



Ontario
Energy
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de l'énergie
de l'Ontario

DECISION AND ORDER ON COST AWARDS

EB-2025-0064

ENBRIDGE GAS INC.

Enbridge Gas Inc. Application for 2024 Rates – Phase 3

BEFORE: **Patrick Moran**
Presiding Commissioner

Allison Duff
Commissioner

David Sword
Commissioner

July 8, 2026

OVERVIEW

This is a decision of the Ontario Energy Board (OEB) on cost claims filed with respect to the third phase of a cost of service rate application filed by Enbridge Gas Inc. 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.

In Procedural Order No. 6 of Phase 3, the OEB set out, among other things, a cost claim submission process covering the Phase 3 procedural steps up to and including the Settlement Proposal Presentation Day on February 17, 2026.¹

The OEB received 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
- Industrial Gas Users Association (IGUA)
- London Property Management Association (LPMA)
- Minogi Corp.
- Ontario Association of Physical Plant Administrators (OAPPA)
- Ontario Greenhouse Vegetable Growers (OGVG)
- Ontario Home Builders Association (OHBA)
- Pollution Probe
- Quinte Manufacturers Association (QMA)
- School Energy Coalition (SEC)
- Three Fires Group Inc.
- Vulnerable Energy Consumers Coalition (VECC)

In total, \$1,206,727.98 in cost claims were filed, associated with 3,210 hours.

¹ Procedural Order No. 2 dated April 28, 2026

Cost Claim Objections

In its May 22, 2026 submission to the OEB, Enbridge Gas made two observations with respect to costs claimed by IGUA and FRPO.

Enbridge Gas submitted that IGUA's claim of approximately \$66,000 or 160 hours for expert support from Mr. Dustin Madsen, was higher than the original cost estimate of \$50,000 to prepare and present expert evidence. In the proceeding, IGUA did not file evidence yet engaged Mr. Madsen in an advisory role.

Enbridge Gas submitted that FRPO's claim was relatively higher than other intervenors, with a total of 268 hours. For the discovery process, FRPO claimed about 138 hours, and Enbridge Gas submitted that the next three highest claims range between 80 to 86 hours, with an overall average of about 54 hours.

Responses to Cost Claim Objections

In its response dated May 29, 2026, FRPO highlighted the collaborative settlement process, involving all parties that resulted in an agreement that avoided franchise-wide rates for commodity, transportation, and storage, improving cost causality and reducing potential rate shock without requiring an oral hearing.

FRPO also noted that the settlement did not rely on evidence from Enbridge Gas's consultant, Christensen Associates, whose costs may be substantial and could potentially exceed the total intervenor cost claims, despite intervenors representing customer interests.

In its response dated May 29, 2026, IGUA noted that Mr. Madsen was retained to provide expert advisory support in analyzing Enbridge Gas's complex rate harmonization and cost allocation proposals from a customer perspective. The earlier \$50,000 cost estimate related only to potential future evidence preparation and was separate from, and in addition to Mr. Madsen's advisory work. Although IGUA ultimately did not file evidence, Mr. Madsen continued to support IGUA through discovery and the settlement process. IGUA submits that the resulting \$66,000 cost is reasonable given the complexity of the proceeding, represents a modest share of total intervenor costs, and reflects responsible and necessary participation consistent with its past practice.

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 is satisfied that the claims were reasonably incurred and approves them as filed.

Enbridge Gas identified specific concerns regarding the cost of claims from FRPO and IGUA. Enbridge Gas's submission contributed to the OEB's assessment of the reasonableness of the claims and supported the OEB's obligation to ensure that cost awards are consistent with the Practice Direction on Cost Awards.

Enbridge Gas's Phase 3 application was unique and complex because of the number of rate zones and customer classes subject to harmonization, the cost allocation issues under consideration, and the significant rate impacts associated with the proposals. IGUA described the proceeding as particularly complex and data-intensive. In these circumstances, the OEB finds it appropriate to focus primarily on the overall reasonableness of each intervenor's total claim and the value of the participation provided.

With respect to FRPO, although its claimed hours exceed those of many other intervenors, the OEB is not persuaded that discovery and settlement activities can be meaningfully separated in the context of this proceeding. The settlement process was detailed and required ongoing analysis, information exchange and evaluation of alternative approaches. The OEB is satisfied that FRPO's participation was reasonable in light of the complexity of the issues and the interests it represented.

With respect to IGUA, the OEB finds that IGUA's original estimate to retain a consultant and prepare evidence is not an appropriate benchmark for assessing the reasonableness of the claim ultimately submitted. That estimate related to potential expert evidence that was never filed. Although IGUA did not file evidence, it retained Mr. Marsden to provide expert advisory support throughout discovery and settlement discussions. The OEB finds that this support was reasonably incurred.

More generally, the OEB finds that the intervenors made meaningful and value-added contributions to the resolution of the issues in Phase 3. The approved settlement provides an acceptable basis upon which Enbridge Gas rates are to be established as a result of the agreed approach to the harmonization and cost allocation issues. Given the magnitude of the issues at stake and the efficiencies achieved through settlement, including avoidance of further regulatory procedural steps, the total intervenor cost claims of approximately \$1.2 million are reasonable.

The OEB is satisfied that the cost claims were reasonably incurred and consistent with the Practice Direction on Cost Awards.

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	\$65,692.54
• BOMA	\$52,737.13
• CBA	\$5,679.38
• CCC	\$68,649.22
• CME	\$45,456.51
• Energy Probe	\$49,897.43
• Environmental Defence	\$20,183.16
• FRPO	\$109,823.83
• Ginoogaming First Nation	\$34,451.30
• IGUA	\$156,596.06
• LPMA	\$69,775.25
• Minogi Corp.	\$16,992.39
• OAPPA	\$43,406.71
• OGVG	\$90,383.28
• OHBA	\$20,218.87
• Pollution Probe	\$57,706.58
• QMA	\$22,317.50
• SEC	\$94,181.10
• Three Fires Group	\$19,798.17
• VECC	\$62,781.57
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 8, 2026

ONTARIO ENERGY BOARD

Ann Zeng

Deputy Registrar, Adjudicative Projects, signing this Decision and Order under delegated authority of the Registrar