

**Ontario Energy
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**Commission de l'énergie
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BY E-MAIL AND WEB POSTING

April 12, 2018

**To: All Rate-Regulated Natural Gas Distributors
All Other Interested Parties**

**Re: Draft Report of the Ontario Energy Board: Framework for the Assessment
of Distributor Gas Supply Plans
EB-2017-0129**

Today the Ontario Energy Board (OEB) has issued for comment a Draft Report of the OEB: A Framework for the Assessment of Distributor Gas Supply Plans (Draft Report).

On March 16, 2017 the OEB launched an initiative to update the regulatory approach to the gas supply planning process and inject greater transparency, accountability and measurement to ensure that consumers are getting value for money. The framework set out in the Draft Report is designed to achieve these objectives, and to allow for a consistent approach to the assessment of rate-regulated distributors' gas supply plans.

To assist in developing a framework for consideration, a Technical Working Group having a balanced and broad representation of relevant interests was established to provide advice on a number of topics, including issues related to renewable natural gas as a component of gas supply plans. The initiative to develop a framework followed from a series of consultations that have been held over the past three years to look at gas supply planning and the related regulatory process.

The Draft Report sets out the OEB's expectations for distributors' gas supply plans by articulating guiding principles and criteria that the OEB will use in assessing a distributor's plan to determine whether the plan delivers value to consumers. The Draft Report also sets out the OEB's process for the review of gas supply plans, consisting of a detailed review every five years and an annual update review process.

Invitation to Comment

The OEB invites interested parties to submit written comments on the Draft Report. In

addition to any other comments they may wish to make, the OEB would be assisted in particular by comments on two the following:

- Are the criteria for assessing gas supply plans appropriate for that purpose? Are there additional criteria that should be applied?
- Is the review process set out in the Draft Report optimal? Are there any issues in terms of how that process relates to other OEB processes?

Written comments on the Draft Report are due by **May 11, 2018**.

Filings should be sent to:

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, Suite 2700
Toronto, Ontario, M4P 1E4

The OEB requests that interested parties make every effort to provide electronic copies of their filings in searchable/unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the OEB's web portal at <https://pes.ontarioenergyboard.ca/eservice/>. A user ID is required to submit documents through the OEB's web portal. If you do not have a user ID, please visit the "e-filings services" [webpage](#) on the OEB's website at www.oeb.ca, and fill out a user ID password request.

Additionally, interested parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled "[RESS Document Preparation – A Quick Guide](#)" also found on the e-filing services webpage. If the OEB's web portal is not available, electronic copies of filings may be filed by e-mail at boardsec@oeb.ca.

Filings to the OEB must be received by the Board Secretary by **4:45 p.m.** on the required date. They must quote file number EB-2017-0129 and include your name, address, telephone number and, where available, your e-mail address and fax number.

All filings received by the OEB in relation to this consultation will be available for viewing at the OEB's offices during normal business hours and will be placed on the OEB's website.

If the filing is from a private individual (i.e., not a lawyer representing a client, not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), before making the filing available for viewing at the OEB's offices or placing the filing on the OEB's website, the OEB will remove any personal (i.e., not

business) contact information from the written comment (i.e., the address, fax number, phone number, and e-mail address of the individual).

However, the name of the individual and the content of the filing will be available for viewing at the OEB's offices and will be placed on the OEB's website.

Cost Awards

Cost awards will be available under section 30 of the *Ontario Energy Board Act, 1998* to eligible persons in relation to the provision of comments on the Draft Report, to a **maximum of 10 hours**. Costs awarded will be recovered from all rate-regulated gas distributors based on their respective number of customers as reported to the OEB.

Appendix A to this letter contains important information regarding cost awards including in relation to eligibility requests and objections. In order to facilitate a timely decision on cost eligibility, the deadlines for filing cost eligibility requests and objections will be strictly enforced.

The members of the Technical Working Group established to provide advice in relation to the development of the Framework were selected by the OEB for that purpose. The OEB considers it appropriate in the circumstances to waive the usual cost eligibility request and objection process and make cost awards available to the following members of the Technical Working Group in respect of their participation in that effort: the Consumers Council of Canada; the Industrial Gas Users Association; the School Energy Coalition; the Federation of Rental-Housing Providers of Ontario; and the Canadian Biogas Association. These Technical Working Group members are eligible for an award of costs for their participation in meetings of the Technical Working Group, to a **maximum of 2 hours for attendance and 3 hours for preparation and reporting** in respect of each of the three meetings.

The OEB also considers it expedient to extend cost award eligibility to these 5 members of the Technical Working Group in respect of the provision of written comments on the Draft Report. These Technical Working Group members therefore need not submit a request for cost eligibility for that purpose.

Any questions relating to this letter or the Draft Report should be directed to Jason Craig at Jason.craig@oeb.ca or at 416-440-8139. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

Appendix A

To Cover Letter dated April 12, 2018

EB-2017-0129

Cost Awards

Cost Award Eligibility

The OEB will determine eligibility for costs in accordance with its [Practice Direction on Cost Awards](#). Any person intending to request an award of costs must file with the OEB a written submission to that effect by **April 22, 2018**, identifying the nature of the person's interest in this process and the grounds on which the person believes that it is eligible for an award of costs (addressing the cost eligibility criteria as set out in section 3 of the *Practice Direction on Cost Awards*). All requests for cost eligibility will be posted by the OEB.

Rate-regulated gas distributors will be provided with an opportunity to object to any of the requests for cost award eligibility. If gas distributor has any objections to any of the requests for cost eligibility, those objections must be filed with the OEB by **May 2, 2018**. Any objections will be posted by the OEB. The OEB will then make a final determination on the cost eligibility of the requesting participants.

Cost Eligible Activities and Hours

Cost awards will be available in relation to the provision of comments on the Draft Report, to a **maximum of 10 hours**.

Cost Awards

When determining the amount of the cost awards, the OEB will apply the principles set out in section 5 of its *Practice Direction on Cost Awards*. The maximum hourly rates set out in the OEB's Cost Awards Tariff will also be applied. The OEB expects that groups representing the same interests or class of persons will make every effort to communicate and coordinate their participation in this process. Interested parties are reminded that cost awards are made available on a per eligible participant basis, regardless of the number of professional advisors that an eligible participant may wish to retain.

The OEB will use the process set out in Section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards. Therefore, the OEB will act as a clearinghouse for all payments of cost awards in this process. For more information on this process, please see the OEB's *Practice Direction on Cost Awards* and the October 27, 2005 letter regarding the rationale for the OEB acting as a clearing house for the cost award payments. These documents can be found on the OEB's Rules, Codes, and Requirements webpage.