



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

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BY RESS and EMAIL

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

Dear Ms. Long:

**Re: Enbridge Gas Inc. (Enbridge Gas)
Ontario Energy Board File No.: EB-2019-0271
2021 DSM Plans Application ("Application")
Objection to Cost Claims**

In accordance with the Ontario Energy Board's ("OEB" or "Board") Decision and Order dated July 16, 2020 (the "Decision"), Enbridge Gas Inc. ("Enbridge Gas") is filing this objection to cost claims for the above noted proceeding.

Enbridge Gas is in receipt of cost claim submissions from the following parties:

- Association of Power Producers of Ontario ("APPRO");
- Building Owners and Managers Association, Greater Toronto ("BOMA");
- Canadian Manufacturers and Exporters ("CME");
- Consumers Council of Canada ("CCC");
- Energy Probe Research Foundation ("EP");
- Environmental Defence ("ED");
- Federation of Rental-housing Providers of Ontario ("FRPO");
- Green Energy Coalition ("GEC");
- Industrial Gas Users Association ("IGUA");
- Low Income Energy Network ("LIEN");
- London Property Managers Association ("LPMA");
- Ontario Greenhouse Vegetable Growers ("OGVG");
- Ontario Sustainable Energy Association ("OSEA");
- Pollution Probe ("PP");
- School Energy Coalition ("SEC"); and
- Vulnerable Energy Consumers Coalition ("VECC").

Enbridge Gas has reviewed the cost claims and notes that there is a very broad range in costs claimed by approved intervenors, from the minimum claim of approximately \$1,900 (CME) to the maximum claim of approximately \$16,600 (PP), with the average claim being approximately \$7,500. Enbridge Gas attributes some of these differences to the varying

degrees of intervenor participation in the proceeding. However, in many instances, the interrogatories and argument put forth by intervenors dealt with matters which Enbridge Gas specifically noted in its responses to interrogatories as exceeding the scope of the proceeding as set out by the OEB in its Procedural Order No. 1 ("PO No. 1"):¹

"...the OEB does not expect material changes to the programs and no increase to the overall DSM budget to take place during the transition period from the current OEB-approved DSM plans. In light of the on-going policy consultation, parties are expected to focus their participation during this proceeding on ensuring that the OEB's previously-approved 2020 DSM plans will continue to deliver cost-effective savings in 2021, consistent with the OEB's January 20, 2016 Decision and Order and DSM Mid-Term Report. The OEB expects that submissions from parties should be directed to the best alignment of Enbridge Gas resources and effort available within the existing plan in order to maximize results.

Parties will continue to have the opportunity to provide input and feedback on any new policy objectives, program changes and all other facets of the new DSM framework as part of the ongoing consultation. The OEB is mindful of the costs and resources required to thoroughly review, critique and make material changes to the currently approved DSM plans and agrees with Enbridge Gas that resources are best directed to the policy consultation."

In its Decision, the OEB affirmed that certain issues raised by intervenors through their respective interrogatories and argument exceeded the appropriate scope of the proceeding, including:

- The effects of amalgamation of Enbridge Gas Distribution Inc. and Union Gas Limited;²
- Significant changes to Demand Side Management ("DSM") programming in 2021;³
- Adjustments to the current 2015-2020 DSM Framework (EB-2014-0134) for 2021, including incremental reporting;⁴
- The completion of an assessment and gap analysis of the 2019 Achievable Potential Study;⁵
- Increased stakeholder consultation and coordination with municipal energy planning efforts;⁶ and
- Targeted DSM Plans for all new system expansion projects.⁷

Enbridge Gas submits that in formulating its decision on the cost claims filed, the Board should consider:

- (i) the uncomplicated and straight forward nature of the roll-over approvals sought by Enbridge Gas in the Application and the modest amount of supporting pre-filed evidence that parties would have considered;
- (ii) the Board's defined scope of the proceeding as set out in PO No. 1;
- (iii) the Board's ultimate findings regarding the relevance of the issues raised by certain intervenors through interrogatories and argument; and
- (iv) the Board's statement in PO No. 1 that, "Cost awards will not be granted for participation that goes beyond the scope of the hearing ..."⁸

¹ EB-2019-0271, OEB Procedural Order No. 1, February 24, 2020, p. 3.

² Decision, pp. 9-10.

³ Decision, pp. 10-19.

⁴ Decision, pp. 10-11; Decision, pp. 17-18; Decision, pp. 20-21.

⁵ Decision, pp. 18-19.

⁶ Decision, pp. 10-11; Decision, pp. 22-23.

⁷ Decision, pp. 22-23.

⁸ EB-2019-0271, OEB Procedural Order No. 1, February 24, 2020, p. 2.

Enbridge Gas is specifically concerned with the costs claimed by PP, which exceed the average costs of all other intervenors by more than two times and the cost claims of the next highest intervenors (GEC and VECC) by more than 20%. Enbridge Gas's concerns stem from the fact that many of the issues raised by PP clearly exceeded the scope of the proceeding as defined by the Board in PO No. 1, limiting the unique incremental value that PP provided to the Board's review of Enbridge Gas's Application.⁹

Finally, it is important that the Board recognize that of the 16 approved intervenors who participated in this proceeding and submitted cost claims, 4 of those parties represent environmental advocacy groups (ED, GEC, PP and OSEA), resulting in disproportionate representation considering that their interests overlap with those of OEB Staff and other intervenors. Further, those 4 parties have collectively submitted cost claims amounting to approximately 33% of total costs claimed by approved intervenors. Considering that: (i) Enbridge Gas's Application and pre-filed evidence amounted to 20 pages of content; (ii) the Board's review took nearly 8-months to conclude; (iii) many of the issues raised by these 4 intervenors were deemed to exceed the scope of the proceeding as defined in PO No. 1; and (iv) the Board ultimately approved Enbridge Gas's Application as filed, this disproportionate representation and the resulting costs to ratepayers appears to be at odds with the Board's ongoing interest in maintaining regulatory process and cost efficiency.

If you have any questions, please contact the undersigned.

Sincerely,

(Original Digitally Signed)

Adam Stiers
Technical Manager, Regulatory Applications

cc: D. O'Leary (Aird & Berlis)
EB-2019-0271 Intervenors

⁹ Exhibit I.PP.2; Exhibit I.PP.8; Exhibit I.PP.10; Exhibit I.PP.11; Decision, pp. 9-10; Decision, p. 11; Decision, pp. 17-18; Decision, p. 19; Decision, pp. 22-23.