

VIA E-MAIL

April 12, 2022

Ontario Energy Board
Attn: Nancy Marconi, Acting OEB Registrar
27th Floor, 2300 Yonge Street
Toronto ON M4P 1E4

RE: EB-2020-0293 ST. LAURENT LTC – EGI REPLY ARGUMENT – FRPO CORRECTION

We are writing on behalf of the Federation of Rental-housing Providers of Ontario (FRPO) to set the record straight with regard to submissions made to the Board in the matter of the St. Laurent Leave to Construct.

FRPO submitted its argument calling for the Board to reject the replacement of the pipeline in favour of enhanced inspection of the pipeline and reporting to the Board. In EGI's Reply Argument, in its attempts to misconstrue and otherwise dismiss our submissions, EGI has included a material misstatement of our argument. EGI states:¹

Although FRPO admits that the evidence indicates that the St. Laurent Pipeline is in poor health and exhibits the characteristics of vintage steel pipeline...

This assertion by EGI provides the Board an example of the distortions and inaccuracies in EGI's views on our submissions. FRPO's argument states:²

St. Laurent Pipeline is Not in Poor Asset Health but Needs Maintenance
As detailed above, while EGI's evidence seems to assert that the pipeline is in poor health, upon closer examination, the issues identified are representative of a vintage steel pipe that requires more regular inspection and maintenance as it ages.
emphasis added

We believe that, on its face, the above statement is clear and diametrically opposed to EGI's interpretation to support its argument. If there was any room for misinterpretation, FRPO views should have been crystal clear in its conclusions:³

1) Evidence Of Pipeline History Does Not Represent Failing Condition
Our informed conclusion based upon our assessment of the evidence is that the St. Laurent pipeline is not in poor health but needs maintenance associated with a pipeline of its age and location.

¹ EGI_ReplyARG_20220407_eSigned, pg. 13, para. 22

² FRPO_SUB_EGI ST LAURENT_20220321, pg. 6

³ FRPO_SUB_EGI ST LAURENT_20220321, pg. 13

FRPO is also concerned with how EGI quotes our statement of “*experienced observations, analysis and understanding*” and concludes that our submissions are “*a cursory review of the materials with unsupported conclusions based on generalizations*”.⁴ We understand that we have not been qualified as an expert for this proceeding, but we did not provide a reference for our quoted statement. As opposed to rehashing our argument to demonstrate specificity and technical insight, we instead draw the Board’s attention to our attached CV that describes decades in the industry, over a dozen years as the chief engineer of a natural gas utility including seven years on the Natural Gas Advisory Council of the Technical Standards and Safety Authority. We understand that this information could assist the Board in determining the weight it may place on our submissions.

All of Which is Respectfully Submitted on Behalf of FRPO,

Dwayne R. Quinn
Principal
DR QUINN & ASSOCIATES LTD.

c. J. Sidlofsky, Z. Crnojacki - OEB Staff
Interested Parties – EB-2020-0293

Attach.

⁴ EGI_ReplyARG_20220407_eSigned, pg. 13, para. 22

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FOCUS

Assisting organizations with proactive adaptation to legislative and regulatory evolution and resulting market developments. Identifying the organizations' needs and goals and using strategic insights into public policy evolution to develop strategic and tactical initiatives to address proactively the upcoming opportunities and challenges. As a professional engineer with a Master of Business Administration degree, I have over 30 years of utility experience including over 20 years influencing public policy and regulation; achieving personal credibility with governmental and regulatory bodies.

ACCOMPLISHMENTS

- Evolved a combined, traditional gas and water utility into a customer-sensitive organization delivering bottom line value to customers and owners
- Instituted Mutual Gains (Interest Based) Bargaining with labour union in 1999
- Directed market research of customers and owners to determine their desires for the natural gas utility in a deregulated environment
- Developed and implemented a direct purchase strategy to buy natural gas for the utility's customers
- Directed the branding of Kitchener Utilities as the Community-Owned Utility
- Re-contracted natural gas transportation and delivery agreements resulting in substantial savings
- Developed strategy to implement full cost recovery from water and wastewater systems receiving Council approval to represent the City at public hearings on the Draft Sustainable Water and Sewer Systems Act
- Implemented the principles of the Sustainable Water and Sewer Systems Act absent regulations resulting in two consecutive 18% water and wastewater rate increases with significant public acceptance
- Worked with the Ministry of the Environment, Ministry of Municipal Affairs and Public Infrastructure Renewal to evolve financial regulations to be more effective for municipal water utilities

RESULTS

- Customer understanding and appreciation for our service measured through Market Research
- Customer natural gas savings of over \$25 million in 7 years through implementation of direct purchase
- Incremental profits of over \$25 million dollars in same 7 years from the for-profit aspect of the natural gas utility while keeping customer rate increases below the rate of inflation
- Kitchener's water and wastewater utilities positioned to be fully financially sustainable
- Water and wastewater utilities across the province benefited from more effective financial planning regulations

BOTTOM LINE

I am a highly motivated and passionate professional who believes in service. My pursuit of the interests of those I serve is paramount. Success has been achieved by attaining a comprehensive understanding of the situation coupled with an ability to match stakeholders' interests with opportunities. Much of what was accomplished in Kitchener was unprecedented in public service.

ACADEMIC AND PROFESSIONAL

- Bachelor of Engineering Science (Chemical) - University of Western Ontario – 1985
- Association of Professional Engineers of Ontario – 1987
- Master of Business Administration – Wilfrid Laurier University – 1997
- Completed courses in Master of Laws in Energy and Infrastructure – Osgoode PD - 2012-2014
- Certificate in Adjudication for Administrative Agencies, Boards & Tribunals – SOAR - 2014

Dwayne R. Quinn, P. Eng., MBA

EXPERIENCE

Union Gas Limited – 1985-92

Three successive positions of increasing responsibility covering Facilities Planning, Operations Engineering and Plant Construction. Improved simulation modeling techniques, pressure station design, workflow, performance, and customer service.

Babcock & Wilcox – Project Management – 1993-1994

Project management on a \$200 million steam generator replacement project.

City of Kitchener, Utilities Division – Director – 1998-2007, Engineer – 1994-98

Management, operations, regulatory lead and strategic direction of a combined gas and water utility. Contributed to the strategic evolution of Utilities to meet the challenges of natural gas deregulation and the implementation of the Sustainable Water and Sewer Systems Act, 2002.

DR QUINN & ASSOCIATES LTD – Principal - 2008-present

Established an independent consulting company providing advisory services in the fields of energy and infrastructure to clients in the public and private sectors.

Federation of Rental-housing Providers of Ontario (FRPO) Regulatory Consultant representation at the Ontario Energy Board, 2008-present.

Ontario Greenhouse Vegetable Growers (OGVG) Regulatory Consultant representation at the Ontario Energy Board, 2013-2016.

Utilities Kingston Natural Gas Management Consultant. Advising on natural gas procurement and asset contracting strategies as well as cost allocation and ratemaking, 2008-present.

Heritage Gas Ltd Consultant on Issues of Natural Gas Market Evolution including Self-Supply Practices, Contracting and Utility Accounting, 2013-present.

Ontario Petroleum Institute (OPI) Regulatory Consultant on matters related to natural gas production and pricing in the Ontario market, 2021-present.

COMMITTEES, ASSOCIATIONS & REPRESENTATIONS

Ontario Natural Gas Association – Board of Directors 1999-2000

Contributed to the survival through evolution of the association for the benefit of its members

Ontario Energy Association – Board of Directors 2000-2001

Contributed to the design & implementation of business plan to evolve energy association to reflect changing market

Technical Standards and Safety Authority, Advisory Council 2000-2008

Contributed to the Authorities strategic direction of Ontario natural gas industry's safety regulator putting Public Safety First during deregulation of utility services

Ontario Energy Board – 1999-2007, 2008-present

Lead Kitchener Utilities regulatory representation including submission of written evidence and supporting testimony until 2007 and subsequently, regulatory consultant for FRPO and other stakeholders