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January 19, 2021

Sent by EMAIL, RESS e-filing

Ms. Christine E. Long
Registrar
Ontario Energy Board
27-2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: EPCOR Natural Gas Limited Partnership (“ENGLP”) - Application to amend
the certificate of public convenience and necessity for the Township of
South-West Oxford - EB-2020-0232
ENGLP Reply Submissions**

In accordance with EB-2020-0232 Procedural Order 1, please find enclosed ENGLP's comments in response to the OEB Staff and Enbridge submissions of January 12, 2021.

Please feel free to contact me if you have any questions regarding this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "T. Hesselink", with a stylized flourish at the end.

Tim Hesselink
Senior Manager, Regulatory Affairs
EPCOR Natural Gas Limited Partnership
(705) 445-1800 ext. 2247
thesselink@epcor.com

Encl.

cc. Catherine Nguyen, Case Manager, OEB Staff
Richard Lanni, OEB Counsel
Patrick McMahon, Enbridge Gas Inc.
Daniela O'Callaghan, Susannah Robinson, EPCOR Utilities Inc.

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998, S.O. 1998, c. 15, as amended (the “OEB Act”);*

AND IN THE MATTER OF the *Municipal Franchises Act, R.S.O. 1990, c. M.44, as amended (the “MF Act”);*

AND IN THE MATTER OF an Application by EPCOR Natural Gas Limited Partnership for an Order amending its Certificate of Public Convenience and Necessity to construct works to supply natural gas in the Township of South-West Oxford.

**REPLY SUBMISSION OF
EPCOR NATURAL GAS LIMITED PARTNERSHIP (“ENGLP”)**

**EB-2020-0232
January 19, 2021**

Overview of Reply Submission

In accordance with EB-2020-0232 Procedural Order 1, ENGLP is filing this submission in response to both the OEB Staff submission (the “OEB Staff Submission”) and Enbridge Gas Submission (the “Enbridge Submission”) received January 12, 2021.

ENGLP notes that OEB Staff does not have concern with the approval of this application. Furthermore, Enbridge Gas has not contested the application and has acknowledged that although it would like to connect the customers specified in the application, it is more economic for EPCOR to do so.¹ Therefore, EPCOR is using this submission to address questions and comments raised by both OEB Staff and Enbridge Gas. This submission is written under a continuance of the guiding principals of providing affordable Natural Gas service to customers and minimizing regulatory burden and red tape for customers.

Overall, EPCOR respectfully submits that the application should be approved as filed, subject to a revised CIAC for the Salford Group and revised

Part 1 - Responses to the OEB Staff Submission

- i. Salford Group CIAC
- ii. Capital Contributions
- iii. Comments on New Certificates
- iv. Updated map - Included in Appendix.

Part 2 - Responses to the Enbridge Submission

- i. Time Limit to Connect Customers
- ii. Not Allowing Additional Connections

¹ EB-2020-0232, Enbridge Request for Intervenor Status dated December 7, 2020, at para 5.

Part 1 - Responses to OEB Staff Submission

i. Salford Group CIAC

Reference: OEB Staff Submission, Page 4:

However, OEB staff submits that it would be helpful to the OEB for the purposes of completing the record of this proceeding if, with its reply, ENGLP were to also provide confirmation of the Salford Group's acceptance of its new calculated CIAC for the proposed pipeline on McBeth Road.

ENGLP Response: ENGLP wishes to confirm that the Salford Group continues to support the proposed project. ENGLP has received verbal acceptance of the revised CIAC as presented in the application. Before a final agreement is signed (pending the outcome of this hearing), ENGLP is working with the Salford Group to ensure the usage estimates properly reflect their expected usage.

ii. Capital Contributions

Reference: OEB Staff Submission, Page 4:

OEB staff submits that ENGLP should clarify whether these contributions are two separate amounts, and whether the other potential customers in the Mount Elgin and McBeth Areas (including the residential customers) may be required to pay two capital contributions, related to 1) the customer's proportion of the capacity of the relevant proposed pipeline, and 2) service pipeline lengths in excess of 20 metres; and, if so, to provide an estimate of how many residential customers would be required to pay two contributions, as well as the cost of the average contribution.

ENGLP Response: These are two separate contributions. In addition to making a payment related to a customer's pro-rated contribution to asset capacity, a customer would also be subject to a \$10/meter charge for any additional length in excess of the standard 20 meter allowance. ENGLP anticipates seven new residential customers in the Mount Elgin and McBeth Areas have the potential to connect. ENGLP has not calculated the cost of the average contribution of residential customers as it must first know the location of these anticipated connections and these detailed conversations have not yet occurred.

iii. Comments on New Certificates

Reference: OEB Staff Submission, Page 4:

In its interrogatory response, ENGLP submits that the south half of Lot 11, Concession 2 and the north half of Lot 11, Concession 3 were added to its application in error. OEB staff has removed the areas ENGLP added in error to the draft certificates attached to this staff submission. OEB staff has attached a draft of the two new certificates, for the OEB's consideration, in the event the application is approved.

ENGLP Response: ENGLP has reviewed and has no concerns with the draft of the two new certificates attached as Schedule A and Schedule B to the OEB Staff Submission.

iv. Updated Certificate Map

OEB staff notes that the map in Appendix G to the application did not include the northeast quarter of Lot 13, Concession 2 as part of the areas in which ENGLP is requesting in its new certificate.³⁴ OEB staff submits that ENGLP should file updated certificate maps, reflecting the inclusion of the northeast quarter of Lot 13, Concession 2, and the removal of the south half of Lot 11, Concession 2 and the north half of Lot 11, Concession 3.

ENGLP Response: ENGLP has prepared an updated map included in 'Appendix A' of this reply submission.

Part 2 - Responses to Enbridge Submission

i. Time limit to connect customers

Reference: Enbridge Submission, Page 3:

One condition of approval to consider is whether a time limit should be placed on the extended CPCN rights such that EPCOR will need to complete the proposed services to the Salford Group and Burgessville Grain and Feed within 18 months of the OEB granting the amended CPCN.

ENGLP Response:

Prescribing a time limit to connect customers in Salford is unnecessary. Enbridge's specific "time limit" proposal should not be a condition of approval of this application. Enbridge has not provided a clear rationale for imposing such a condition.

ENGLP's application is responsive to Burgessville Grain & Feed and the Salford Group's requests to obtain natural gas service following unsuccessful attempts to obtain natural gas service from Enbridge.

Although ENGLP will endeavor to connect customers in as timely a manner as possible, there are several factors to consider when prioritizing and scheduling capital projects including system integrity and safety. ENGLP can and will continue to responsibly implement new connections with due consideration for other important priorities such as system critical planned expenditures and emergent and unplanned safety-related capital expenditures.

Accordingly, ENGLP submits that the OEB need not provide further incentive in the form of a time limit for ENGLP to pursue customer conversions in a timely manner.

In summary, ENGLP has an interest in and will be proactive in connecting customers in Salford to its gas distribution system, taking into account all other system requirements and obligations. ENGLP submits that prescribing a time limit to complete the system expansion mains and all connections to each willing private address in the geographic area for which CPCN rights are sought, is not necessary.

ii. Not Allowing Additional Connections

Reference: Enbridge Submission, Page 3:

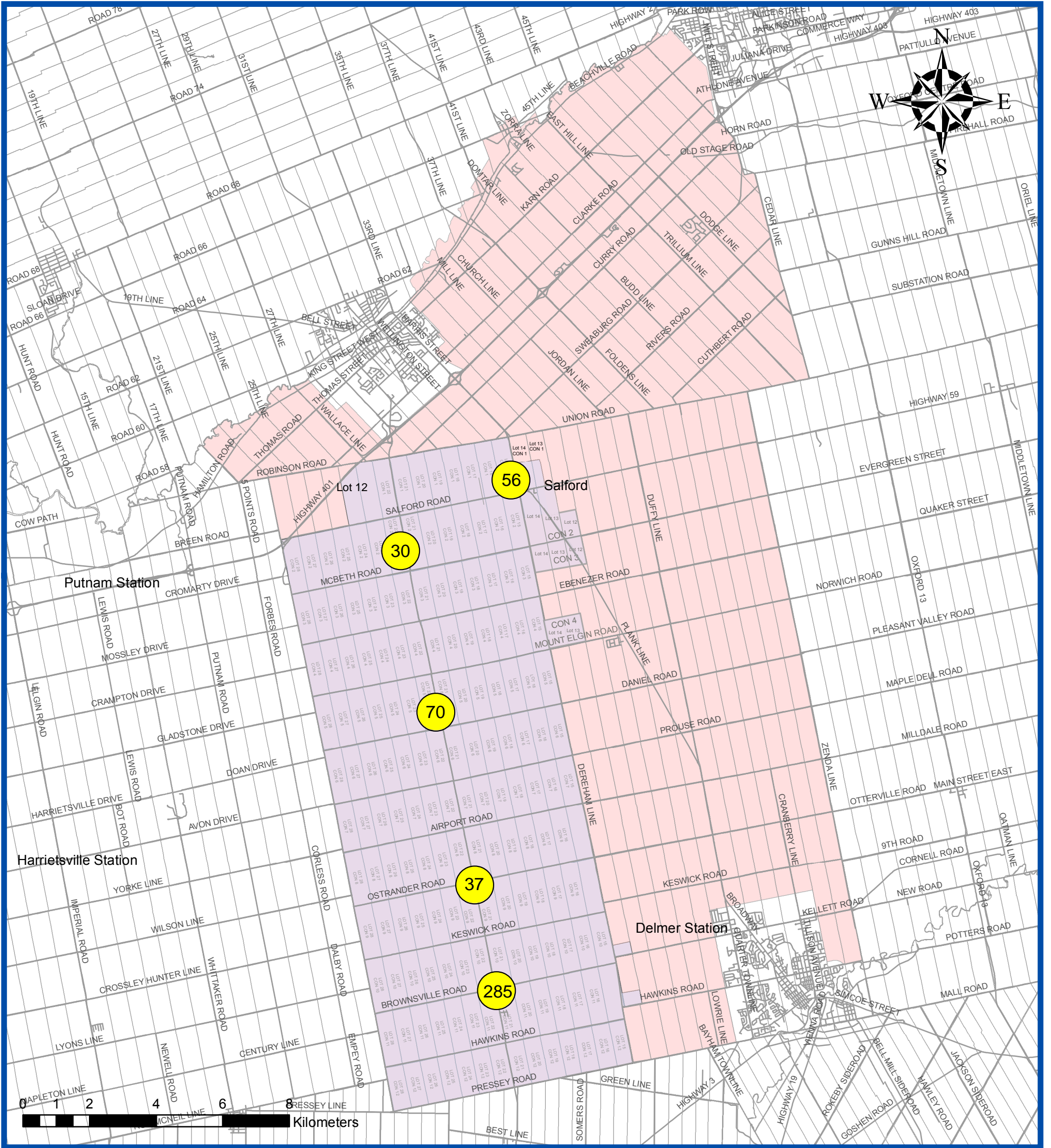
While EPCOR's application for expanded CPCN rights includes providing access to natural gas to 9 proposed locations (including the Salford Group and Burgessville Grain and Feed), EPCOR confirmed that it has not obtained written commitments or signed contracts with the potential farms or residential customers noted in this application.¹ Given the limited level of commitment, Enbridge Gas submits that any extension of EPCOR's CPCN rights should be limited to the areas required to provide service to the Salford Group and Burgessville Grain and Feed.

ENGLP Response: To effectively and safely service the Salford Group and Burgessville Grain and Feed, the application needs to be granted as filed, taking into account the corrections noted in the interrogatory process and reflected in the OEB Staff Submission at Schedules A and B.

By granting the application, ENGLP can economically meet service requests to Salford, Burgessville and other farm and residential customers who have reached out to ENGLP staff with inquiries and verbal requests for service in this area. All customers will provide contributions as outlined in the application to reflect their proportion of the capacity of the proposed pipeline. Furthermore, ENGLP will be in a position to meet its future obligations to serve in the area. ENGLP's obligations to prospective customers under section 42(2) of the OEB Act states in part that "...a gas distributor shall provide gas distribution services to any building along the line of any of the gas distributor's pipe lines upon the request in writing of the owner, occupant or other person in charge of the building." ENGLP's uncontested evidence is that there has been interest from other prospective customers to be served in these areas, and these customers may not be in a position to be economically served by another utility.

Appendix A - Updated Certificate Map

Municipality of South-West Oxford, Certificate Map



Legend

- Number of Customers
- Southwest Oxford EPCOR Boundary
- SW Oxford Boundary

