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Our File #339583/000232

August 24, 2016

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Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Cap and Trade Framework for Natural Gas Utilities.
Early Determination regarding Billing of Cap and Trade Related Costs
and Customer Outreach dated July 28, 2016
Request for Further Information and Reasons**

Board File #: EB-2015-0363

We are writing on behalf of Canadian Manufacturers & Exporters (“CME”) in response to the Ontario Energy Board’s (OEB) *Early Determination regarding Billing of Cap and Trade Related Costs and Customer Outreach*.

CME agrees with and supports the comments in the August 15, 2016 letter from the Industrial Gas Users Association (“IGUA”) that the Board has not provided adequate reasons for its decision to direct that cap and trade compliance costs are to be blended in the delivery line item on customer gas bills.

CME was among the several parties who provided comments in the above-indicated process. CME and the overwhelming majority of stakeholders had serious concerns about blending the cap and trade costs in the delivery line item on bills. CME submitted that all ratepayers should be afforded the benefit of a transparent bill that separates the costs of cap and trade to avoid creating customer confusion. Neither CME’s submission, nor the submissions of the other stakeholders in this regard, are addressed in detail in the Early Determination.


CME is also concerned that the OEB did not address or consider in its reasons the research report commissioned by Enbridge, which found, *inter alia*, that “a strong majority” of customers want to see cap and trade costs on a separate line item on their bill.¹ Similarly, the consultant retained

¹ Ipsos Public Affairs, “Enbridge Gas Distribution - Cap and Trade Research Final Report,” July 2016, at response to Question 12: “How important is it for you to see a separate line item on your Enbridge bill detailing the costs

by Union to conduct 10 focus groups on these issues concluded in its report that “Respondents were nearly unanimous that whatever additional cost consumers have to bear as a result of the cap and trade program should be transparent to the consumer and that additional charges for cap and trade should be specifically referenced on natural gas bills”.² This is consistent with the unanimous feedback that CME has received from its own members.

Given the foregoing, in addition to agreeing with the submissions of IGUA and respectfully requesting that the Board provide further details regarding the “information on cap and trade” that the Board envisions requiring the utilities to include on monthly customer bills, CME urges the Board ensure bill transparency for ratepayers by reconsidering its decision to direct the utilities to blend cap and trade compliance costs in the delivery line item on customer gas bills.

Yours very truly,



Vincent J. DeRose

c All Interested Parties EB-2015-0363
Paul Clipsham and Ian Shaw (CME)

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associated with Cap and Trade? Use a scale of 1 to 10 where 1 is not important at all and 10 is extremely important?”

² Campaign Research, “Natural Gas Consumer Reaction to Ontario Government Reported Cap and Trade Plan”, June 21, 2016, at p. 5 (“1.2 Review of Qualitative Findings”).