Colm Boyle T: 416-367-7273 cboyle@blg.com Borden Ladner Gervais LLP Bay Adelaide Centre, East Tower 22 Adelaide Street West Toronto ON M5H 4E3 Canada T 416-367-6000 F 416-367-6749 blg.com



#### File No. 061604.000001

December 2, 2022

# **Delivered by Email & RESS**

Nancy Marconi, Registrar Ontario Energy Board PO Box 2319, 27th Floor 2300 Yonge Street Toronto, ON M4P 1E4

Dear Ms. Marconi:

**Re:** Enbridge Gas Inc. ("EGI")

**Application for 2024-2028 Natural Gas Distribution Rates (EB-2022-0200)** 

("Proceeding")

**Notice of Intervention** 

We represent the Association of Power Producers of Ontario in relation to the above-noted Proceeding. Please find enclosed the Notice of Intervention.

Please contact the undersigned with any questions.

Yours truly,

Colm Boyle

cc. All Intervenors

Vanessa Innis, EGI (via email)

David Stevens, Aird & Berlis (*via email*) Dennis O'Leary, Aird & Berlis (*via email*) **IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B, as amended;

**AND IN THE MATTER OF** an application by Enbridge Gas Inc. for an order or orders approving or fixing just and reasonable rates for the sale, distribution, transmission and storage of gas commencing January 1, 2024.

#### NOTICE OF INTERVENTION OF THE

# ASSOCIATION OF POWER PRODUCERS OF ONTARIO ("APPrO")

# **DECEMBER 2, 2022**

#### **APPrO**

PO Box 756, Toronto, ON M5C 2K1

#### **David Butters**

President

Tel: (416) 322-6549, x231 Facsimile: (416) 481-5785 Email: david.butters@appro.org

#### **Borden Ladner Gervais LLP**

Bay Adelaide Centre, East Tower 22 Adelaide St W. Toronto ON M5H 4E3

## **Colm Boyle**

Tel: (416) 367-7273 Facsimile: (416) 367-6749 Email: cboyle@blg.com

#### **INTRODUCTION:**

- On August 30, 2018, in the MAADs Decision (EB-2017-0306 / EB-2017-0307), the Ontario Energy Board (the "Board") approved a rate setting mechanism (Price Cap IR) for Enbridge Gas Inc. ("EGI" or the "Applicant"), which set out a multi-year incentive rate-setting mechanism "IRM") for a five-year term from 2019 to 2023.
- 2. On October 31, 2022, EGI filed an application with the Board under section 36(1) of the *Ontario Energy Board Act*, 1998 ("**OEB Act**"), as amended, for an Order or Orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of January 1, 2024 (the "**Application**"):
- 3. As part of the Application, EGI also applied to the Board for approval of an IRM for the years from 2025 to 2028, and the harmonization of rates that would become effective in 2025 and 2026. The Application provides that the proposed IRM mechanism is a Price-Cap model that is largely consistent with the IRM approved by the Board and in place over the 2019 to 2023 deferred rebasing term, with the major difference being that EGI has proposed a two-factor inflation factor.
- 4. APPrO hereby requests intervenor status in the Application.
- 5. APPrO actively participated in EGI's Panhandle Regional Expansion Project (EB-2022-0157), UTR/ETS Generic Proceeding (EB-2021-0243), 2022 Rates (Phase 2) ICM Application (EB-2021-0148), 2021 Rate Application "Phase 2" ICM Application (EB-2020-0181), 2021 Rate Application "Phase 1" (EB-2020-0095), 2020 Rate Application (EB-2019-0194), 2019 Rate Application (EB-2018-0305) and Enbridge Gas Distribution Inc. and Union Gas Limited's (i.e. the predecessor utilities of EGI) application for amalgamation and rate-setting mechanism (EB-2017-0306 / EB-2017-0307) and in prior year rate adjustments for both EGDI (EB-2017-0086, EB-2016-0215, EB-2015-0114) and UGL (EB-2014-0271, EB-2015-0116) ("**Prior Decisions**").

#### **INTEREST OF THE INTERVENOR:**

- 6. APPrO is a non-profit organization representing more than 100 companies involved in the generation of electricity in Ontario, including generators and suppliers of services, equipment and consulting services. APPrO members produce power from natural gas, as well as hydro, gas, nuclear, wind, waste wood and other sources. APPrO's members have a direct and significant interest in this proceeding.
- 7. Among APPrO's members are gas-fired generators in EGI's franchise area. In the EGD rate zone, generators take service primarily under Rate 125. All customers in the Rate 125 rate class are power generators and are not represented by any other consumer group. In addition, gas-fired generators contract for distribution and transportation services under several rate classes, including Rate 100 and Rate 20 in Union North and Rate T2 and Rate M12 in Union South.
- 8. The evidence filed by the EGI indicates that the changes proposed in the Application will have bill impacts for gas-fired generators, including APPrO's members.
- APPrO was an active participant in the proceedings of the Prior Decisions and APPrO has an interest in ensuring that the request for rates is in accordance with the Board's Decisions in those proceedings.
- 10. APPrO's interest in this proceeding is to represent the interests of generators to ensure that the proposed 2024 rate adjustments, rate harmonization and IRM proposal are fair and reasonable given the expedited timeline proposed by the Applicant for the hearing of the post-amalgamation rebasing of the Applicant in two phases. The impacts of the Application are exceptionally wide reaching, as the Applicant notes, "it is impractical to set out in this Application the names and addresses of such persons because they are too numerous."

#### **SCOPE OF PARTICIPATION:**

11. APPrO reserves the right to participate in all aspects of the proceeding with one exception.

<sup>&</sup>lt;sup>1</sup> EB-2022-0200, Application and Evidence, Exhibit 1, Filed October 31, 2022, at page 32 of 2204, para 17.

AAPrO will not be making submissions or taking a position in respect of issue #39 on EGI's proposed issues list regarding EGI's proposal for the extension of the existing financial terms of the Open Billing Access (OBA) Program for ten months until October 31, 2024. APPrO also reserves the right to present evidence as it may deem necessary.

# APPrO'S EXPERIENCE AS A FREQUENT INTERVENOR:

12. APPrO has a record of participating in Board proceedings as an intervenor. As required by Rule 22.03(b) of the Board's Rules of Practice and Procedure and Rule 3.03.1 of the Board's Practice Direction on Cost Awards, APPrO filed with the Board information on APPrO's mandate, objectives, membership, constituency, programs and activities and other relevant information within the previous 12 month period as part of EB-2022-0157, EB-2021-0148, and EB-2021-0243. This document has been updated and attached as Attachment 1 to this Notice of Intervention.

### **COSTS:**

- 13. Pursuant to s. 3.06 of the Board's Practice Direction on Cost Awards, APPrO intends to seek an award of costs from the Applicant. In accordance with s. 3.03(a) of the Board's Practice Direction on Cost Awards, APPrO represents the direct interests of consumers in relation to the Applicant's regulated services. APPrO's members are among the largest consumers of the Applicant's services.
- 14. APPrO has a record of participating in Board proceedings in a responsible and efficient manner and the Board determined that APPrO was eligible for cost awards in other proceedings, including in Panhandle Regional Expansion Project (EB-2022-0157), UTR/ETS Generic Proceeding (EB-2021-0243), EGI's 2022 Rates (Phase 2) ICM Application, EGI's 2021 Phase 1 and 2 rate cases, EGI's London Line Replacement Project Leave to Construct Application, EGI's 2020 and 2019 rate case and both UGL and EGI rates cases and several natural gas proceedings that had unique impacts on power generators (including, among others, NGEIR and storage allocation proceedings). APPrO believes it is appropriate for the Board to do so again in the context of this proceeding and in light of the potential impacts of the Project on

APPrO's members.

#### COUNSEL/REPRESENTATIVES

15. APPrO requests that the Board, the Applicant and all intervenors provide it and its counsel with copies of all written evidence and correspondence related to the proceeding, at the contact information below. APPrO asks that the Applicant deliver electronic copies of the Application and all other evidence to Borden Ladner Gervais LLP and APPrO at the coordinates listed below.

## **APPrO** (electronic copies only):

David Butters APPrO

President PO Box 756,

Toronto, ON M5C 2K1

Tel: (416) 322-6549, x231 Facsimile: (416) 481-5785

Email: david.butters@appro.org

# **APPrO's Counsel (electronic copies only):**

Colm Boyle Borden Ladner Gervais LLP

Bay Adelaide Centre, East Tower 22 Adelaide St W.

Toronto ON M5H 4E3 Tel: (416) 367-7273

Facsimile: (416) 367-6749 Email: cboyle@blg.com

## **APPrO's Consultant (electronic copies only):**

Brady Yauch Power Advisory LLC

55 University Avenue, Suite 700

P.O. Box 32

Toronto, ON M5J 2H7

Tel: (416) 822-6884

Email: byauch@poweradvisoryllc.com

# ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 2nd DAY OF DECEMBER, 2022

## **BORDEN LADNER GERVAIS LLP**

Per:

Colm Boyle

Cole Byle

Counsel to APPrO

CC:

Vanessa Innis, EGI (*via email*) David Stevens, Aird & Berlis (*via email*)

Dennis O'Leary, Aird & Berlis (via email)

#### Attachment 1

#### The Association of Power Producers of Ontario

## **Description**

The Association of Power Producers of Ontario ("APPrO") is a non-profit trade and professional organization representing more than 100 companies involved in the generation of electricity in Ontario, including generators and suppliers of services, equipment and consulting services. APPrO is the largest organization of its type in Canada. APPrO was established in 1986 as the Independent Power Producers' Society of Ontario and changed its name to APPrO in 2003.

### Mandate and objectives

APPrO's principal objective is the achievement of an economically and environmentally sustainable electricity sector in Ontario that supports the business interests of electricity generators. APPrO's role in the electricity sector is to raise awareness and understanding of its members' concerns with senior decision-makers in government, regulatory bodies and the public at large.

### **Membership and representative constituency**

APPrO currently has about 100 corporate members, who collectively produce more than 95% of the electricity made in Ontario. APPrO's members produce electricity from a range of sources, including natural gas, hydroelectricity, cogeneration, windpower, solar energy, biomass, biogas, nuclear energy and other sources. The total value of assets owned or operated by APPrO members is estimated at more than C\$50 billion, and the total annual sales of electricity by APPrO members exceeds C\$7 billion per year (wholesale value).

## **Programs and activities**

APPrO acts as an advocate for its members. It aims to have a voice on regulatory and policy issues which affect generators in Ontario, including electricity market rules, power procurement processes, the regulation of the natural gas market (both provincially and federally), climate change rules and compliance mechanisms, approval requirements, transmission development, distributed generation, and a number of other issues. APPrO is a leading advocate for public policies and regulatory treatments that it believes will facilitate the development of power generation in the province and assist in the development of a more open and competitive market for power.

APPrO also organizes industry conferences and produces a number of publications. APPrO's magazine, IPPSO FACTO, is an authoritative periodical on the electricity business and policy issues in Canada.

# APPrO's authorized representative in OEB proceedings

APPrO's principal authorized representative in proceedings before the Ontario Energy Board (the "Board") is Borden Ladner Gervais LLP ("BLG"), represented by Colm Boyle with support from other BLG associates. BLG will provide support to APPrO for this proceeding EB-2022-0200. BLG's representation of APPrO in proceedings before the Board is pursuant to written retainer agreements.