

August 30, 2023

**VIA RESS**

Ms. Nancy Marconi  
Registrar  
**ONTARIO ENERGY BOARD**  
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Dear Ms. Marconi:

**Re: EB-2022-0157 – Enbridge Gas Inc. (EGI) Panhandle Regional Expansion Project.**  
**IGUA Submission on Oral Hearing Issues and Format.**

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We write as counsel for IGUA and further to the OEB's August 25<sup>th</sup> letter herein.

**Issues for Oral Hearing**

In respect of issues proposed by the Board to be addressed in an oral hearing of this matter, IGUA's focus will be on the issue of *"cost and economics, including the applicability of EBO 134 and EBO 188"*. We endorse the Commission's proposal that this topic be included for examination through an oral hearing. In so doing we note the Commission's direction in Procedural Order No. 4 herein, as noted again in Procedural Order No. 6, that the topic of the applicability of EBO 134 and EBO 188 in this proceeding includes *"the extent to which contributions in aid of construction should be required"*.<sup>1</sup>

In our letter dated December 8, 2022 we outlined IGUA's then current position on EGI's application. That position was premised on our understanding, based on the record as it then stood, that the currently proposed Panhandle expansion is being proposed to enable the provision of gas delivery service to specifically identified, and as we understand it largely committed, contract customers, within a specifically identified "Area of Benefit" (as that term is used in connection with the Hourly Allocation Factor, or HAF, methodology for allocation of project costs approved by the OEB in its November 5, 2020 EB-2020-0094 *Decision and Order*). It remains IGUA's position, based on the record as it currently stands, that in light of these circumstances the identified and committed contract customers driving the project should be required to provide CIACs to bring the project PI to 1.0 and thus preclude undue cross-subsidies from other customers.

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<sup>1</sup> Procedural Order No. 4, page 3, paragraph 2 and Procedural Order No. 6, page 2, paragraph 2.

We understand from the Commission's previous direction that the issue of the appropriateness of contributions in aid of construction for the proposed project is captured in the topic of "*cost and economics, including the applicability of EBO 134 and EBO 188*" as proposed in the Commission's August 25<sup>th</sup> letter for oral hearing. We intend to explore the previously approved "Hourly Allocation Factor" framework for applicability in the circumstances of the expansion proposed in this application.

### **Oral Hearing Format**

We request that the OEB convene an in-person oral hearing in this matter, with provision for remote attendance by those who so desire (as has been very successfully implemented in the recent Enbridge Gas Distribution rebasing matter; EB-2022-0200). As representative of large volume industrial customers who under current cost allocation practices would, but for CIAC's, be subsidizing the customers for whom the current Panhandle expansion is proposed, IGUA requests the opportunity to examine EGI's witnesses on this topic in person.

An in-person hearing remains the format most conducive to exchanges between witnesses, counsel and the Hearing Panel. We believe that in-person examinations best allow for nuances of position to be thoroughly explored and tested, and that an in-person format would best inform the Hearing Panel in support of its deliberations in this matter, in particular where positions of the parties on "*cost and economics, including the applicability of EBO 134 and EBO 188*" and "*the extent to which contributions in aid of construction should be required*" are likely to diverge.

Yours truly,



Ian A. Mondrow

c: S. Rahbar (IGUA)  
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Intervenors of Record