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Sent by Courier and Electronic Mail

July 15, 2008

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: Intervention and Cost Eligibility Request on behalf of the
Low-Income Energy Network
Board File EB-2008-0106
Commodity Pricing, Load Balancing and Cost Allocation Methodologies for
Natural Gas Distributors in Relation to Regulated Gas Supply**

Willms & Shier Environmental Lawyers LLP (W&SEL) is environmental legal counsel to the Low-Income Energy Network (LIEN).

REQUEST FOR INTERVENTION

This letter is supplemental to our June 23, 2008 intervention letter.

In accordance with section 23 of the Ontario Energy Board ("Board") *Rules of Practice and Procedure*, we hereby request Intervenor status on behalf of LIEN in the above-noted proceeding on commodity pricing, load balancing and cost allocation methodologies for natural gas distributors in relation to regulated gas supply.

INTEREST IN PROCEEDING AND GROUNDS FOR INTERVENTION

LIEN is an organization of more than 75 member associations from across Ontario, including, energy, public health, legal, tenant/housing, education and social and community organizations. LIEN is directed by a Steering Committee. In addition to the Steering Committee and Members and Supporting Organizations, over 25 individuals have also indicated their support for LIEN.

As an umbrella organization, LIEN offers the opportunity for one entity to represent the similar interests of many organizations that have come together under LIEN. A



description of its organization in greater detail can be found on its website (www.lowincomeenergy.ca). LIEN is a well recognized Intervenor in other Board proceedings, especially those concerning the issue of Rates.

LIEN's "mission statement" is in itself a statement of LIEN's interest in this proceeding.

"The Low-Income Energy Network:

- ♦ *aims to ensure universal access to adequate, affordable energy as a basic necessity, while minimizing the impacts on health and on the local and global environment of meeting the essential energy conservation needs of all Ontarians, and*
- ♦ *promotes programs and policies which tackle the problems of energy poverty and homelessness, reduce Ontarians' contribution to smog and climate change, and promote a healthy economy through the more efficient use of energy, a transition to renewable sources of energy, education and consumer protection."*

LIEN intends to participate actively and responsibly throughout the proceeding by submitting evidence (if appropriate), argument and/or interrogatories, and/or by cross-examination of witnesses.

NATURE AND SCOPE OF INTERVENTION

LOW-INCOME RATE ASSISTANCE

LIEN intends to seek the development of a bill assistance strategy for low-income consumers that includes the establishment of a low-income assistance rate.

As you are aware, the Divisional Court recently decided in *Low-Income Energy Network v. Ontario Energy Board*¹ that the Board has jurisdiction to establish a rate affordability assistance program for consumers of natural gas under section 36 of the *Ontario Energy Board Act*.

The Board has also initiated a consultation process to examine issues associated with low-income energy consumers in relation to their use of natural gas and electricity (Board File EB-2008-0150). At present, the outcome the consultation and its impact on low-income consumers are unknown. In the meantime, the issue of rate affordability continues to be relevant to every strand of the rate making process. This generic proceeding on methodologies for natural gas distributors is one such strand.

¹ (16 May 2008), Ont. Sup. Ct. (Div. Ct.), Court File No. 273/07



FAIR AND EQUITABLE RATES

LIEN supports fair and equitable rates for low-income consumers that provide appropriate price signals for conservation and takes into account their ability to pay. LIEN's focus is on bill reductions and takes a holistic approach to rate setting that reflects that overall goal.

CONSERVATION AND DEMAND-SIDE MANAGEMENT

LIEN strongly supports the promotion of energy efficiency and conservation through the development of special demand-side management programs for low-income consumers that produce cost-effective results that stabilize and, to the extent possible, reduce the energy bills of low-income consumers in social-housing, private multi-residential and private single family residences.

FUEL SWITCHING

As a method of consumer protection and energy efficiency, LIEN supports switching residential heating and appliances from electricity to gas, where appropriate, for low-income consumers. It is most appropriate from a life-cycle point of view, especially when electrical appliances are being used primarily at the margin for heat when natural gas is the source of such electricity generation. Any natural gas regulatory framework should foster this type of fuel-switching for low-income consumers.

REQUEST FOR ORAL HEARING

Given the complexity of the subject matter and that certain relevant evidence can best be adduced through cross-examination of witnesses, LIEN requests that this matter be dealt with by way of oral hearing by the Board.

COSTS

LIEN requests that the Board find it eligible for costs under section 3.03(a) of the Board's *Practice Direction on Cost Awards*. LIEN "primarily represents the direct interests of consumers in relation to regulated services", in particular, low-income consumers. LIEN has been accepted as a party eligible for an award of costs in other proceedings before the Board.

As a not-for profit organization, LIEN's participation in this proceeding is dependent on any cost awards it receives. LIEN intends to coordinate its efforts with other intervenors to avoid duplication where possible.

LIEN respectfully requests an early determination by the Board that it is eligible for an award of costs in this proceeding.



CONTACT INFORMATION

LIEN requests that copies of written evidence and all other materials in electronic or other format concerning this proceeding, be sent to:

Willms & Shier Environmental Lawyers LLP
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Yours truly,



Paul Manning

cc: Mr. Patrick Hoey, Enbridge Gas Distribution Inc.
Mr. Mark Kitchen, Union Gas Limited
Mr. Chuck Hindley, Natural Resource Gas Limited
LIEN