

BY E-MAIL AND WEB POSTING

July 6, 2020

**TO: All Rate-Regulated Natural Gas Utilities
All Licensed Gas Marketers
All Parties in EB-2018-0336 and EB-2018-0264
All Participants in the Consultation on the Review of Enbridge Gas Inc.'s
Five-Year Gas Supply Plan (EB-2019-0137)
All Other Interested Parties**

**RE: Consultation to Review Annual Update to Five-Year Natural Gas Supply
Plans
Enbridge Gas 2020 Annual Update – EB-2020-0135
EPCOR Natural Gas Limited Partnership (Aylmer and Southern Bruce)
2020 Annual Update – EB-2020-0106**

The Ontario Energy Board (OEB) is initiating a consultation to review the annual updates to the five-year natural gas supply plans of EPCOR Natural Gas Limited Partnership (ENGLP) in accordance with the gas supply plan assessment process established in the OEB's [Report of the Board: Framework for the Assessment of Distributor Gas Supply Plans](#) (Gas Supply Framework).¹ In 2019, the OEB initiated a review of the five-year Gas Supply Plan (GSP) of Enbridge Gas Inc. (Enbridge) culminating in an OEB staff report dated March 26, 2020.² The consultation of the initial five-year GSP did not include the review of the gas supply plans of ENGLP (Aylmer and Southern Bruce franchise areas) as these were reviewed in individual rate proceedings.³

The Gas Supply Framework requires distributors to file an annual update to their five-year GSPs. Enbridge and ENGLP (Aylmer) filed their annual updates to the five-year GSP on May 1, 2020. On March 25, 2020, ENGLP filed a letter requesting additional

¹ EB-2017-0129

² EB-2019-0137 Final OEB Staff Report to the Ontario Energy Board on Consultation to Review Natural Gas Supply Plans, March 26, 2020.

³ The five year Gas Supply Plan of ENGLP (Aylmer) was approved as part of the settlement proposal in EB-2018-0336. ENGLP (Southern Bruce) filed a three-year gas supply plan in EB-2018-0264, the cost consequences of which were approved through deferral and variance accounts.

time to file the annual update for the Southern Bruce franchise area. ENGLP filed its annual update for the Southern Bruce franchise area on June 15, 2020.

On June 24, 2020, Enbridge filed a letter requesting to forego a stakeholder conference relating to the review of its 2020 GSP update. Enbridge noted that its annual update included minor changes from its gas supply portfolio outlined in the five-year GSP, with only one additional transportation contract.

Enbridge also noted that it prepared its annual update prior to the onset of the COVID-19 pandemic. Therefore, the update does not include any impacts of the pandemic. Enbridge further expects that the COVID-19 pandemic will require changes to the company's GSP in 2020 and beyond. However, given the highly fluid and uncertain social and economic conditions in North America, Enbridge indicated that it has not been able to complete the analysis to provide the required information at this time. Enbridge therefore submitted that it would be more efficient to focus on the 2021 annual update as an appropriate forum to reflect COVID-19 related impacts.

Enbridge proposed to expedite the filing of a 2021 annual update such that the OEB and interested parties would receive this information in January or February of 2021, as opposed to the suggested period of May when the annual update is required to be filed as per the Gas Supply Framework. Enbridge further suggested that the proposed earlier timeline of January or February should become a permanent change for the review of GSPs as it is better aligned with internal gas supply planning timelines.

The OEB agrees with Enbridge's rationale that a review which excludes the impact of the COVID-19 pandemic will not provide the required information or value to stakeholders at this time, and that it would be more efficient to defer the examination of changes to the five-year gas supply plan as part of the 2021 annual update. The OEB has therefore determined that it will review the 2021 GSP of Enbridge in early 2021. Enbridge is required to provide its 2021 update to the GSP by **February 1, 2021**. Whether this a permanent change in the timing of the review of GSPs will be determined at a later date.

Consultation

As noted in the Gas Supply Framework, the review and assessment of the annual update will be carried out in a manner similar to the five-year GSP.⁴

The OEB has determined that it will proceed with the review of ENGLP GSPs as

⁴ Gas Supply Framework, October 25, 2018, p.14.

outlined in this letter. The timing of ENGLP's future annual updates will be determined as part of this 2020 annual update review. The OEB notes that the GSPs of the Aylmer and Southern Bruce franchise areas have not yet been reviewed under the Gas Supply Framework and there have been material changes since the GSPs of ENGLP Aylmer and Southern Bruce were last reviewed in the respective rates proceedings, specifically the Lagasco contract for ENGLP Aylmer and the M17 rate determination for ENGLP Southern Bruce.

OEB staff and stakeholders can submit written questions on ENGLP's annual updates (Aylmer and Southern Bruce franchise area). The written questions should be forwarded to ENGLP and filed with the OEB by **August 6, 2020**. ENGLP shall respond to the questions in writing by **August 21, 2020** and if required, provide a revised plan with a revision statement that outlines any changes, together with the rationale for those changes.

Following the responses and revisions to the GSP (if submitted), OEB staff will prepare and file its conclusions to the OEB. In the event that there are significant revisions to the GSP, the OEB may invite comments from parties and OEB staff. As set out in the Gas Supply Framework, following consideration of OEB staff's conclusions, the OEB may determine that a proceeding is required to address specific issues highlighted by OEB staff. Unless the OEB decides to hold a proceeding to consider any component of the annual updates, the review process will conclude with OEB staff's conclusions.

Invitation to Participate

The OEB encourages participation in this consultation process by all interested parties. Those interested in participating should indicate their intent by filing a letter with the OEB by **July 13, 2020** in accordance with the filing instructions set out below. The letter should include a statement as to whether the participant is requesting cost eligibility. Parties must note that at this time, the OEB will only proceed with the review of GSPs of ENGLP (Aylmer and Southern Bruce).

Cost Awards

Cost awards will be available to eligible persons under section 30 of the *Ontario Energy Board Act, 1998* for their participation in cost eligible activities as set out in Appendix A. Appendix A also contains information regarding cost eligibility requests and objections. Costs awarded will be recovered from ENGLP as it the only gas distribution utility participating in this review.

Filings to the OEB in relation to cost award eligibility must be made in accordance with the filing instructions set out below. In order to facilitate a timely decision on cost

eligibility, the deadlines for filing cost eligibility requests and objections will be strictly enforced.

Filing Instructions

All materials filed with the OEB must quote the file number, **EB-2020-0106** and be submitted in a searchable / unrestricted PDF format with a digital signature through the OEB's web portal at <https://pes.ontarioenergyboard.ca/eservice>. Filings must clearly state the sender's name, postal address, telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guidelines found at <http://www.oeb.ca/OEB/Industry>. If the web portal is not available, parties may email their documents to boardsec@oeb.ca.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Khalil Viraney, at Khalil.Viraney@oeb.ca.

All materials relating to this consultation will be posted on the OEB's website.

Questions about this consultation process should be directed to Khalil Viraney at Khalil.Viraney@oeb.ca or at 416-440-7729. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Original signed by

Christine E. Long
Registrar and Board Secretary

Appendix A: Cost Awards

Appendix A
To Letter Dated July 6, 2020

EB-2020-0106

COST AWARDS

Cost Award Eligibility

The OEB will determine eligibility for costs in accordance with its [Practice Direction on Cost Awards](#). Any person intending to request an award of costs must file with the OEB a written submission to that effect by **July 13, 2020**. The submission must identify the following:

- The nature of the person's interest in this initiative
- The grounds on which the person believes that they are eligible for an award of costs (addressing the OEB's cost eligibility criteria as set out in section 3 of the OEB's *Practice Direction on Cost Awards*)
- An explanation of any other funding to which the person has access
- The name and credentials of any lawyer, analyst or consultant that the person intends to retain, if known

If the utility has any objections to any of the requests for cost eligibility, such objections must be filed with the OEB by **July 17, 2020**. Any objections will be posted on the OEB's website. The OEB will then make a final determination on the cost eligibility of the requesting participants.

Eligible Activities

Cost awards will be available for the following activities:

ACTIVITY	TOTAL ELIGIBLE HOURS PER PARTICIPANT FOR EACH GSP
Review of GSP & written questions	Up to 9 hours
Written comments on revised GSP (if required)	To be determined at a later date

Cost Award Amounts

The OEB will apply the principles set out in section 5 of its *Practice Direction on Cost Awards* when awarding costs. The maximum hourly rates set out in the OEB's Cost

Awards Tariff will be applied. The OEB expects that groups representing the same interests or class of persons will make every effort to communicate and coordinate their participation in this process.

The OEB will use the process set out in section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards. Therefore, the OEB will act as a clearing house for all payments of cost awards in this process. For more information on this process, please see the OEB's [*Practice Direction on Cost Awards*](#).