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BY EMAIL

September 10, 2020

Tim Hesselink  
Senior Manager, Regulatory Affairs  
EPCOR Natural Gas Limited Partnership  
43 Stewart Road  
Collingwood ON L9Y 4M7

Dear Mr. Hesselink:

**Re: EPCOR Natural Gas Limited Partnership  
2020 Federal Carbon Pricing Program Application  
Ontario Energy Board File Number: EB-2020-0076**

EPCOR Natural Gas Limited Partnership (ENGLP) filed an application on February 27, 2020, seeking Ontario Energy Board (OEB) approval to increase rates to recover costs associated with meeting its obligations under the federal *Greenhouse Gas Pollution Pricing Act* (GGPPA), and to dispose of 2019 balances for all deferral and variance accounts related to the Federal Carbon Pricing Program (FCPP). The application originally pertained to ENGLP's Aylmer operations (ENGLP Aylmer).

ENGLP stated that its application would be updated in the near future to include evidence supporting ENGLP's request for an order approving disposition of 2019 balances in its FCPP-related deferral and variance accounts (DVAs) relating to ENGLP Aylmer. The OEB issued an Interim Decision and Order on March 26, 2020, approving ENGLP Aylmer's proposed rates for the Federal Carbon Charge and Facility Carbon Charge on an interim basis, effective April 1, 2020.

On April 3, 2020, the OEB issued a letter indicating that the issuance of the Notice of Hearing in this proceeding was deferred until the evidence supporting disposition of the 2019 DVA balances was filed.

On May 1, 2020, ENGLP filed supplementary evidence in this proceeding in support of a request to recover costs associated with meeting its obligations under the GGPPA for its Southern Bruce operations (ENGLP Southern Bruce) including a request for interim FCPP-related rates for the Southern Bruce franchise area. The OEB's Interim Decision

and Order of May 21, 2020 approved the June 1, 2020 implementation of the Federal Carbon Charge on an interim basis.

To date, ENGLP has not filed supporting evidence for its clearance of the 2019 DVAs. As a result, this proceeding has been on hold for several months after the 2020 FCPP rates were approved on an interim basis. The OEB asks that ENGLP file its updated 2020 FCPP application, including evidence for clearance of the 2019 DVAs, and a request for approval on a final basis of the 2020 FCPP rates, currently in effect on an interim basis, no later than October 16, 2020.

On August 13, 2020, the Decision and Order on Enbridge Gas Inc's 2020 Federal Carbon Pricing Program application<sup>1</sup> was issued. In that proceeding, the OEB accepted Enbridge Gas's proposal for a new FCPP filing schedule in which it would file applications for the future FCPP charge in September of the year before and include DVA information from the previous year. The OEB also concluded that Enbridge Gas's approach of delaying the clearance of FCPP DVAs by one year would improve regulatory efficiency.

The OEB notes that ENGLP will need to file a 2021 FCPP application in the near future, to request changes to the interim FCPP rates approved for the Aylmer and Southern Bruce operations, to become effective April 1, 2021 to match the updated carbon price in the federal *Greenhouse Gas Pollution Pricing Act*. The OEB sees merit in ENGLP adopting a similar FCPP filing schedule to that approved for Enbridge Gas. As a result, the OEB recommends that ENGLP file its 2021 FCPP application no later than October 16, 2020. This would allow the OEB to improve regulatory efficiency by considering the 2020 FCPP application and forthcoming 2021 FCPP application at the same time.

Please direct any questions relating to this application to Michael Parkes, Project Advisor, Application Policy & Conservation at 416-440-7602 or [michael.parkes@oeb.ca](mailto:michael.parkes@oeb.ca).

Yours truly,

*Original Signed By*

Christine E. Long  
Registrar and Board Secretary

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<sup>1</sup> EB-2019-0247