
From: Ontario Energy Board <webmaster@oeb.ca>
Sent: Wednesday, January 10, 2024 2:23 PM
To: Office of the Registrar <Registrar@oeb.ca>
Cc: Jay Shepherd <jay@shepherdrubenstein.com>
Subject: Intervention Form: EB-2022-0200 - Heating Refrigeration and Air Conditioning Institute of Canada (HRAI)

Intervention Form

Case Number:

EB-2022-0200

Intervenor Name:

Heating Refrigeration and Air Conditioning Institute of Canada (HRAI)

Mandate and Objectives:

HRAI is the national industry association for the HVAC industry, comprising three divisions: Manufacturers, Wholesales, and Contractors. In the context of this intervention, it is the successor to the HVAC Coalition, which has been an intervenor in a number of past OEB proceedings.

Further details are found in our cover letter to the Registrar.

Membership of the Intervenor and Constituency

Represented:

HRAI membership is comprised of most of the major manufacturers, wholesalers, and contractors providing HVAC services in Ontario and across Canada.

Programs or Activities Carried Out by the Intervenor:

The intervenor has four main areas of activity:

1. Education and Training. HRAI provides many courses and training activities to the HVAC industry, and develops manuals and other reference materials that are widely used across Canada. This aspect of its work also includes research and public information activities.
2. Government Relations. HRAI engages with governments at all levels to provide expert information on issues related to government policies and programs.
3. Consumer Information. HRAI developed and operates the Contractor Locator app which allows consumers to identify contractors in their area with the expertise needed for their particular purpose.
4. Regulatory Interventions. In the energy area, HRAI has, originally through HVAC Coalition across Canada, and now directly, intervened in regulatory proceedings where issues arise in which HRAI can assist the regulator.

Further details are provided in our cover letter.

Governance Structure:

HRAI has a separate Board of Directors for its Contractors Division, which in turn has created a Utility Action Committee of large and small contractors and others to oversee interventions such as this one. The UAC meets at least monthly, and sometimes more often. It is chaired by the owner of a substantial contractor in Ontario who has direct knowledge of the issues. Counsel reports to the President and Vice-President of HRAI under the oversight of the UAC.

Representatives:

Jay Shepherd
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Other Contacts:

Martin Luymes
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Frequent Intervenor Form:

OEB Proceedings:

HVAC Coalition has participated in more than a dozen OEB proceedings in the last 25 years.

It has not been denied intervenor status in the last 24 months, except for EB-2021-0110. In that proceeding it was denied intervenor status because a) it requested intervenor status when the proceeding was at the ADR stage, i.e. too late, and b) the sole issue HVAC raised was outside the scope of the proceeding, as it did not impact rates. Neither factor is true in the current situation.

Issues:

This is a request for late intervention, limited to Phases 2 and 3 of the Enbridge Rebasing proceeding. A detailed letter setting out HRAI's substantial interest in the proceeding has been sent to the Registrar today.

The focus of the intervention relates to a new initiative of the Applicant, Enbridge Sustain, which was not disclosed to the Commissioners during Phase 1 of this proceeding. Enbridge Sustain is an unregulated and competitive activity being carried out by the Applicant within the regulated utility, and using personnel who also work in regulated utility operations. While likely having an immaterial impact in 2024, Enbridge Sustain is expected to have a substantial impact in operations in 2025-2028, and thus impacts the issues in Phases 2 and 3 of this proceeding.

Those issues include:

- Design and implementation of the IRM formula and adjustments
- Design and implementation of the ESM
- Cost allocation during those years between regulated and unregulated operations, and between rate classes
- The capital plan for those years, implementation of the \$250 million reduction, and the impact on rate trajectory
- The Energy Transition Technology Fund, and related issues relevant to the Energy Transition
- The implementation of the change in the revenue horizon

A detailed summary of the intervenor's concerns, and the issues impacted, is set out in our cover letter.

Policy Interests:

HRAI's concerns are related to both policy issues and rate impacts. Please see response to Question 3.

Hearings:

HRAI anticipates that Phases 2 and 3 will at some point require an oral hearing or hearings to test evidence provided by the Applicant and others, but will rely on others to make submissions on the need, if any, for an oral hearing.

Evidence:

HRAI is not yet in a position to determine whether it can provide evidence that assists the Commissioners, but is considering evidence in at least one area.

HRAI's members have direct expert knowledge with respect to the revenue horizon implementation, because HRAI members install almost all of the heating equipment in new buildings in Ontario. They also have specific knowledge of the Energy Transition in buildings, since as an industry they are themselves transitioning to heat pumps and other non-fossil options. It is not clear whether the Commissioners will need the assistance of an industry panel. HRAI will assess this need as the proceeding unfolds, and of course be guided by the statements and orders by the Commissioners in this regard.

Coordination with Other Intervenors:

HRAI and its predecessor, HVAC Coalition, have long had close connections with ratepayer and environmental groups already intervening in this proceeding, and have worked well with them in the past. HRAI understands that, since its primary issues of concern in this proceeding relate to the ratepayers impacted, those other intervenors will be important to the HRAI intervention. HRAI has already contacted the key intervenors to discuss the issues of concern.

Cost Awards:

HRAI is intervening for the first time, but its predecessor HVAC Coalition has intervened on numerous occasions in the past. In almost every case, the OEB has ordered reimbursement of reasonably incurred costs, on the basis that HVAC Coalition's interventions have focused on assistance to the Commissioners on issues of importance, i.e. that the intervenor "primarily represents an interest or policy perspective relevant to the Board's mandate and to the proceeding for which cost award eligibility is sought". The same would be true in this proceeding as it relates to HRAI.

Language Preference:

English only.