

June 20, 2025

VIA RESS AND EMAIL

Ritchie Murray
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ritchie Murray:

**Re: Enbridge Gas Inc. (Enbridge Gas, or the Company)
EB-2024-0111 - 2024 Rebasing and IRM – Phase 2
Enbridge Gas Submissions on Cost Claims**

Phase 2 of the Company's 2024 Rebasing and Incentive Rate Mechanism (IRM) Application (EB-2024-0111) was completed with a May 29, 2025, Decision and Order. In its Decision and Order for EB-2024-0111 the OEB directed Enbridge Gas to file and forward to intervenors any objections to cost claims by June 20, 2025.

The following parties filed cost claims for Phase 2 of the proceeding: the Association of Power Producers of Ontario (APPrO); Building Owners and Managers Association (BOMA); Canadian Biogas Association (CBA); Consumers Council of Canada (CCC); Canadian Manufacturers & Exporters (CME); Energy Probe Research Foundation (Energy Probe); Environmental Defence (ED); Federation of Rental-housing Providers of Ontario (FRPO); Green Energy Coalition (GEC); Ginoogaming First Nation (GFN); Heating, Refrigeration and Air Conditioning Institute (HRAI); Industrial Gas Users Association (IGUA); London Property Management Association (LPMA); Minogi Corp. (Minogi); Ontario Greenhouse Vegetable Growers (OGVG); Pollution Probe (PP); Quinte Manufacturers Association (QMA); School Energy Coalition (SEC); Three Fires Group Inc. (Three Fires) and Vulnerable Energy Consumers Coalition (VECC).

On June 17, 2025, IGUA informed the OEB that it would be re-filing its cost claim by June 23rd. These are the submissions of Enbridge Gas on all Phase 2 cost claims save for the cost claim to be filed by IGUA on June 23rd. Enbridge Gas will file any submissions it may have on the re-filed IGUA cost claim by June 26th.

Overview

The total of the cost claims filed is approximately \$1.3 million as shown in Table 1. This total includes approximately \$0.15 million related to expert evidence filed on the Energy Transition Technology Fund, Lower Carbon energy Program, System Pruning and IRP, energy cost comparisons and the incentive rate setting mechanism. Table 1 sets out cost claims (excluding IGUA) sorted from highest to lowest by total costs claimed (that is by the column entitled "Cost Claim Including Expert Evidence").

Table 1

Intervenor	Cost Claim Including Expert Evidence	Cost Claim Excluding Expert Evidence	Hours	Hours Excluding Expert Consultant Hours
GFN	\$5,097	\$5,097	16	16
QMA	\$18,702	\$18,702	83	83
CBA	\$32,048	\$32,048	79	79
OGVG	\$35,415	\$35,415	87	87
Three Fires	\$42,547	\$42,547	130	130
APPRO	\$46,709	\$46,709	143	143
CME	\$47,229	\$47,229	165	165
Minogi	\$53,526	\$53,526	175	175
BOMA	\$63,893	\$63,893	158	158
LPMA	\$66,733	\$66,733	165	165
Energy Probe	\$76,181	\$76,181	203	203
Pollution Probe	\$82,554	\$82,554	204	204
VECC	\$84,144	\$84,144	226	226
SEC	\$88,679	\$88,679	259	259
GEC	\$95,224	\$4,556	302	27
HRAI	\$97,929	\$97,929	241	241
CCC	\$102,919	\$102,919	290	290
FRPO	\$123,640	\$123,640	303	303
Environmental Defence	\$151,719	\$92,937	466	272
Average	\$69,204	\$61,339	194	170
Total	\$1,314,885	\$1,165,436	3691	3222

Submissions

Enbridge Gas recognizes there were a variety of complex issues in Phase 2, however, the Company has concerns about the quantum of costs claimed. In Procedural Order (P.O.) No. 1 for Phase 1 of this proceeding the OEB indicated that it would “be carefully monitoring intervenor participation for unnecessary duplication and overlap in the production of any evidence, the conduct of discovery and the filing of argument in this proceeding.” Enbridge Gas awaits the OEB’s consideration of how the intervenors have complied with that direction.

There is a significant range in the total cost claims and the hours claimed by intervenors. Enbridge Gas asks that the OEB review the number of hours intervenors have claimed for each process step in comparison to the role they played in the process. Among other things, the OEB should carefully consider cost claims that are substantially higher than the average.

It is also important that the OEB’s review consider the value provided for the costs claimed, taking into account how certain intervenors took the lead on specific areas. As an example, SEC participated in all aspects of the proceeding, taking a leadership role during settlement negotiations. On the other hand, some intervenors took a limited role

that is not reflected in their cost claims. One example is HRAI, whose participation in the case was limited to a single issue but whose cost claim is one of the highest.

Enbridge Gas has specific concerns with several of the intervenor cost claims.

HRAI has the third highest cost claim despite participating in only one issue. The number of hours claimed by HRAI (241) is substantially higher than the average (170). In considering HRAI's cost claim, it should be noted that the issue pursued by HRAI (related to Enbridge Sustain) was completely settled, meaning that unlike all other intervenors HRAI had no role to play in the oral hearing (no preparation, attendance or argument). The total number of hours spent by HRAI (which focused on only one issue) up to the date that the Settlement Proposal was presented appears to be higher than every other party except for FRPO. Enbridge Gas submits that HRAI's cost claim should be reduced.

BOMA took a minor role in the proceeding. BOMA asked only 6 interrogatories, took a minimal role at the Technical Conference and Oral Hearing and subsequently filed very short (5 page) argument that only addressed one of three unsettled issues and that focused almost entirely on an item not at issue in this case (Advanced Metering Infrastructure). BOMA claimed 158 hours for its participation. This is excessive.

In their intervention requests, Minogi and Three Fires indicated that they would work collaboratively and would consider combining their intervention for this proceeding.¹ In P.O. No. 2 the OEB commended Minogi and Three Fires for exploring how to coordinate their participation and encouraged both intervenors to avoid duplication wherever possible. While the participation of Minogi and Three Fires during the proceeding appeared to be coordinated and combined, this is not reflected in the cost claims. Minogi and Three Fires filed combined interrogatories, asked combined questions at the Technical Conference and Oral Hearing, and filed a combined written argument. Notwithstanding this combined approach, Minogi and Three Fires filed separate cost claims. It is not clear how the separation of costs per intervenor was determined. Enbridge Gas submits that it is appropriate to review and evaluate these cost claims on a combined basis. Taken together, the combined hours for these intervenors (305) are higher than for any other party and well in excess of the average (170). For some stages of the proceeding, the hours claimed by these parties are surprisingly high. At the ADR stage, these parties claim 71.7 hours for attendance. Every other intervenor claims less than 60 hours. For the written argument stage, these parties claim 60.1 hours. Other than Environmental Defence (who filed two arguments), all other parties (even those who commented on a broader range of issues than Minogi and Three Fires) claimed substantially fewer hours – generally in the range of 25 hours or less.

FRPO had the highest number of claimed hours (302). While Enbridge Gas acknowledges that FRPO took a leading role in the discovery of gas-supply related issues, the Company questions whether that role was reasonably limited to what was truly necessary. The 153 hours spent by FRPO on the discovery phase of the case (application review, interrogatories and technical conference) was substantially higher

¹ <https://www.rds.oeb.ca/CMWebDrawer/Record/854063/File/document>

than any other party. It's not clear why FRPO requires so much more time than others (though it is clear that this leads to a lot of further work by Enbridge Gas).

Environmental Defence had among the highest number of hours of any intervenor in this proceeding (272 versus the average of 170). Environmental Defence advanced an issue (revenue decoupling from customer numbers) that was not successful. From the outset of the issue being raised, Enbridge Gas raised concern that there was no proper expert or evidentiary record that would support approval of the proposal. As stated by Enbridge Gas in its Argument in Chief (para. 98):

ED's Proposal includes only the barest amount of detail. We still have nothing more than "a concept of a plan". Enbridge Gas raised this concern at the time of ED's Motion in November 2024. Even in its final argument, ED still has no definite proposal. ED's Proposal is only tangentially based on the evidence filed. ED presented an expert, CEG, but makes almost no mention of CEG's evidence and recommendations.

Nevertheless, Environmental Defence persisted with advancing its revenue decoupling proposal. This took a huge amount of time and effort, including motions, additional discovery, oral hearing and written argument. Ultimately, the OEB found that the revenue decoupling proposal was premature, and that it is up to an intervenor, not the applicant, to show how an alternative proposal will operate. Implicit in this is that Environmental Defence failed to establish its proposal.

The revenue decoupling issue was not necessary. Almost no party supported Environmental Defence. The expert evidence from Current Energy Group (sponsored by GEC) was not helpful and was not even relied upon by Environmental Defence in any meaningful way. It is Enbridge Gas's view that the expert evidence submitted led to a significant amount of additional effort, time and expenditure for a large portion of the record that was ultimately not helpful to the OEB and parties to the proceeding, including Enbridge Gas. In fact, most other parties to the proceeding submitted that the expert's recommendations were not practical or even implementable. The OEB did not even mention the expert evidence in its Findings on the revenue decoupling issue.

Enbridge Gas submits the OEB should reduce the cost claims of Environmental Defence (in relation to its counsel costs) and GEC (in relation to the expert costs for Current Energy Group).

Enbridge Gas is mindful that Phase 3 of the rebasing proceeding is just beginning. Enbridge Gas submits that it is important to set expectations for the responsible intervention of parties for the remainder of this proceeding through a fair review of the more than \$1.3 million in cost claims for Phase 2.

Should you have any questions, please let us know.

Sincerely,



Joel Denomy
Technical Manager, Strategic Applications – Rate Rebasing