply Plans

By Delegation Before: Theodore Antonopoulos

May 25, 2020

INTRODUCTION AND SUMMARY

On July 25, 2019, the OEB initiated a consultation to review Enbridge Gas Inc.'s (Enbridge) five-year gas supply plans in keeping with the gas supply plan assessment process contemplated in the OEB's <u>Report of the Board: Framework for the</u> <u>Assessment of Distributor Gas Supply Plans</u> (Gas Supply Framework).¹

In the July 25, 2019 letter, the OEB indicated that cost awards would be recovered from all rate-regulated natural gas distributors based on their respective customer numbers. Also, in that letter, the OEB outlined five activities eligible for cost awards. The OEB determined the eligible number of hours for three activities. The OEB stated that the eligible number of hours for the remaining activities would be determined at a later date. On September 27, 2019, the OEB determined the eligible number of hours for written comments on Enbridge's five-year gas supply plans. On December 19, 2019, the OEB also determined the eligible number of hours for written comments on the draft OEB Staff Report.

Based on the criteria set out in section 3 of the OEB's *Practice and Direction on Cost Awards*, the OEB determined that the following persons are eligible (the Eligible Participants) for an award of costs:

- Anwaatin Inc. (Anwaatin)
- Building Owners and Managers Association, Greater Toronto (BOMA)
- Canadian Manufactures & Exporters (CME)
- Consumer Council of Canada (CCC)
- Energy Probe Research Foundation (Energy Probe)
- Environmental Defence (ED)
- Federation of Rental-housing Providers of Ontario (FRPO)
- Industrial Gas Users Association (IGUA)
- London Property Management Association (LPMA)
- Pollution Probe
- School Energy Coalition (SEC)
- Vulnerable Energy Consumers Coalition (VECC)

On March 27, 2020, the OEB issued a Notice of Hearing for Cost Awards (the Notice) in relation to the five consultation activities eligible for cost awards. The Notice set out the list of activities for which cost claims could be filed and the maximum number of hours.

¹ EB-2017-0129

The OEB received cost claims from Anwaatin, BOMA, CME, CCC, Energy Probe, ED, FRPO, LPMA, Pollution Probe, SEC and VECC. On April 2, 2020, IGUA filed a letter stating that it would not file a cost claim.

On May 7, 2020, Enbridge filed a letter stating that it had no objections to the cost claims with the exception of FRPO's cost claim. Enbridge stated that the OEB's Notice provided an updated list of activities for which cost awards would be available, inclusive of total eligible hours per activity per participant. Enbridge also stated that the prescribed limits on hours were provided to parties in advance in letters dated September 27, 2019 and December 19, 2019. Enbridge noted that it would not be appropriate to grant FRPO cost awards for incremental hours when advance notice of eligible hours was provided, and all other interested parties were successful in managing within the hours prescribed. Enbridge submitted that FRPO should be granted cost claims relating to 48.5 hours of activity in accordance with the OEB's prescribed limits.

In response to Enbridge's objection, FRPO stated that from the outset of the proceeding, it had identified concern over the time limitations. FRPO further stated that this was the first proceeding to implement and test a newly-adopted framework for the five-year gas supply plans of the amalgamated utility with an annual budget of \$2 billion. FRPO noted that a comprehensive review of not only the content of the applicant submission but also the efficacy of the process as a regulatory tool were critically important to the energy market in Ontario. FRPO also noted that it has been the "de facto" gas supply lead on behalf of the intervenor group during this last decade including many settlements to develop workable solutions in the public interest.

FRPO stated that its reasonably incurred costs were submitted respecting the OEB's ultimate determination. FRPO also stated that it understands that Enbridge may be concerned about the perception of fairness if an award in excess of the stipulated limit were to be made to FRPO. In respect of that potential reason for their objection, FRPO submitted that if the OEB sees value in FRPO's incremental investment of time in this proceeding, 100% of any incremental award above the stipulated limit would be donated to charity.

OEB Findings

The OEB has reviewed the cost claims filed to ensure they were compliant with the OEB's *Practice Direction on Cost Awards*.

The OEB will not award FRPO additional hours. The OEB acknowledges Enbridge's observation with respect to fairness. The OEB is equally concerned regarding the importance of applying rules that are established at the outset for everyone's benefit and guidance. While this is not necessarily determinative in any way, the OEB also notes that certain other stakeholders provided comparable volume of material and analysis at both phases of the comment process, and filed claims within the limits established.

The OEB acknowledges both a) FRPO's statements that at least one stakeholder preferred that FRPO take the lead on certain issues, and b) FRPO's contributions to this area in prior proceedings. The OEB welcomes cooperation among stakeholders and advises as such in its decisions on cost eligibility. If the OEB had been informed ahead of time that some stakeholders planned to defer to FRPO on certain matters, the OEB would have had an opportunity to establish that expectation in advance of any substantive work being done. This did not occur in this proceeding and therefore the OEB is inclined to deny FRPO's request for additional hours.

The OEB thanks FRPO and other stakeholders for their contributions to the first Gas Supply Plan consultation under the new framework.

The OEB has made other minor adjustments to address consistency with the Ontario Government's Travel, Meal and Hospitality Expenses Directive.

The OEB has reviewed all the cost claims and finds that the cost claims of Anwaatin, BOMA, CME, CCC, Energy Probe, ED, LPMA, Pollution Probe, SEC, VECC and the adjusted claim of FRPO are reasonable and approves the cost awards for the Eligible Participants as follows:

٠	Anwaatin Inc.	\$6,329.05
•	Building Owners and Managers Association, Greater Toronto	\$6,003.32
•	Canadian Manufactures & Exporters	\$4,456.72
•	Consumer Council of Canada	\$8,017.35
•	Energy Probe Research Foundation	\$15,112.35
•	Environmental Defence	\$9,225.32
•	Federation of Rental-housing Providers of Ontario	\$18,612.23
•	London Property Management Association	\$10,925.97
•	Pollution Probe	\$16,966.95
•	School Energy Coalition	\$7,130.30
•	Vulnerable Energy Consumers Coalition	\$8,403.55

Process for Paying the Cost Awards

The amount payable by each rate-regulated natural gas distributor in relation to costs awarded to each eligible participant is listed in Schedule A to this Decision and Order. However, the amounts will not be paid directly by the distributor to the eligible participant.

The OEB will use the process set out in section 12 of the Practice Direction to implement the payment of the cost awards. Therefore, the OEB will act as a clearing house for all payments of cost awards relating to this consultation process. Invoices will be issued to distributors at the same time as the invoices for cost assessments are made under section 26 of the Act. The practice of the OEB is to issue to each distributor one invoice that covers all cost awards payable by the distributor for the relevant period. As a result, the invoice may cover cost awards payable in relation to a number of consultations, including this one.

THE ONTARIO ENERGY BOARD THEREFORE ORDERS THAT:

- 1. Each distributor listed in Schedule A to this Decision and Order shall pay the amounts set out in Schedule A in relation to the costs awarded to each eligible participant.
- 2. Each distributor listed in Schedule A to this Decision and Order shall pay the OEB's costs of, and incidental to, this consultation.
- 3. The payments referred to in paragraph 1 shall be made to the OEB in accordance with the invoice issued to each distributor, and shall be due at the same time as cost assessments under section 26 of the Act are due.

DATED at Toronto May 25, 2020

ONTARIO ENERGY BOARD

Original signed by

Christine E. Long Registrar and Board Secretary

Schedule A

OEB's Decision and Order on Cost Awards

EB-2019-0137

		Building Owners &					Federation of				Vulnerable	
Gas Distributor, Transmitter, Storage		Managers	Canadian	Consumer	Energy Probe		Rental-housing	London Property			Energy	
Company		Association,	Manufacturers	Council of	Research	Environmental	Providers of	Management	Pollution	School Energy	Consumers	
	Anwaatin Inc.	Greater Toronto	& Exporters	Canada	Foundation	Defence	Ontario	Association	Probe	Coalition	Coalition	Total
Enbridge Gas Inc.	6,313.43	5,988.50	4,445.72	7,997.56	15,075.05	9,202.55	18,566.29	10,899.00	16,925.07	7,112.70	8,382.81	110,908.68
EPCOR Natural Gas Limited Partnership	15.62	14.82	11.00	19.79	37.30	22.77	45.94	26.97	41.88	17.60	20.74	274.43
Gas Distributor Total	\$ 6,329.05	\$ 6,003.32	\$ 4,456.72	\$ 8,017.35	\$ 15,112.35	\$ 9,225.32	\$ 18,612.23	\$ 10,925.97	\$ 16,966.95	\$ 7,130.30	\$ 8,403.55	\$111,183.11