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March 9, 2022

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

Dear Ms. Marconi,

**Re: EB-2021-0209 Enbridge 2022 Federal Carbon Charge
Energy Probe Reply to the Comment made by Enbridge regarding its Cost Claim**

In its letter of March 2, 2022, Enbridge Gas indicated that it has no objection to the cost claims submitted by parties in the case.

“Enbridge Gas has no objection to the cost claims but notes that the cost claim submitted by EP is significantly higher than the cost claims submitted by other parties. Enbridge Gas awaits the recommendations and or cost awards of the OEB with respect to these cost claims.”

This letter is the reply of Energy Probe to the comment made by Enbridge Gas regarding its cost claim.

According to the Notice the application dealt with a large increase in carbon charges.

- *“A typical residential customer in the EGD rate zone (former customers of Enbridge Gas Distribution Inc.) will see a bill increase of \$47.81 beginning April 1, 2022. This is composed of a \$47.05 yearly bill increase arising from the 2022 carbon charges, plus a one-time charge of \$0.76, to recover the balances in the related deferral and variance accounts.*
- *A typical residential customer in the Union South rate zone (former customers of Union Gas Limited), will see a bill increase of \$43.41 beginning April 1, 2022. This is composed of a \$43.14 yearly bill increase from the 2022 carbon charges, plus a one-time charge of \$0.27, to recover the balances in the related deferral and variance accounts.*
- *A typical residential customer in the Union North rate zone (former customers of Union Gas Limited), will see a bill increase of \$43.48 beginning April 1, 2022. This is composed*

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of a \$43.14 yearly bill increase from the 2022 carbon charges, plus a one-time charge of \$0.34, to recover the balances in the related deferral and variance accounts.”

Carbon charges are an area of particular concern to Energy Probe as explained in its Annual Information Submission filed June 1, 2021.

“No Excessive Climate Change Mitigation Costs

While climate change may not be on the OEB's formal agenda, it is implicit in numerous regulatory interventions, and informs Energy Probe's perspective. The issues of accommodation on the electricity grid of distributed energy resources including electric vehicles, storage batteries and wind, solar and geothermal generation, or phasing out of natural gas, are climate-change related and the costs of their accommodation are often presented as the costs of mitigation of climate change on a cost is no object basis.

Energy Probe represents the plurality of consumers who are opposed to excessive rates and charges to mitigate the effects of climate change. Ipsos Poll conducted for Global News¹ in September 2019 found out that 46% of Canadians do not want to spend any additional money in the form of taxes or higher costs of goods to mitigate the effects of climate change. Another 22% are willing to pay up to \$100 per year. Therefore, 68% of Canadians are not willing to pay more than \$100 per year to mitigate the effects of climate change. If Energy Probe's perspective - which represents a substantial plurality of the province - were excluded from OEB hearings, the OEB would be basing its decisions on incomplete information that excluded millions of Ontarians from the decision-making process.”

As explained in its letter of intervention Energy Probe's interest in this proceeding was the impact on customer rates resulting from:

- (i) the Federal Carbon Charge,
- (ii) the Facility Carbon Charge,
- (iii) the amendment to the wording of the FCPP related deferral and variance accounting orders, and
- (iv) the deferral and variance account balances.

Energy Probe was aware that the OEB can only decide on the mechanism that Enbridge was proposing for charging customers the FCC not the FCC itself. Energy Probe explored the mechanism in its interrogatories to see if there was any opportunity to lessen the impact of the FCC on Enbridge customers.

Of the six parties in the proceeding, four filed interrogatories, five filed final submissions. Unlike the Anwaatin and Energy Probe submissions, three were one-page letters. Energy Probe believes that its costs should not be compared to those of parties that had less engagement in the case.

Finally, the 12 hours claimed by Energy Probe in this case were two hours less than in 2020. No objection was raised last year.

¹ <https://globalnews.ca/news/5948758/canadians-climate-change-ipsos-poll/>

Energy Probe believes that it has acted responsibly, and that its hours and costs claimed are reasonable.

Respectfully submitted on behalf of Energy Probe.

Tom Ladanyi
TL Energy Regulatory Consultants Inc.

cc. Patricia Adams (Energy Probe)
Roger Higgin (Sustainable Planning Associates Inc.)
Richard Wathy (Enbridge Gas Inc.)