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February 17, 2022

Nancy Marconi Acting Registrar Ontario Energy Board 2300 Yonge Street, P.O. Box 2319 Toronto ON M4P 1E4

Dear Ms. Marconi

# **RE:** EB-2022-0094 Price Paid for Ontario Production Natural Gas Energy Probe Intervenor and Cost Eligibility Request Letter

Energy Probe Research Foundation (Energy Probe) hereby applies for intervenor status and cost eligibility in the EB-2022-0094 proceeding initiated by the OEB to consider the price paid by rate-regulated natural gas distributors for natural gas produced in Ontario.

## **Statement of Interest**

Energy Probe is a non-profit environmental and consumer organization which promotes economic efficiency in the use of resources. It will be representing its many individual customer supporters. Energy Probe argues for equitable rates that optimize results for all ratepayers by eliminating cross subsidies between ratepayer classes and between generations of ratepayers. It promotes sustainable resource use through individual responsibility and accountability. More information about Energy Probe can be found on the OEB website.

# https://www.oeb.ca/industry/applications-oeb/intervenor-information/annual-filings-frequent-intervenors

Energy Probe argues for the break-up of unnatural monopolies, created by political or regulatory decree. Where natural monopolies exist, Energy Probe advocates for regulation that is mandated to protect the interests of consumers. In the case of Ontario natural gas production Enbridge has a virtual monopoly on the purchase of gas produced in Ontario. The correct economics term for the current situation is monopsony, which occurs when one buyer faces little or no competition from other buyers and is able to set a price that is lower than would exist in a competitive market. While low price may benefit consumers in the short run, it could result in putting Ontario

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producers out of business. Energy Probe believes that the interests of consumers, including its supporters are best protected if Ontario gas production remains viable.

#### Hearing

Energy Probe hopes that all issues can be resolved by settlement negotiation that is preceded by a technical conference and that a hearing will not be necessary. However, if a hearing is required, Energy Probe believes that a written hearing would be appropriate.

## Costs

Energy Probe is a non-profit organization which relies on individual donations to help protect the public interest. Without the prospect of an award of costs, Energy Probe's ability to participate in proceedings would be very limited. Energy Probe intends to seek a cost award in this proceeding, and expects to intervene responsibly, cognizant of the Board's guidelines regarding cost awards.

#### Communications

Communications relating to this Intervenor and Cost Eligibility Request Letter and all documents filed with the Board in this proceeding and required by Energy Probe, should be directed to its consultant:

Tom Ladanyi TL Energy Regulatory Consultants Inc. 41 Divadale Drive Toronto ON M4G 2N7 Tel: 416 423-3685 tom.ladanyi@rogers.com

Respectfully submitted on behalf of Energy Probe.

Tom Ladanyi TL Energy Regulatory Consultants Inc.

cc. Patricia Adams (Energy Probe Research Foundation)

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