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August 14, 2013

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
27th floor
Toronto, ON M4P 1E4

Dear Ms. Walli

**Staff Report to the Board on Performance Measurement and
Continuous Improvement for Electricity Distributors**

Board File No.: EB-2010-0379

Our File No.: 339583-000098

We are writing on behalf of Canadian Manufacturers & Exporters (“CME”). This letter sets out CME’s comments on the “Staff Report to the Board on Performance Measurement and Continuous Improvement for Electricity Distributors” (the “Report”).

CME did not participate in the Board Staff Working Group. To this end, it relied upon the involvement of other stakeholders, in particular, the School Energy Coalition (“SEC”) and Consumers Council of Canada (“CCC”). CME appreciates the effort put in by the Working Group and the level of cooperation that has occurred. CME has benefitted from the involvement of these parties in the Working Group.

CME has now had the benefit of reviewing the submissions by SEC and CCC, and endorses their comments.

CME wishes to emphasize SEC’s submission that the Board should require LDCs to report on their overall price performance as part of the scorecard. Overall price is of utmost consideration for Ontario customers.

In its previous submissions relating to the Renewed Regulatory Framework for Electricity (“RRFE”), CME confirmed that Ontario manufacturers envision a safe and reliable system that provides electricity at prices that they can afford. In terms of the outcome that manufacturers expect, affordable prices and system safety and reliability are inseparable. Within this context, CME has submitted that the Board and the utilities it regulates currently lack essential items of information that are required to enable utilities to plan and the Board to regulate with the “total bill impact” in mind.

CME has previously submitted that the essential items of information that are required for an assessment of the total bill impact include:


- (a) Annually updated forecasts of electricity price increases over the 5-year planning horizon that utilities use;

- (b) Annually updated consumer sensitivity surveys; and
- (c) Annually updated prices of electricity in locations other than Ontario in which Ontario manufacturers can add incremental facilities or relocate their existing Ontario facilities.

The primary utility performance metric that manufacturers and other consumers consider is the total amount of the electricity bill that they receive.

We endorse SEC's proposal to develop more comprehensive price metrics, which includes an overall comparison of price. If the Board agrees, CME would welcome the opportunity to work with stakeholders to develop such price metrics.

Yours very truly



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- c. Interested Parties
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