

# DECISION AND ORDER ON COST AWARDS

### EB-2022-0335

## ENBRIDGE GAS INC.

Integrated Resource Planning Pilot Project

BEFORE: Anthony Zlahtic Presiding Commissioner

> Patrick Moran Commissioner

May 29, 2025

#### OVERVIEW

This is a decision of the Ontario Energy Board on cost claims filed with respect to an Enbridge Gas Inc. proceeding, regarding an Integrated Resource Planning (IRP) pilot project.

The OEB granted the following parties intervenor status and cost award eligibility:

- Association of Power Producers of Ontario (APPrO)
- Building Owners and Managers Association (BOMA)
- Consumers Council of Canada (CCC)
- Environmental Defence
- Federation of Rental-housing Providers of Ontario (FRPO)
- Independent Electricity System Operator
- Ontario Greenhouse Vegetable Growers (OGVG)
- Pollution Probe
- School Energy Coalition (SEC)
- Vulnerable Energy Consumers Coalition (VECC)

On March 27, 2025, the OEB issued its Decision and Order in which it set out the process for intervenors to file their cost claims, for Enbridge Gas to raise any objections to the claims, and for intervenors to respond to any objections raised by Enbridge Gas.

The OEB received cost claims from APPrO, BOMA, Environmental Defence, FRPO, OGVG, Pollution Probe, SEC, and VECC by the due date of April 10, 2025. CCC filed its cost claim with the OEB on April 14, 2025. The OEB accepts CCC's cost claim for consideration notwithstanding the late filing.

#### **Cost Claim Objections**

On April 24, 2025, Enbridge Gas filed a letter stating that it had concerns with the cost claims filed by FRPO and Pollution Probe.

In its objection, Enbridge Gas stated that both Pollution Probe's and FRPO's cost claims were approximately double the average of the cost claims of the other intervenors and in particular, pointed to the amount of time that these two intervenors spent for the discovery aspect of this proceeding. Enbridge Gas argued that neither FRPO nor Pollution Probe provided any explanation as to the reasons for their high cost claims despite the requirement under Rule 10.02 of the OEB's Practice Direction on Cost Awards (Practice Direction) that "[c]ost claims pertaining to a process must be accompanied by a letter addressing the reasons why costs should be awarded...".

Neither FRPO nor Pollution Probe referenced the voluminous discovery in their arguments, and the OEB did not rely upon the submissions from FRPO or Pollution Probe in any significant fashion in its Decision and Order. Enbridge Gas's view is that neither cost claim was proportional to the probative value of that intervenor's contributions to this proceeding and both cost claims should be reduced to \$6,681.77 each.

Enbridge Gas also stated that Pollution Probe's high cost claim appears to be part of a pattern of high cost claims from that intervenor, which the OEB has previously found to be "excessive".

#### **Responses to Cost Claim Objections**

Both parties whose cost claims were questioned by Enbridge Gas filed responses to address Enbridge Gas's comments.

In its reply to Enbridge Gas's objection, Pollution Probe noted that it has been one of the most active participants on IRP matters and in this proceeding which included a large number of relevant issues and the level of factual consideration required to assess those issues. Pollution Probe claimed that the multiple delays and changes to the application increased the time required to review and assess the new application and/or updates. Pollution Probe advised that it provided details to support its cost claim. Pollution Probe claimed that Enbridge Gas's suggestion to reduce its cost claim was based on creative mathematical approaches and that there is no rational or factual basis to implement Enbridge Gas's recommendation. Pollution Probe asserted that it went above and beyond in this proceeding to enable efficient coordination and benefits. Pollution Probe submitted that it acted responsibly, its cost claim was reasonable, and that its cost claim should be approved as filed.

In its reply to Enbridge Gas's objection, FRPO noted that its participation was both judicious and technically valuable. Drawing on FRPO's deep expertise in natural gas systems, FRPO focused its efforts on obtaining critical baseline data necessary to evaluate the initial system constraint and the efficacy of alternative approaches to meet the needs of existing and forecasted natural gas customers. Despite Enbridge Gas's resistance, FRPO persisted through formal and informal channels to secure this data, where the analysis yielded important understandings, even without pilot status, and its submission supported the pilot while identifying further required learnings. FRPO noted that its involvement was efficient, collaborative, and met OEB's expectations, as it avoided duplicating efforts and supported other intervenors' submissions. FRPO emphasized that its time investment was essential to ensuring the integrity and success

of the IRP process, particularly in the absence of the Parry Sound pilot. FRPO also noted that Enbridge Gas was fully aware of its contributions and that dismissing them as lacking value is both inaccurate and unfair. Overall, FRPO maintained that its efforts directly supported the OEB's goals for effective energy transition and prudent regulatory oversight and that its cost claim should be approved as filed.

#### Findings

The OEB has reviewed the claims filed to ensure that they are compliant with the Practice Direction.

The OEB finds that the cost claims of BOMA, CCC, Environmental Defence, OGVG, SEC and VECC are reasonable and approved as filed. The OEB finds that the cost claims of APPrO, Pollution Probe and FRPO are not reasonable based on the "Considerations in Awarding Costs" and "Cost Claims"<sup>1</sup> set out in the Practice Direction. In so doing, the OEB scrutinized the hours claimed by cost category as discussed below.

The OEB notes that cost claims totaling \$74,556 for the 9 intervenors that participated is high in relation to an IRP pilot project with a budget totaling \$14.2 million. The OEB recognizes that a significant portion of the hours claimed can be attributed to the delays in Enbridge Gas finalizing an IRP pilot project proposal for the OEB's consideration, some but not all of which were outside its control. The significant changes that Enbridge Gas made to its application over time added complexity to the process.

#### APPrO

The OEB finds that APPrO's cost claim of \$6,421.79 has not been justified and is reduced to \$3,000. APPrO claimed 26.9 hours relative to an average of 18.24 claimed hours by intervenors (excluding APPrO, FRPO and Pollution Probe) with an average cost claim of \$6,648. APPrO claimed 2.6 hours for intervenor evidence (for which there was none) 13.8 hours for written argument relative to an average of 3.57 hours for all other intervenors (excluding FRPO and Pollution Probe) and 6.9 hours for other attendance which the OEB assumes should have been allocated to technical conference preparation, attendance and follow-up. APPrO's submission was focused on two narrow issues, allocation of costs and the focus of the IRP pilot on general service customers which does not warrant 13.8 hours for written submissions and 2.6

<sup>&</sup>lt;sup>1</sup> See sections 5, and 10.02, Considerations in Awarding Costs and Cost Claims of the Practice Direction on Cost Awards, April 1, 2023.

hours for intervenor evidence for which there was none. The OEB is of the view that a cost award of \$3,000 is appropriate and reasonable under the circumstances.

Table 1: APPrO Hours and Cost: 0	Claimed and Awarded
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	Hours Claimed	Cost Claimed	Cost Awarded
APPrO	26.9	\$6,421.79	\$3,000

#### **Pollution Probe**

The OEB finds that Pollution Probe's hours claimed for discovery and written submissions to be excessive. Pollution Probe's cost claim is reduced from \$15,568.58 to \$9,000. Pollution Probe claimed a total of 41.75 hours relative to the average (excluding APPrO, FRPO and Pollution Probe) of 18.24 claimed hours and cost award of \$6,647.87 for other intervenors. Notably, Pollution Probe's claim for 33.25 hours for discovery and 8.5 hours for written submissions is significantly higher than the average claimed by other intervenors (excluding APPrO, FRPO and Pollution Probe),15.7 hours and 3.57 hours, respectively. The OEB acknowledges the co-ordination role Pollution Probe played amongst intervenors in discovery, however it finds that the 33.25 hours claimed for discovery remains excessive. The OEB also finds that Pollution Probe's claimed 8.5 hours for its written submission was excessive, and an award of \$9,000 is more commensurate with the value of Pollution Probe's participation.

#### Table 2: Pollution Probe Hours and Cost: Claimed and Awarded

	Hours Claimed	Cost Claimed	Cost Awarded
<b>Pollution Probe</b>	41.75	\$15,568.58	\$9,000

#### FRPO

The OEB finds that FRPO's hours claimed for discovery and written submissions to be excessive. FRPO's cost claim is reduced from \$12,678.60 to \$9,000. FRPO's 29 claimed hours for discovery are excessive, particularly in light of the average claimed by other intervenors (excluding APPrO, Pollution Probe and FRPO) as noted above. FRPO's 5 claimed hours for its written submission is excessive, given that in part, it relied on SEC's written submission. An award of \$9,000 is more commensurate with the value of FRPO's participation.

#### Table 3: FRPO Hours and Cost: Claimed and Awarded

	Hours Claimed	Cost Claimed	Cost Awarded
FRPO	34.0	\$12,678.60	\$9,000

The OEB finds that, subject to the disallowances set out above, the cost claims are reasonable and shall be reimbursed by Enbridge Gas.

#### THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Pursuant to section 30 of the *Ontario Energy Board Act, 1998*, Enbridge Gas shall immediately pay the following amounts to the intervenors for their costs:

•	Association of Power Producers of Ontario	\$3,000.00
•	Building Owners and Managers Association	\$7,737.69
•	Consumers Council of Canada	\$9,322.50
•	Environmental Defence	\$2,967.38
•	Federation of Rental-housing Providers of Ontario	\$9,000.00
•	Ontario Greenhouse Vegetable Growers	\$3.990.03
•	Pollution Probe	\$9,000.00
•	School Energy Coalition	\$10,553.07
•	Vulnerable Energy Consumers Coalition	\$5,316.53

DATED at Toronto May 29, 2025

#### ONTARIO ENERGY BOARD

Ritchie Murray Acting Registrar