

Ontario | Commission Energy | de l'énergie Board | de l'Ontario

## DECISION AND ORDER ON COST AWARDS

## EB-2024-0078

## **ENBRIDGE GAS INC.**

# MOTION TO REVIEW AND VARY THE DECEMBER 21, 2023, DECISION AND ORDER IN EB-2022-0200

BEFORE: Anthony Zlahtic Presiding Commissioner

> Robert Dodds Commissioner

Michael Janigan Commissioner

June 16, 2025

### OVERVIEW

Enbridge Gas Inc. (Enbridge Gas) requested the Ontario Energy Board (OEB) to review and vary two aspects of the December 21, 2023, Decision and Order in Enbridge Gas's 2024 Phase 1 cost of service application (EB-2022-0200):

- 1. The lengthening of the Average Useful Life of seven asset classes for depreciation purposes (the Asset Lives Issue); and
- 2. The denial of the inclusion of undepreciated capital costs for integration capital in 2024 rate base (the Integration Capital Issue)

In the Notice of Hearing and Procedural Order No. 1 issued on June 21, 2024, the OEB accepted all intervenors of the Phase 1 cost of service application as intervenors in this proceeding and deemed all cost-eligible intervenors of that proceeding to be eligible for costs in the motion to review proceeding.

The OEB first invited written submissions on the threshold question of whether to hear the motion on the merits. In a Decision and Procedural Order No. 2 issued on October 8, 2024, the OEB determined that the motion met the threshold on the Integration Capital Issue but not on the Asset Lives Issue. The OEB proceeded to hear the Integration Capital Issue on its merits.

In a Decision and Order issued on April 15, 2025, the OEB denied the motion and scheduled a process for filing cost claims.

The OEB received cost claims from:

- Canadian Manufacturers & Exporters (CME)
- Industrial Gas Users Association (IGUA)
- Ontario Greenhouse Vegetable Growers (OGVG)
- Pollution Probe
- School Energy Coalition (SEC)
- Three Fires Group (TFG)
- Vulnerable Energy Consumers Coalition (VECC)

#### Costs Claimed by TFG

On April 30, 2025, Enbridge Gas filed a submission on the intervenor cost claims. Enbridge Gas observed a significant variation in the number of hours claimed by intervenors, ranging from as few as 9 hours to over 40 hours. Enbridge Gas highlighted that TFG, despite submitting the third highest cost claim at \$9,776.76 for 34.4 hours of work, only made submissions on one of the two issues at the threshold stage and did not make a submission at all on the merits. Enbridge Gas "encourage[d] the OEB to take this into account as it determines cost awards for this proceeding".

On May 6, 2025, TFG responded to Enbridge Gas's concerns about its cost claim by emphasizing that its participation in the proceeding was intentionally limited to a single, critical issue – the threshold question concerning the Asset Lives Issue – on behalf of the Chippewas of Kettle and Stony Point First Nation (CKSPFN). TFG noted that it coordinated with Ginoogaming First Nation to avoid duplication. TFG maintained that its cost claim was reasonable, aligned with the OEB's Practice Direction on Cost Awards, and was within the average range of other intervenors.

#### Findings

The OEB has reviewed the claims filed to ensure that they are compliant with its <u>Practice Direction on Cost Awards</u>.

The OEB finds that the cost claims of CME, IGUA, OGVG, Pollution Probe, SEC and VECC are reasonable and are approved as filed. The OEB finds that the cost claim of TFG is not reasonable based on the "Considerations in Awarding Costs" outlined in section 5 of the Practice Direction and has therefore reduced its cost award by 25%. In arriving at its findings, the OEB examined the hours claimed by cost categories as discussed below.

The OEB's reduction of TFG's cost claim is based on the reasonableness of the hours and dollar amounts claimed in support of its submission on whether the motion to review the Asset Lives Issue met the threshold question.

TFG claimed a total of 34.4 hours including 12.8 hours for reviewing evidence and procedural orders and 18.7 hours for preparing its submission on the threshold question. Having fully participated in the Phase 1 hearing, TFG should not have required 12.8 hours to review the evidence and procedural orders. Furthermore, TFG indicated in its cost claim that it "engaged with other intervenors and Board Staff to avoid overlap, maximize efficiency, and ensure that its participation was not unduly repetitive and was focused on relevant and material issues,"<sup>1</sup> which should have resulted in fewer hours to prepare its submission.

<sup>&</sup>lt;sup>1</sup> TFG cost claim covering letter, April 23, 2025.

OGVG and IGUA, whose participation was similarly limited to the threshold question on the Asset Lives Issue, claimed a total of 8.5 and 21.9 hours, respectively. While the OEB acknowledges that TFG's submission was helpful in rendering its decision on the threshold question, it was no more helpful than the submissions of OGVG, IGUA, or the other parties who fully participated in making submissions on both threshold question issues and the merits of the Integration Capital Issue.

Of the seven intervenors, TFG's claimed cost of \$9,776.76 was exceeded by only two other parties, and both of them fully participated in both the threshold and merit phases of the proceeding.

Based on the foregoing, the OEB has reduced TFG's cost claim by 25%, resulting in an approved amount of \$7,332.57.

#### THE ONTARIO ENERGY BOARD ORDERS THAT:

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

•	Canadian Manufacturers & Exporters	\$10,318.03
•	Industrial Gas Users Association	\$ 8,502.12
•	Ontario Greenhouse Vegetable Growers	\$ 3,356.10
•	Pollution Probe	\$ 3,449.33
•	School Energy Coalition	\$13,769.05
•	Three Fires Group	\$ 7,332.57
•	Vulnerable Energy Consumers Coalition	\$ 4,201.77

#### DATED at Toronto June 16, 2025

#### **ONTARIO ENERGY BOARD**

Ritchie Murray Acting Registrar