



January 11, 2021

VIA RESS

Ms. Christine E. Long
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Attention: Registrar

Dear Ms. Long:

**Re: Enbridge Gas Inc.
2021 Federal Carbon Pricing Program Application
Board File No.: EB-2020-0212**

We are counsel to Anwaatin Inc. (**Anwaatin**). Further to Procedural Order No. 2, please find enclosed Anwaatin's written submissions in the above-noted proceeding.

Sincerely,

A handwritten signature in black ink that reads "Jonathan McGillivray". The signature is written in a cursive, flowing style.

Jonathan McGillivray

c. Adam Stiers, EGI
Tania Persad, EGI
Larry Sault, Anwaatin Inc.
Don Richardson

Encl.

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15, Sched. B, as amended;

AND IN THE MATTER OF an application by Enbridge Gas
Inc., for an order or orders for gas distribution rate changes
related to compliance obligations under the *Greenhouse
Gas Pollution Pricing Act*, S.C. 2018, c. 12, s. 186;

EB-2020-0212

SUBMISSIONS

OF

ANWAATIN INC.

January 11, 2021

1. We are counsel to Anwaatin Inc. (**Anwaatin**) in the matter of Enbridge Gas Inc.'s (**EGI**'s) application to the Ontario Energy Board (the **Board** or the **OEB**), for approval to increase its rates effective April 1, 2021, to recover the costs associated with meeting its obligations under the federal government's *Greenhouse Gas Pollution Pricing Act* (**GGPPA**) (the **Application**).
2. Anwaatin is a collective of Indigenous communities including Aroland First Nation, Animbiigoo Zaagi'igan Anishinaabek Nation, and Ginoogaming First Nation (the **Anwaatin First Nations**) and has full intervenor status in this proceeding. The Anwaatin First Nations each have traditional territory, and associated Aboriginal rights and interests protected by the *Constitution Act, 1982*, that may be impacted by the outcomes of this proceeding.
3. Anwaatin's submissions address the Board's consideration of:
 - (a) the interrelation between the Federal Carbon Pricing Plan (**FCPP**) and Enbridge Inc.'s emissions reduction commitments; and
 - (b) its interim approval of FCPP natural gas charges applicable to Indigenous and/or on-reserve communities.

A. Interrelation between the FCPP and Enbridge Inc.'s emissions reduction commitments

4. Enbridge Inc., EGI's shareholder, announced new Environmental, Social and Governance (**ESG**) goals on November 6, 2020. These ESG goals include reducing the intensity of greenhouse gas (**GHG**) emissions from operations by 35% by 2030 and achieving net zero GHG emissions from the business by 2050 (the **Commitments**). To meet the Commitments, Enbridge Inc. said that it would take the following actions:
 - **Modernization and Innovation** — Reduce emissions by modernizing equipment and applying innovation to existing energy transportation and distribution systems to increase efficiency and reduce the emissions intensity of existing infrastructure.
 - **Decarbonizing Energy Use** – Reduce emissions intensity of electricity Enbridge buys, including building and operating solar power generation facilities to serve Enbridge's operations and utilizing lower intensity power sources from the grid.
 - **Investment in Renewables and Lower Carbon Energy** – Disciplined investment in lower carbon infrastructure and business lines including wind and solar power generation, hydrogen, and renewable natural gas.
 - **Offsets and Carbon Credits** – Balance residual emissions through procurement of carbon offset credits generated by nature-based solutions and Renewable Energy

Certificates (RECs), with a primary focus on areas proximate to Enbridge's operations.¹

5. In interrogatory responses, EGI confirmed that customer payments as part of the FCPP may be used towards meeting the Commitments. Specifically, EGI indicated that it may seek to recover costs through future FCPP applications for (a) distinct projects designed to reduce GHG emissions costs and/or (b) the procurement of offset credits, where deemed cost effective.²
6. EGI also confirmed that reduction of facility-related emissions and any future procurement of offset credits under the Output-Based Pricing System (**OBPS**) may be used towards achieving the Commitments.³ EGI noted that actual GHG emissions and cost reductions resulting from cost-effective emissions reduction opportunities will be reflected in its future FCPP applications for clearance of FCPP-related deferral and variance accounts. Further, Enbridge noted that the portion of the FCPP eligible to be reduced as a result of the Commitments is the Facility Carbon Charge cost, which is estimated to be \$5.93 million in 2021.⁴
7. It appears to Anwaatin that EGI's compliance with the GGPPA and other similar compliance-based regulatory schemes and/or customer payments made pursuant to the FCPP may be used by EGI towards meeting the Commitments. Consequently, accounting transparency and accountability is important. Anwaatin requests that the Board order EGI to produce a fully allocated costing of all charges levied pursuant to the FCPP in a manner that provides transparency and accountability as to whether such charges are going to the account of EGI, customers, or EGI's shareholder. Anwaatin believes that this accounting transparency and accountability should be introduced now.

B. Interim approval of FCPP charges applicable to Indigenous and/or on-reserve communities

8. In its Notice of Intervention, Anwaatin indicated that it intended to make submissions in this proceeding on the applicability of the proposed FCPP natural gas charges to Indigenous

¹ EB-2020-0212, Interrogatories of Anwaatin Inc. (November 24, 2020), Appendix A, available online at: <https://www.rds.oeb.ca/CMWebDrawer/Record/694923/File/document>.

² EB-2020-0212, Exhibit I.Anwaatin.5(c). See also Exhibit I.STAFF.2(b).

³ EB-2020-0212, Exhibit I.Anwaatin.5(a).

⁴ EB-2020-0212, Exhibit I.Anwaatin.5(b).

- and/or on-reserve communities in light of sections 87 and 89 of the *Indian Act*, treaty rights, and section 35 of the *Constitution Act, 1982* (the **Deferred Issues**).⁵
9. In Procedural Order No. 1, the Board approved Anwaatin's intervention request, but noted that consideration of the Deferred Issues remained deferred.⁶ In a subsequent Decision on Scope of Proceeding, the Board clarified that the Deferred Issues would not be heard as a part of this proceeding.⁷ The Board noted that, as the Deferred Issues were deferred as part of the prior 2020 FCPP proceeding (EB-2019-0247), the Board will issue subsequent procedural steps within that proceeding after the Supreme Court of Canada (**SCC**) issues its decision on the constitutionality of the GGPPA. The SCC has not yet handed down its decision. In its Decision and Rate Order in EB-2019-0247, the Board ordered that EGI include a reference on the rate schedule noting that the rates for First Nations on-reserve customers are interim.⁸
10. Anwaatin understands that the Board's hearing of the Deferred Issues remains deferred at this time. Anwaatin notes that the Board relied heavily on Anwaatin's submissions when it made its determination that the Federal Carbon Charge on First Nations on-reserve customers would remain interim until determination of the Deferred Issues. Anwaatin wishes to reiterate that by deferring the Deferred Issues, the Board has effectively predetermined that the FCPP charges will apply to the Anwaatin communities without a hearing, albeit on an interim basis. Consequently, Anwaatin notes that interest may be accruing on the amounts of the FCPP charges levied on an interim basis and subject to the Board's determination of the Deferred Issues.
11. Anwaatin requests that the Board continue to monitor the Deferred Issues and consider the impacts of a prolonged period of interim rates for on-reserve First Nations customers who may be experiencing energy poverty.

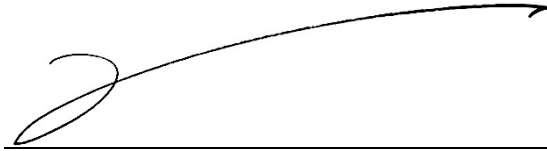
⁵ EB-2020-0212, Anwaatin Inc., Notice of Intervention (November 3, 2020), para 4, available online at: <https://www.rds.oeb.ca/CMWebDrawer/Record/692674/File/document>.

⁶ EB-2020-0212, Procedural Order No. 1 (November 10, 2020), p. 2, available online at: <https://www.rds.oeb.ca/CMWebDrawer/Record/693401/File/document>.

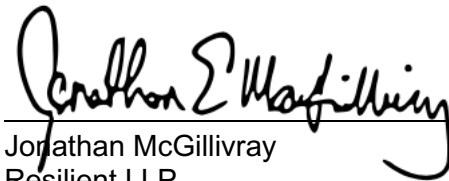
⁷ EB-2020-0212, Decision on Scope of Proceeding (November 20, 2020), p. 3, available online at: <https://www.rds.oeb.ca/CMWebDrawer/Record/694656/File/document>.

⁸ EB-2019-0247, Decision and Rate Order (September 3, 2020), pp. 7 and 8, available online at: <https://www.rds.oeb.ca/CMWebDrawer/Record/685930/File/document>.

ALL OF WHICH IS RESPECTFULLY
SUBMITTED THIS
11th day of January, 2021



Lisa (Elisabeth) DeMarco
Resilient LLP
Counsel for Anwaatin



Jonathan McGillivray
Resilient LLP
Counsel for Anwaatin