

EB-2022-0094

Ontario Energy Board

A hearing on the Ontario Energy Board's own motion to consider the price paid by rate-regulated natural gas distributors and their customers for natural gas produced in Ontario

PROCEDURAL ORDER NO. 1 March 4, 2022

The Ontario Energy Board (OEB) has initiated this proceeding on its own motion to consider the price paid by rate-regulated natural gas distributors (Distributors) for natural gas produced in Ontario.

A Notice of Hearing was issued on February 7, 2022. Each of Canadian Manufacturers and Exporters (CME), Enbridge Gas Inc. (Enbridge Gas), Energy Probe Research Foundation (Energy Probe), EPCOR Natural Gas Limited Partnership (ENGLP), Industrial Gas Users Association (IGUA), London Property Management Association (LPMA), Ontario Petroleum Institute (OPI) and School Energy Coalition (SEC) applied for intervenor status. CME, Energy Probe, IGUA, LPMA and SEC also applied for cost eligibility.

CME, Enbridge Gas, Energy Probe, ENGLP, IGUA, LPMA, OPI and SEC are approved as intervenors. The list of parties in this proceeding is attached as Schedule A to this Procedural Order. CME, Energy Probe, IGUA, LPMA and SEC are eligible to apply for an award of costs under the OEB's <u>Practice Direction on Cost Awards</u>. Any cost awards approved by the OEB in this proceeding will be recovered from Enbridge Gas and ENGLP based on their respective customer numbers. The OEB will use the process set out in section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards. Any objections to the specified recovery for any cost awards shall be filed with the OEB by March 11, 2022.

Cost eligible intervenors should be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party unless a compelling reason is provided when cost claims are filed.

Being eligible to apply for recovery of costs is not a guarantee of recovery of any costs claimed. Cost awards are made by way of OEB order at the end of a hearing.

Issues List

The OEB is making provision for submissions on the draft issues list, which was included in the Notice of Hearing, prior to the filing of intervenor evidence and interrogatories. The OEB will approve an issues list prior to the filing of intervenor evidence.

The draft issues that were provided in the Notice of Hearing are as follows:

- 1. Is it appropriate for the OEB to fix or approve price(s) (or pricing formula(s)) that a Distributor will be required to charge their system gas customers specifically for natural gas produced in Ontario and, if so, what should the price(s) (or pricing formula(s)) be?
- 2. Alternately, is it appropriate for the OEB to provide direction on the principles it will consider when assessing whether the costs of natural gas produced in Ontario that a Distributor proposes to pass on to system gas customers through the QRAM are reasonable? If so, what should those principles and related filing requirements be?

Intervenor Evidence

The scope of any intervenor evidence shall be guided by the scope of the issues list. Additional direction regarding intervenor evidence will be communicated once the final issues list has been determined by the OEB.

Form of Hearing

In its Notice of Hearing, the OEB indicated its intention to proceed with a written hearing unless parties satisfy the OEB that there is a good reason why an oral hearing is necessary. SEC stated that it is premature to make a determination on the type of hearing until interrogatories have been answered. Energy Probe stated that a written hearing is appropriate and expects that all issues can be resolved through a settlement process preceded by a technical conference.

CME and OPI requested an oral hearing. CME stated that the OEB consider a written discovery process followed by a settlement conference and an oral hearing to decide any un-settled issues. OPI submitted that the OEB hold a one-day hearing for the presentation of oral evidence and cross-examination of the written evidence of OPI witnesses by any party wishing to do so. OPI stated that its reason for the request is because OPI Members and Enbridge Gas have not been able to resolve critical pricing issues for many years and OPI believes that the issue of pricing disparity is a core issue on which the OEB should hear viva voce evidence.

The OEB will make its decision on the form of hearing at a later date.

It is necessary to make provision for the following matters related to this proceeding. Further procedural orders may be issued by the OEB.

IT IS THEREFORE ORDERED THAT:

- 1. Any submissions from intervenors on the draft issues list shall be filed with the OEB and served on all parties by **March 11, 2022**.
- 2. Any objections to the specified recovery for any cost awards shall be filed with the OEB by **March 11, 2022**.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's <u>Rules of Practice and Procedure</u>.

Please quote file number EB-**2022-0094** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the <u>OEB's online filing portal</u>.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the <u>Regulatory Electronic Submission System (RESS)</u> <u>Document Guidelines</u> found at the <u>File documents online page</u> on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet <u>set up an account</u>, or require assistance using the online filing portal can contact <u>registrar@oeb.ca</u> for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the <u>File</u> documents online page of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the <u>Practice Direction on Cost Awards</u>.

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Ritchie Murray at ritchie.murray@oeb.ca and OEB Counsel, Michael Millar at michael.millar@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, March 4, 2022

ONTARIO ENERGY BOARD

By delegation, before: Nancy Marconi

Nancy Marconi Registrar

SCHEDULE A PROCEDURAL ORDER NO. 1 OEB GENERIC PROCEEDING EB-2022-0094 APPLICANT & LIST OF INTERVENORS

OEB Motion Related to Pricing of Ontario Produced Natural Gas

APPLICANT & LIST OF INTERVENORS

March 04, 2022

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OEB Motion Related to Pricing of Ontario Produced Natural Gas

APPLICANT & LIST OF INTERVENORS

March 04, 2022

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OEB Motion Related to Pricing of Ontario Produced Natural Gas

APPLICANT & LIST OF INTERVENORS

March 04, 2022

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OEB Motion Related to Pricing of Ontario Produced Natural Gas

APPLICANT & LIST OF INTERVENORS

March 04, 2022

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OEB Motion Related to Pricing of Ontario Produced Natural Gas

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