



Ontario
Energy
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DECISION AND ORDER ON COST AWARDS

EB-2024-0111

ENBRIDGE GAS INC.

Enbridge Gas Inc. Application for 2024 Rates – Phase 2

BEFORE: **Patrick Moran**
 Presiding Commissioner

Allison Duff
Commissioner

David Sword
Commissioner

July 29, 2025

OVERVIEW

This is a decision of the Ontario Energy Board on cost claims filed with respect to the second phase of a cost of service rate application filed by Enbridge Gas Inc. (Enbridge Gas), for an order approving the rates for natural gas distribution, transportation and storage beginning January 1, 2024 and for an incentive rate-making mechanism for the years 2025 to 2028. The OEB determined the application will be reviewed in three phases.

On May 29, 2025, the OEB issued its Phase 2 Decision and Order setting out, among other matters, the cost award process for cost eligible intervenors.

The OEB received Phase 2 cost claims from the following parties:

- 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
- Federation of Rental-housing Providers of Ontario (FRPO)
- Ginoogaming First Nation
- Green Energy Coalition (GEC)
- Heating Refrigeration and Air Conditioning Institute of Canada (HRAI)
- Industrial Gas Users Association (IGUA)
- London Property Management Association (LPMA)
- Minogi Corp.
- Ontario Greenhouse Vegetable Growers (OGVG)
- Pollution Probe
- Quinte Manufacturers Association (QMA)
- School Energy Coalition (SEC)
- Three Fires Group Inc.
- Vulnerable Energy Consumers Coalition (VECC)

Cost Claim Objections

In its June 20, 2025 letter to the OEB, Enbridge Gas noted its concerns with the quantum of costs claimed during Phase 2, totalling approximately \$1.3 million including approximately \$150,000 in relation to expert evidence on the Energy Transition Technology Fund, Lower Carbon Energy Program, System Pruning and Integrated

Resource Planning, energy cost comparisons and the incentive rate setting mechanism. Enbridge Gas noted that a significant range exists in the total costs and hours claimed by intervenors. Enbridge Gas also had specific concerns related to the cost claims of BOMA, Environmental Defence, FRPO, GEC, HRAI, Minogi and Three Fires Group.

Enbridge Gas submitted that BOMA's 158 hours of claimed time is excessive. Enbridge Gas noted that BOMA's participation during the proceeding was minor, having filed six interrogatories and a 5-page submission that addressed only one of the three unsettled issues and focused mainly on Advanced Metering Infrastructure, which was out of scope.

Enbridge Gas noted that the 272 hours for Environmental Defence is among the highest of any intervenor (the average was 170 hours). Enbridge Gas argued that Environmental Defence advanced a proposal (revenue decoupling from customer numbers) that was not successful, even though Enbridge Gas had raised the concern at the outset that there was no proper expert or evidentiary record that would support approval of the proposal. Enbridge Gas further argued that 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.

Enbridge Gas noted that FRPO claimed a total of 302 hours, the highest amount of hours in the proceeding. Enbridge Gas acknowledged that FRPO took a leading role in the discovery of gas-supply related issues but questioned whether that role was reasonably limited to what was truly necessary.

Enbridge Gas pointed out that HRAI had the third highest cost claim despite participating in only one issue (Enbridge Sustain), which was completely settled.

Enbridge Gas noted that, in their intervention requests, Minogi and Three Fires indicated that they would work collaboratively and would consider combining their intervention for this proceeding. While Minogi and Three Fires Group appeared to have coordinated and combined their efforts in the proceeding, this is not reflected in their cost claims: the combined 305 hours are higher than for any other party.

Responses to Cost Claim Objections

BOMA denied that its participation was minor and argued that its relatively low claim reflects its effort to avoid duplication and to support regulatory efficiency.

In a joint reply submission, Environmental Defence and GEC noted that they coordinated their participation to avoid duplication or overlap. Without their participation,

there would have been little to no examination of how Enbridge Gas's incentives may or may not be aligned with customers in the context of the energy transition.

FRPO responded to Enbridge Gas's objection by reviewing its efforts to provide value in the proceeding, including its efforts to reduce the costs of storage for ratepayers.

HRAI stated that Enbridge Gas knew that HRAI's cost claim would be substantial, largely because Enbridge Gas' actions caused HRAI and its counsel to spend more time on this matter than should have been necessary. Ultimately HRAI's participation resulted in a fair settlement of the Enbridge Sustain issue.

Minogi and Three Fires Group both disagree with Enbridge Gas's assertion that their respective cost claims are unreasonably higher than other parties. Both parties maintain they have coordinated their participation and avoided duplication to achieve cost efficiencies. Minogi and Three Fires Group each represent distinct and unique First Nations with separate concerns and issues and they cannot be compared to other intervenors that have shared interests.

Findings

The OEB has reviewed the claims filed to ensure that they are compliant with the OEB's *Practice Direction on Cost Awards*.

The OEB has reviewed the cost claims and the submissions made regarding those claims. The starting point of the OEB's review is to recognize that all intervenors are responding to the same application and that some intervenors are focused on a narrow set of issues or a single issue while other intervenors have interests that are engaged by a broader set of issues. The OEB also recognizes that there is a range of experience amongst intervenor representatives. There is an expectation that the most experienced representatives should be the most efficient in the time they need to devote to the issues in the proceeding. The OEB also recognizes that intervenors play a key role in proceedings, ensuring that the OEB has access to a wide range of perspectives that will inform and add value to the decision-making process. Based on these principles, the OEB decides the cost claims as follows.

HRAI's participation was focussed on a single issue that was ultimately settled with Enbridge Gas. HRAI's participation did not include the preparation and presentation of evidence, nor did it require attendance at the oral hearing component of the proceeding. Notwithstanding that, the cost claim made by HRAI is one of the highest and is based on 241 hours of work, far in excess of what would be expected in relation to that single issue, given the experience and expertise of its representative. The OEB reduces HRAI's claim by \$30,000.

FRPO's representative is also very experienced and is also expected to be efficient in the amount of time needed to participate in the proceeding. The OEB recognizes that FRPO took the lead on a number of gas supply related issues and added value to the process. However, the number of hours claimed is excessive in relation to that value. The OEB reduces FRPO's claim by \$25,000.

CCC participated in the proceeding in relation to a broad set of issues and generally added value to the process. However, the number of hours claimed by CCC is higher than what might be expected, given the expertise and experience of its representative. The OEB reduces CCC's claim by \$10,000.

Pollution Probe participated in relation a relatively narrow set of issues. Given the experience of its representatives, the hours claimed in relation to discovery related activities is among the highest and is excessive in relation to those issues. The OEB reduces Pollution Probe's claim by \$10,000.

BOMA's participation was also in relation to a narrow set of issues and the number of hours claimed is excessive in relation to those issues. BOMA's pursuit of an automated metering infrastructure solution was well outside of the scope of the Phase 2 issues. The OEB reduces BOMA's claim by \$10,000.

Environmental Defence and GEC, on a combined basis, have the largest cost claim. They were separately represented, but this was done on a coordinated basis, with little or no duplication. The combined cost claim is large, given that the two intervenors called evidence on two of the unsettled issues as part of the oral hearing. The preparation and presentation of this evidence was done efficiently, using one lawyer. The number of counsel hours claimed is in the range of hours claimed by other intervenors, despite the fact that no other intervenor called evidence in the proceeding. The evidence provided additional perspectives that assisted the OEB in coming to its decision on those issues. The two intervenors were ultimately not successful on the revenue decoupling issue, but as the OEB has previously said:

The OEB benefits from hearing a variety of perspectives, which may not be possible "if parties are penalized for pursuing perspectives that do not ultimately win the day."¹

The OEB approves Environmental Defence and GEC's cost claims as filed.

All other claims are approved as filed.

¹ EB-2023-0313, Decision and Order on Cost Awards, March 5, 2024, p. 3

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:

• APPrO	\$46,708.80
• BOMA	\$53,893.06
• CBA	\$32,047.96
• CME	\$47,229.05
• CCC	\$92,918.74
• Energy Probe	\$76,181.07
• Environmental Defence	\$151,718.65
• FRPO	\$98,640.21
• Ginoogaming First Nation	\$5,096.87
• GEC	\$95,223.50
• HRAI	\$67,928.77
• IGUA	\$86,931.28
• LPMA	\$66,732.73
• Minogi Corp.	\$53,525.75
• OGVG	\$35,415.00
• Pollution Probe	\$72,553.86
• QMA	\$18,701.50
• SEC	\$88,679.04
• Three Fires Group	\$42,546.87
• VECC	\$84,144.13
2. Pursuant to section 30 of the *Ontario Energy Board Act, 1998*, Enbridge Gas shall pay the OEB's costs of and incidental to this proceeding immediately upon receipt of the OEB's invoice.

DATED at Toronto July 29, 2025

ONTARIO ENERGY BOARD

Ritchie Murray
Registrar