

June 3, 2021

**VIA RESS** 

Ms. Christine E. Long Registrar ONTARIO ENERGY BOARD P.O. Box 2319, 27<sup>th</sup> Floor 2300 Yonge Street Toronto, Ontario M4P 1E4

Dear Ms. Long:

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Re: EB-2021-0002 – Enbridge Gas Inc. (EGI) 2022-2027 DSM Plan Application.

Industrial Gas Users Association (IGUA) Request for Intervention.

We write as legal counsel to IGUA to request that IGUA be granted intervenor status in the captioned proceeding.

### **Description of IGUA**

IGUA is an association of industrial companies located in the Canadian provinces of Ontario and Québec, who use natural gas in their industrial operations. IGUA was first organized in 1973 and it provides a coordinated and effective public policy and regulatory voice for those industrial firms depending on natural gas as a fuel or feedstock. IGUA has become the recognized voice representing the industrial user of natural gas before regulatory boards and governments at both the provincial and national levels.

The Association's activities are guided by a 15 member Board of Directors, constituted to assure that each industrial sector and geographic region is represented. The Board of Directors has regularly scheduled meetings at least six times each year. A full time President and other staff are based in a permanent office in Ottawa.

Through regulatory intervention, government advocacy, marketing, promotion, partnerships, education and outreach, IGUA successfully represents industrial gas users. Our mission is to be the voice of our members within the natural gas industry through intervention, advocacy, and partnerships.



# Nature and Scope of IGUA's Intended Participation

EGI's 2022-2027 DSM proposal includes programs for large volume gas consumers, including IGUA's members. EGI in its pre-filed materials characterizes these customers as follows:

These sophisticated customers have extremely high natural gas consumption and while some are competitively motivated to ensure their systems are efficient, others require the input of Enbridge Gas's Technical Account Managers and financial incentives to prioritize undertaking energy efficiency initiatives.<sup>1</sup>

...

Large volume customers utilize very large amounts of natural gas in their operations. Energy purchases are, in most cases, a significant contributor to overall production costs. However, due to their focus on production, quality, reliability, and safety, energy efficiency is sometimes viewed as a less important priority.<sup>2</sup>

EGI has proposed a large volume customer DSM program in order "to compel" these customers to participate in its offering in order to access their portion of the funds proposed to be recovered in their gas delivery rates, net of a minimum of 20% of these recovered funds for administrative costs of administering DSM<sup>4</sup>.

IGUA's members are among those customers who EGI's pre-filed materials identify as having "suggested that the Large Volume DSM program should be discontinued". On behalf of these customers IGUA intends to actively participate the OEB's review of this application and provide the perspective of those customers who are already "competitively motivated to ensure their systems are efficient" and are subject to direct and extensive emissions regulations, all of which circumstances render EGI's programs to "compel" these customers to participate in order to access a portion of their own money not only redundant but, from an energy efficiency perspective, inefficient and ineffective.

### **Written or Oral Hearing**

IGUA requests that the OEB provide for an oral hearing in respect of this application. We believe that examination of witnesses proffered on behalf of EGI in respect of the animus for, and proposed design of, its large volume customer DSM program is required in order for IGUA to be able to elicit and present to the OEB a true picture of this aspect of EGI's proposal.

We have reviewed early correspondence from a number of parties regarding EGI's proposal for an "expedited" process for approval of a DSM budget and escalation mechanism for the program years

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<sup>&</sup>lt;sup>1</sup> ExE/T1/S6/p1/paragraph 2.

<sup>&</sup>lt;sup>2</sup> ExE/T1/S6/p2/paragraph 5.

<sup>&</sup>lt;sup>3</sup> ExE/T1/S6/p5/paragraph 13 and p6/paragraph 18.

<sup>&</sup>lt;sup>4</sup> EB-2021-0072, Exl.IGUA.2, page 2.

<sup>&</sup>lt;sup>5</sup> ExE/T1/S6/p3/paragraph 8.



2022 through 2027. Regardless of how the OEB determines to proceed in respect of EGI's process proposal, IGUA wishes to retain its ability to argue for the ability of those large volume customers who are "sophisticated customers", have "extremely high natural gas consumption" and "are competitively motivated to ensure their systems are efficient" to opt out or otherwise be excluded from EGI's proposed DSM programs, and the requirement to support those programs through their regulated gas delivery rates so as to allow them to make better use of their available efficiency enhancing funds of their own accord.

### Intention to Seek an Award of Costs

IGUA also hereby requests that it be determined eligible for recovery of its reasonably incurred costs of its interventions in these Applications.

As a party primarily representing the direct interests of industrial consumers (i.e. ratepayers) in relation to regulated services, including DSM costs included in regulated delivery rates, IGUA has in the past been determined to be eligible for cost awards pursuant to section 3.03(a) of the Board's *Practice Direction on Cost Awards*.

# **Request for Written Evidence and Contact Information**

IGUA requests that copies of written evidence and all circulated correspondence related to these matters be directed to it as follows:

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Orleans, Ontario

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Yours truly,

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