



**EB-2007-0613**

**IN THE MATTER OF** the *Ontario Energy Board Act*, 1998,  
S.O. 1998, c.15 (Schedule B);

**AND IN THE MATTER OF** an Application by Union Gas  
Limited, pursuant to section 36(1) of the *Ontario Energy  
Board Act*, 1998, for an order or orders amending or  
varying its approved C1 rate schedule to accommodate a  
firm transportation service from Dawn to the Dawn-Vector  
interconnect;

**BEFORE:** Paul Vlahos  
Presiding Member

Ken Quesnelle  
Member

## **DECISION AND ORDER**

### **The Application**

Greenfield Energy Centre, LP (GEC) is currently constructing a 1005 MW natural gas fired electric generating station near Courtright, Ontario. In 2005, GEC was awarded a power contract from the Ontario Power Authority as a result of GEC's bid submission in the Ontario government's Request for Proposal for Clean Energy Supply. Since then, GEC has constructed a pipeline facility that ties directly into the Vector pipeline facility and Union Gas Limited ("Union") currently provides interruptible transportation between Dawn and Dawn-Vector interconnect.

Union's current approved C1 rate schedule does not provide for a firm transportation service between Dawn and the Dawn-Vector interconnect. GEC has requested from Union a firm service to transport gas supplies purchased at Dawn to its facilities, which

are connected to the Vector pipeline. Union has therefore proposed by application dated April 26, 2007 to modify the C1 rate schedule to include a firm transportation service from Dawn to the Dawn-Vector interconnect, effective January 1, 2008.

The specifics of Union's rate proposal are as follows:

- A firm transportation monthly demand charge of \$0.042/GJ applied to daily contract demand
- Customer Supplied Fuel & UFG (April 1 to October 31) charge of 0.2055%
- Customer Supplied Fuel & UFG (November 1 to March 31) charge not applicable

Union stated that this rate will be available to all potential customers that may require the service.

Union and GEC have executed a 10 year firm transportation contract from Dawn to Dawn-Vector for 92,845 GJ/d. This contract will generate approximately \$50,000 annually in revenue for Union.

Union's application has been given Board File No. EB-2007-0613.

On May 11, 2007, the Board issued a Notice of Written Hearing and Procedural Order No. 1 setting out the case time-table. In response, only the Industrial Gas Users Association ("IGUA") filed interrogatories and submissions. IGUA's interest was that all of the costs attributable to this contract, including return, will be recovered from GEC and that other customers will not be negatively impacted. Union responded that its proposal will have no material adverse operational or rate impacts on any other rate classes.

### **Board Findings**

The Board finds Union's proposal reasonable. The Board accepts Union's proposal for a firm transportation service from Dawn to the Dawn-Vector interconnect. The Board also accepts Union's proposed rate design and rates.

IGUA requested that it be awarded costs. IGUA was granted intervenor status and was eligible for cost awards. IGUA shall submit its cost claim by **July 6, 2007**. A copy of the cost claim must be filed with the Board and one copy is to be served on Union. The cost claims must be done in accordance with the Board's Practice Direction on Cost Awards.

Union will have until **July 13, 2007** to object to any aspect of the costs claimed. A copy of the objection must be filed with the Board and one copy must be served on IGUA.

IGUA will have until **July 20, 2007** to make a reply submission if Union objects to any aspect of its cost claim. Again, a copy of the submission must be filed with the Board and one copy is to be served on Union.

**THE BOARD THEREFORE ORDERS THAT:**

1. The changes proposed to the C1 rate schedule, found at Appendix B of Union's pre-filed evidence are approved effective January 1, 2008.

**DATED** at Toronto June 28, 2007.

**ONTARIO ENERGY BOARD**



Peter H. O'Dell  
Assistant Board Secretary