VIA RESS

June 18, 2026

Ontario Energy Board
Attn: R. Murray, OEB Registrar
P.O. Box 2319
27th Floor, 2300 Yonge Street
Toronto ON M4P 1E4

RE: EB-2025-0065 EGI 5-yr Gas Supply Plan - FRPO Response to EGI Comments

We are writing on behalf of the Federation of Rental-housing Providers of Ontario (FRPO) in accordance with the Decision and Order in the Enbridge Gas Inc. (EGI) 5-yr Gas Supply Plan (GSP). EGI's objection relates solely to FRPO's hours. For the reasons set out below, FRPO submits that its cost claim is reasonable, proportionate, and fully aligned with the OEB's established cost-award principles. The hours claimed reflect FRPO's specialized mandate, the technical complexity of the issues, and the Board's repeated direction that intervenors collaborate to enhance efficiency.

FRPO's Role and Expertise in Gas Supply Applications

As the Board will be aware, FRPO does not intervene in electric LDC proceedings. This focus on natural gas proceedings stems from our demonstrated ability to assist the board with many aspects of natural gas utility operations. Our principal regulatory consultant, Mr. Quinn, spent the first two decades of his career in natural gas engineering, facilities planning and design ultimately overseeing a utility including natural gas commodity procurement as well as transportation and storage contracting. In his role as director of the natural gas utility for the city of Kitchener, he was responsible for the development of a gas supply plan including transportation and load balancing including storage to meet the franchise design day needs. His decade of experience with these responsibilities forms the basis for his advising his clients, including natural gas utilities on these matters.[1] This ongoing work provides other intervenors with an informed perspective that some of have come to rely upon in collaborations[2] encouraged by the Board.

Using that experience, FRPO has assisted the Board with some landmark gas supply decisions. FRPO led the discovery through a series of proceedings resulting in the Board's determination that Union Gas' actions in providing its parent company with a return on purchased assets (providing a hurdle rate return to the parent company on storage contracts that were already expensed) was inappropriate.[3] Further, FRPO led the discovery of Union's transportation contracting that resulted in the Board determining that Union was able to

[1] FRPO's representative currently prepares advisement on Gas Supply strategies and execution for an Ontario natural gas LDC
[2] EGI acknowledges this reliance in EGI_CostOBJ_20260611 pg. 2
[3] EB-2011-0038 dec_order_Union_20120120 pg. 29-30

"manufacture optimization opportunities"[4] resulting in the Board determining that "Union's 2011 gas supply related upstream transportation FT-RAM optimization revenues shall be classified and treated as gas supply cost reductions".[5] These decisions reversed the proposed transfer of tens of millions of dollars to the utility's shareholder back to ratepayers and shone a light on the importance of gas supply plans' impacts on ratepayers leading to increased scrutiny of Gas Supply plans and the eventual Board Framework. These precedents demonstrate both the value of FRPO's technical scrutiny and the importance of permitting intervenors with specialized expertise to invest the time required to test complex evidence.

In this current proceeding, FRPO was informed by other intervenors of their need to work on electrical LDC rate cases while collaborating on Phase 3 of the EGI Rebasing proceeding. We committed to do a rigorous and thorough discovery to free up some capacity for our colleagues. FRPO's intentional collaboration prompted a proactive engagement of some intervenors in the exploration of broadening the Issues proposed in advance of the Issues Conference.[6] Upon receiving feedback from this engagement, FRPO advanced the proposed edits to EGI. EGI confirmed the inclusion of the proposed additions as being subsumed under the Draft Issues.[7] With EGI's acceptance, FRPO circulated the communication to all intervenors including Board staff to bring efficiency to the Issues Conference. Further, during the argument phase, FRPO delivered outlines and multiple drafts to intervenors to provide opportunities for efficiency with submissions.

These bookended initiatives are examples in the GSP proceeding that resulted in more hours of effort by FRPO while reducing the hours of other intervenors which contributes to the disparity cited by EGI. Given the Board's multiple directives to intervenors to collaborate, FRPO was acting responsibly aligned with those directives. We respectfully submit that the comparisons that EGI highlights are inappropriate and add the following in support of our claim.

EGI's Comparison of Hours Is Not a Principled Basis for Cost Reduction

Enbridge Gas's submission relies primarily on a numerical comparison of hours across intervenors. The letter states that FRPO's 133 hours "significantly exceeds the range of time observed across other parties." However, the OEB's cost-award framework does **not** require or expect uniformity of hours among intervenors. The Board has consistently held that cost awards consideration of whether the party "*contributed to a better understanding by the Board of one or more of the issues in the process*".[8]

Enbridge Gas itself acknowledges that *"FRPO takes a particular interest in gas supply matters and… other parties rely upon the work done by FRPO in this area."* The particular interest speaks to our expertise in understanding gas supply through our active work for utilities and our success outlined above with assisting the Board with complex issues. This

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4 EB-2011-0210 Decision and Order, pg. 36
5 EB-2012-0087 Decision and Order on Preliminary Issue, pg. 24
6 FRPO_EGI GSP ISSUES LIST - PROPOSED ADDITIONS 20250716
7 FRPO_EGI ISSUE EXCHANGE_ISSUES CONFERENCE_20250721
8 https://www.oeb.ca/sites/default/files/uploads/documents/regulatorycodes/2025-04/Practice-Direction-on-Cost-Awards%20APRIL%2023%2C%202025.pdf, Section 5.01 b)

EGI admission underscores that FRPO's mandate is materially different from that of general-interest intervenors whose hours Enbridge uses as comparators.

A simple numerical comparison is therefore not a principled or relevant basis for cost reduction.

FRPO's Discovery Hours Reflect the Technical Complexity of GSP Evidence

EGI asserts that FRPO's 69.5 hours for discovery are "excessive," noting that the next highest claim is 25 hours. The letter describes the discovery category as including *"reviewing the evidence, preparing and reviewing interrogatories, and preparing for and attending and follow-up from the technical conference."*

This proceeding was the first EGI GSP that was adjudicated by a Board panel and it raised several technically complex matters, including:

- winter supply adequacy and reliability,
- upstream transportation contracting,
- storage utilization and operational constraints,
- procurement timing and exposure to winter price volatility, and
- risk-management practices.

These issues fall squarely within FRPO's specialized mandate. FRPO's interrogatories and technical conference participation addressed matters that no other intervenor examined with comparable depth or technical scrutiny. The fact that other intervenors spent fewer hours reflects **differences in mandate**, not excess by FRPO.

The OEB has repeatedly recognized that intervenors with technical or specialized roles may reasonably require more time to fulfill their function.

FRPO's Argument Hours Are Proportionate to the Issues Addressed

EGI objects to FRPO's 37 hours for written argument, noting that the next highest claim is 13 hours. Enbridge further states that *"most of FRPO's argument… is a proposal"* regarding fixed-price procurement.

FRPO's submissions addressed core issues in the Update, including:
- the timing of winter procurement,
- exposure to price volatility,
- the balance between stability and cost risk, and
- the implications of Enbridge Gas's procurement strategy for ratepayers.

These issues required detailed analysis of supply-portfolio design and risk-management practices. Preparing a comprehensive argument on these matters reasonably required more time than the shorter, policy-oriented submissions of other intervenors. This challenge was exacerbated given that the oral hearing that was part of each of the original staff-proposed proceeding schedules, absent a full settlement,[9] was eliminated.

Enbridge Gas's view that FRPO should have filed evidence is not a basis for reducing cost awards. The OEB routinely receives policy proposals in argument. The OEB's finding that the proposal was not sufficiently developed for implementation does not retroactively diminish the reasonableness of the time spent preparing argument. FRPO had intended on testing elements of our winter deliveries at fixed price as a load balancing alternative with EGI witnesses in the oral hearing. Without that testimony, we believed it was important to explain our proposal more fully for the Board's consideration and determination thus contributing to the hours invested in argument.

EGI's Filing of Detailed Reply Argument Is Not Relevant to FRPO's Cost Claim

EGI states that FRPO's argument *"required Enbridge Gas to prepare and file a detailed Reply Argument."* This assertion is irrelevant to the assessment of FRPO's costs. The OEB's cost-award framework compensates intervenors for their own work, not for the utility's response to that work.

If EGI required additional time to respond, that reflects the substantive nature of the issues raised—not any impropriety or excess on FRPO's part.

We believe it is also important to highlight that EGI was fully aware that FRPO has proposed and would propose the fixing of the price of winter deliveries as a load balancing strategy. The opportunity to test this approach was included in the Phase 2 rebasing settlement proposal[10] and was specifically canvassed with EGI to ensure that this approach was a live issue in advance of the Issues Conference.[11]

EGI's preference is to buy more market-based storage as proposed in Phase 2 Rebasing supported by their consultant's report. What is not reflected in EGI's concerns over regulatory costs is what they paid their consultant to attempt to justify more market-based storage in the Rebasing Proceedings. A review of the discovery in that proceeding informs that they authorized multiples of the entire FRPO cost claim to their consultant for a study[12] that was not even relied upon in the resulting settlement proposal. In our respectful submission, it is appropriate for ratepayer representatives to be fully compensated for their work in defending ratepayers' interests where the utility is fully resourced to advance its own preferred outcomes.

[9] OEB_EGI_Stakeholder Conference Presentation_20250515
[10] EB-2024-0111 Exhibit N Tab 1 Schedule 1 Pg. 23-24
[11] FRPO_EGI ISSUE EXCHANGE_ISSUES CONFERENCE_20250721
[12] Given the confidential nature of the exhibit, we have not specified the amount, but the initial contract can be found at EB-2024-0111 Exhibit I.1.1-SEC-1 Attachment 1, pg. 27

Conclusion

FRPO respects its role in assisting the Board while representing ratepayer interests including its members. In this proceeding, we worked diligently to ensure a robust discovery process given our expertise and the limited time available from our colleagues. These efforts served to increase our investment of hours while reducing those of other intervenors. Further, the challenge of making our case without an oral hearing increased our investment in argument to ensure the Board understood well a risk management alternative that EGI has been unwilling to test.

As a result, FRPO respectfully requests complete reimbursement for our reasonably incurred costs.

Respectfully Submitted on Behalf of FRPO,

Dwayne R. Quinn
Principal
DR QUINN & ASSOCIATES LTD.

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Interested Parties EB-2025-0065