

VIA RESS

May 1, 2023

Ontario Energy Board
Attn: Ms. N. Marconi, OEB Registrar
P.O. Box 2319
27th Floor, 2300 Yonge Street
Toronto ON M4P 1E4

RE: EB-2022-0302 OEB Regulatory Framework Workshops - FRPO Comments

We are writing on behalf of the Federation of Rental-housing Providers of Ontario (FRPO) in regard to the Board's process to consider its regulatory framework under the above subject proceeding. We participated on behalf of FRPO in the Workshop held April 19th and stakeholders present were requested to provide follow-up comments. We appreciate being invited based upon our frequent interventions almost exclusively on the natural gas applications. However, we do not have the legal expertise to assist the Board on statutory or legal perspectives but, in respect the request, provide brief comments specifically in topic area 3: Leave to Construct (Facilities) Approvals ("LTC").

The ongoing energy transition has caused many organizations to consider the opportunity to re-think aspects of their core business and purchased services given socio-economic and environmental considerations. Having spent over three and half decades in the natural gas industry, I have had to challenge some of my own paradigms and biases in recognizing need for action in energy transition. As a member of the Integrated Resource Planning working group, in our view, what is needed is evolution not necessarily revolution. Our hope is improved economic testing of facility alternatives¹ along side non-pipe and/or electric alternatives would inform proponents of any development of the implications of the energy choices available.

As a non-lawyer representative, we concur with the seeming consensus of the legal perspectives in the workshop that there is no need for any statutory changes. What is needed though is more integrated planning in new developments to bring important stakeholders like developers, municipal planners and the appropriate Local Distribution Company (LDC) or electrical load serving entities together earlier in the development cycle. The standard issues list for an LTC could be evolved to ensure early engagement of the vested stakeholders and

¹ Improved economic testing from the FEI BCA or an evolved DCF+ test yet to be concluded from the IRPA initiatives

the filing of agreed upon economic testing to demonstrate a requested pipeline project is deemed the most economically effective with a long-term view to all costs associated the alternatives.

Further, if gas is identified as the most effective means of meeting the energy need, the gas utility should file more comprehensive information on the sizing of the system. For example, natural gas utilities ought to be required to file their proposed network including capacity data with, alternative sizing considered. that informs the Board of the amount of future growth assumed in the facility sizing.² The OEB's Natural Gas Facilities Handbook instructs the applicant to provide information on project alternatives³ but, in applications filed since the Board's publication of the handbook, this information is not provided with the prefiled evidence and, at times, not provided in discovery when requested.

One important reality was identified that ought to be communicated back to the Minister is the conflicting directives which the Board is receiving. While the Board is under the imperative to consider expediting Electrification and Energy Transition, currently, there are a number of very uneconomic gas expansions that are being funded by the Access to Natural Gas Act, 2018. While we respectfully understand that the government directs the policy, we encourage the economic regulator to provide feedback to the Minister on the challenges related to these conflicting imperatives.

Thank you for your request for our input.

All of Which is Respectfully Submitted on Behalf of FRPO,

Dwayne R. Quinn
Principal
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² EB-2022-0081 FRPO_SUB_FAC HANDBOOK__20220217

³ EB-2022-0081 OEB Natural Gas Facilities Handbook , Section 4.4.2