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October 30, 2020

# **Delivered by Email & RESS**

Ms. Christine Long, Registrar Ontario Energy Board P.O.Box 2319, 27<sup>th</sup> Floor 2300 Yonge Street Toronto, ON M4P 1E4

Dear Ms. Long:

Re: Enbridge Gas Inc. ("Enbridge Gas") Leave to Construct - London Line

**Replacement Project** 

**Notice of Intervention of the Association of Power Producers of Ontario** 

("APPrO")

**Board File No. EB-2020-0192** 

We are counsel to APPrO in the above-captioned matter. Please find attached APPrO's Notice of Intervention in this proceeding.

On October 15, 2020, Enbridge Gas filed Phase 2 of its 2021 Rate Application (EB-2020-0181), which sought approval for ICM funding for three projects, including the London Line Replacement Project ("Project"). Upon reviewing the evidence in the ICM, it came to APPrO's attention that the Project has a substantial quantitative impact on APPrO members and that a LTC Application had already been filed by Enbridge Gas with respect to the Project. Once becoming aware of this proceeding, APPrO immediately sought to request intervenor status.

APPrO submits that approving this intervention request would cause no prejudice and no delay to this proceeding. APPrO is prepared to accept the record as it stands and will follow all existing procedural timelines. APPrO has reviewed Procedural Order No. 1 dated October 29, 2020 and to the extent the OEB sought additional information from certain parties regarding their specific interest in relation to the Project, APPrO has attempted to address that request in its Notice of Intervention as well.

Therefore, APPrO respectfully asks that this intervention request be approved despite it being submitted after the intervention deadline.



Should you have any questions or require further information in this regard, please do not hesitate to contact me.

Yours very truly,

# **BORDEN LADNER GERVAIS LLP**

Per:

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Flora Ho

cc: David Butters, APPrO

Regulatory Affairs, Enbridge Gas Inc.

Charles Keizer, Torys

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Sched. B, as amended, and in particular, sections 90(1) and 97 thereof;

**AND IN THE MATTER OF** an Application by Enbridge Gas Inc. for an Order granting leave to construct natural gas pipelines and ancillary facilities in County of Lambton, the Township of Dawn-Euphemia, Middlesex County, the Municipality of Southwest Middlesex, the Municipality of Strathroy-Caradoc and the Municipality of Middlesex Centre.

### NOTICE OF INTERVENTION OF THE

# ASSOCIATION OF POWER PRODUCERS OF ONTARIO ("APPrO")

October 30, 2020

### **APPrO**

67 Yonge Street Suite 1040 Toronto ON M5E 1J8

# **David Butters**

President

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**AND** 

#### **Borden Ladner Gervais LLP**

Bay Adelaide Centre, East Tower 22 Adelaide St W. Toronto ON M5H 4E3

#### John A.D. Vellone

Tel: (416) 367-6730 Facsimile: (416) 367-6749 Email: jvellone@blg.com

### Flora Ho

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# **INTRODUCTION:**

- 1. On September 2, 2020, Enbridge Gas Inc. ("Enbridge Gas" or the "Applicant") filed an application with the Board under section 90(1) of the *Ontario Energy Board Act*, 1998, as amended (the "OEB Act") for an Order or Orders granting leave to construct approximately 51.5 kilometres of Nominal Pipe Size ("NPS") 4 pipeline and 39 kilometres of NPS 6 pipeline to replace the existing London Lines (the "London Line Replacement Project" or "Project") (the "Application").
- 2. As part of the Application, Enbridge Gas also applied to the Ontario Energy Board (the "OEB"), pursuant to Section 97 of the OEB Act for an Order or Orders approving the form Easement Agreements.
- 3. APPrO hereby requests intervenor status in the Application.
- 4. APPrO is currently participating in the Applicant's 2021 Rate Application (EB-2020-0181), in which Enbridge Gas is seeking OEB approval for ICM funding for three projects in 2021, including the London Line Replacement Project.
- 5. APPrO has actively participated in the Applicant's 2020 Rate Application (EB-2019-0194), the Applicant's Leave to Construct Application for the Dawn Parkway Expansion (EB-2019-0159), the Applicant's 2019 Rate Application (EB-2018-0305), Enbridge Gas Distribution Inc. ("EGDI") and Union Gas Limited's ("UGL") (i.e. the predecessor utilities of Enbridge Gas) application for amalgamation and rate-setting mechanism (EB-2017-0306 / EB-2017-0307) and in prior year rate adjustments for both EGDI (EB-2017-0086, EB-2016-0215, EB-2015-0114) and UGL (EB-2014-0271, EB-2015-0116).

### INTEREST OF THE INTERVENOR:

6. APPrO is a non-profit organization representing more than 100 companies involved in the generation of electricity in Ontario, including generators and suppliers of services, equipment and consulting services. APPrO members produce power from natural gas, as well as hydro, gas, nuclear, wind, waste wood and other sources. APPrO's members have a

EB-2020-0192 APPrO Notice of Intervention Delivered October 30, 2020 Page 2 of 6

direct and significant interest in this proceeding.

- 7. Among APPrO's members are gas-fired generators in both EGDI and UGL franchise areas. In the EGDI franchise area, generators took service primarily under Rate 125. All customers in the Rate 125 rate class are power generators and are not represented by any other consumer group. Within the UGL franchise area, gas-fired generators contract for distribution and transportation services under several rate classes, including Rate 100 and Rate 20 in Union North and Rate T2 and Rate M12 in Union South.
- 8. The evidence filed by the Applicant indicates that the changes proposed in the Application will impact gas-fired generators, including APPrO's members, as the Applicant intends to recover the costs for the London Line Replacement Project using the OEB's Incremental Capital Module ("ICM") mechanism. As set out in the ICM filed by the Applicant in EB-2020-0181<sup>1</sup>, the costs for the London Line Reinforcement Project will be allocated to rate zones involving APPrO members. The revenue requirement impact on rate class T2 (firm contracts) is \$439,000 and T2 (interruptible contracts) is \$160,000 as set out in Exhibit B Tab 2 Schedule 1 Appendix F of the ICM Application (EB-2020-0181)<sup>2</sup>.
- 9. In Procedural Order No. 1 issued on October 29, 2020 in this proceeding, the OEB indicated that information specific to an intervenor's scope and interest in the Project should be set out in its Notice of Intervention. As such, APPrO has tried to be responsive to this request in the following two paragraphs.
- 10. APPrO's interest in this proceeding is to represent the interests of generators in respect of Applicant's proposed London Line Reinforcement Project focusing on questions that are directly relevant to the Board's test for leave to construct including issues related to the need for the Project and whether all reasonable alternatives to the Project have been considered; whether the cost for the project is reasonable and prudent; and any impact on reliability and quality of service that may affect generators.

<sup>&</sup>lt;sup>1</sup> EB-2020-0181 Enbridge Gas Inc. 2021 Rate Application Exhibit B Tab 2 Schedule 1 Appendix F.

<sup>&</sup>lt;sup>2</sup> Ibid at page 2.

11. By contrast, APPrO's interests in the Applicant's ICM filing will focus on representing the interests of generators in respect of the Applicant's proposed projects, including the London Line Reinforcement Project, focusing on questions that are relevant to the Board's test for ICM eligibility of each of the projects in question.

### **SCOPE OF PARTICIPATION:**

12. APPrO reserves the right to participate in all aspects of the proceeding. APPrO also reserves the right to present evidence as it may deem necessary.

# APPrO'S EXPERIENCE AS A FREQUENT INTERVENOR:

APPrO has a record of participating in Board proceedings as an intervenor. As required by Rule 22.03(b) of the Board's Rules of Practice and Procedure and Rule 3.03.1 of the Board's Practice Direction on Cost Awards, APPrO filed with the Board information on APPrO's mandate, objectives, membership, constituency, programs and activities and other relevant information within the previous 12 month period as part of EB-2020-0095, EB-2019-0159, EB-2019-0194, and EB-2019-0082. This document has been updated and attached as Attachment 1 to this Notice of Intervention.

## **COSTS:**

- 14. Pursuant to s. 3.06 of the Board's Practice Direction on Cost Awards, APPrO intends to seek an award of costs from the Applicant. In accordance with s. 3.03(a) of the Board's Practice Direction on Cost Awards, APPrO represents the direct interests of consumers in relation to the Applicant's regulated services. APPrO's members are among the largest consumers of the Applicant's services.
- 15. APPrO has a record of participating in Board proceedings in a responsible and efficient manner and the Board determined that APPrO was eligible for cost awards in other proceedings, including the Applicant's rate cases, in both UGL and EGDI rates cases, and several natural gas proceedings that had unique impacts on power generators (including, among others, NGEIR and storage allocation proceedings). APPrO believes it is appropriate

for the Board to do so again in the context of this proceeding and in light of the potential impacts of the Project on APPrO's members.

#### COUNSEL/REPRESENTATIVES

16. APPrO requests that the Board, the Applicant and all intervenors provide it and its counsel and consultant with copies of all written evidence and correspondence related to the proceeding, at the contact information below. APPrO asks that the Applicant electronic copies of its Application and all other evidence to Borden Ladner Gervais LLP and APPrO at the coordinates listed below.

### **APPrO**

67 Yonge Street Suite 1040 Toronto ON M5E 1J8

#### **David Butters**

President

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**AND** 

### **Borden Ladner Gervais LLP**

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#### Flora Ho

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ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 30<sup>TH</sup> DAY OF OCTOBER, 2020

#### **BORDEN LADNER GERVAIS LLP**

Per:

Horaffe

Flora Ho Counsel to APPrO

#### Attachment 1

#### The Association of Power Producers of Ontario

# **Description**

The Association of Power Producers of Ontario ("APPrO") is a non-profit trade and professional organization representing more than 100 companies involved in the generation of electricity in Ontario, including generators and suppliers of services, equipment and consulting services. APPrO is the largest organization of its type in Canada. APPrO was established in 1986 as the Independent Power Producers' Society of Ontario and changed its name to APPrO in 2003.

## Mandate and objectives

APPrO's principal objective is the achievement of an economically and environmentally sustainable electricity sector in Ontario that supports the business interests of electricity generators. APPrO's role in the electricity sector is to raise awareness and understanding of its members' concerns with senior decision-makers in government, regulatory bodies and the public at large.

## Membership and representative constituency

APPrO currently has about 100 corporate members, who collectively produce more than 95% of the electricity made in Ontario. APPrO's members produce electricity from a range of sources, including natural gas, hydroelectricity, cogeneration, windpower, solar energy, biomass, biogas, nuclear energy and other sources. The total value of assets owned or operated by APPrO members is estimated at more than C\$50 billion, and the total annual sales of electricity by APPrO members exceeds C\$7 billion per year (wholesale value).

## **Programs and activities**

APPrO acts as an advocate for its members. It aims to have a voice on regulatory and policy issues which affect generators in Ontario, including electricity market rules, power procurement processes, the regulation of the natural gas market (both provincially and federally), climate change rules and compliance mechanisms, approval requirements, transmission development, distributed generation, and a number of other issues. APPrO is a leading advocate for public policies and regulatory treatments that it believes will facilitate the development of power generation in the province and assist in the development of a more open and competitive market for power.

APPrO also organizes industry conferences and produces a number of publications. APPrO's magazine, IPPSO FACTO, is an authoritative periodical on the electricity business and policy issues in Canada.

# APPrO's authorized representative in OEB proceedings

APPrO's principal authorized representative in proceedings before the Ontario Energy Board (the "Board") is Borden Ladner Gervais LLP ("BLG"), represented by John A.D. Vellone and Flora Ho with support from other BLG associates. BLG will provide support to APPrO for this proceeding EB-2020-0192. BLG's representation of APPrO in proceedings before the Board is pursuant to written retainer agreements.

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