



**CANADIAN FEDERATION  
OF INDEPENDENT BUSINESS**

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## ***CFIB Comments Related to First Phase – Review of the Board’s Current Approach***

*Review of Framework Governing the Participation of  
Intervenors in Board Proceedings*

October 8, 2013

Board File No. EB-2013-0301

# Introduction to CFIB

- ▶ A not-for profit group representing the interests of small business at all levels of government
- ▶ 109,000 members across Canada
- ▶ All industry sectors
- ▶ All regions of Canada
- ▶ Business size from one to hundreds of employees

## CFIB advocates and Informs Members on a Broad Range of Issues

- ▶ *Employment*
- ▶ *Taxation*
- ▶ *EI premiums*
- ▶ *Energy costs*
- ▶ *Credit card fees*
- ▶ *Business management*

## CFIB's Ontario Members

- ▶ 42,000 members
- ▶ Located throughout Ontario, therefore customers of many of the electricity and natural gas distributors regulated by the OEB
- ▶ Sectors include agriculture, natural resources, construction, manufacturing, wholesale, retail, transportation, arts, information, finance, insurance, real estate, professional services, admin support, social services, hospitality, among others.

# Some Examples of Our Ontario Energy Sector Advocacy

- ▶ 2010 - met with the Minister about Ontario's Long-Term Energy Plan
- ▶ 2011 - supported LDCs with concerns about General Service TOU implementation
- ▶ 2012 - letter to Minister of commenting on Industrial Electricity Incentive
- ▶ 2010- 2012 - Pre-budget submissions with focus on energy issues
- ▶ 2012 - participated in OEB's RRFE consultations
- ▶ 2013 - participated in OEB consultations regarding electricity distributor efficiency

# Small Business Concerns about Energy

- ▶ CFIB surveys members regularly to determine their key concerns
  - ▶ *Energy tops the list of business inputs creating challenges for small firms*
  - ▶ *92% say they have no ability to shift electricity consumption away from peak periods*
  - ▶ *Aspect of energy purchasing rated most important by small businesses was price stability*
- ▶ Participation in OEB processes can give CFIB and its members a chance to influence regulatory decisions on issues of policy and the setting of rates.

## **Consultation by Intervenor with its Constituency**

- ▶ CFIB regularly surveys members to learn about their views and interests.
- ▶ CFIB supports a requirement for high level consultations by intervenors with their constituencies

# Management of Participation by Legal Counsel and Experts

Legal Counsel and Experts	CFIB
Makes proposals as to what applications and consultations to participate in	Decides and gives approval, based on the interest of members
Prepares documents to be filed in CFIB's name	Has final authority to approve any document to be filed
Participates based on CFIB member concerns and issues	Reviews and explains members' concerns to counsel and experts
Manages day to day participation in the proceeding; requests direction on important issues	Delegates day to day decisions, provides direction on important issues

# Public Interest Parties

- ▶ i.e. intervenors that do not represent a specific constituency *of consumers/ratepayers*
- ▶ Should be required to demonstrate involvement in the public interest issue that goes beyond activities funded through OEB cost awards
  - ▶ *Mission or vision statement related to the issue*
  - ▶ *Evidence of activities or appearances in other forums related to the issue*

# Requirement for Similarly Situated Intervenorors to Combine

- ▶ We respect the need to control costs
- ▶ Not always a clear and consistent commonality of interest
- ▶ Important for all parties to have a full mandate to consider and give input on all the issues they consider relevant
- ▶ Support processes to reduce duplication of interrogatories, allow time for parties to review one another's submissions

# Budgets and Limits on Costs

- ▶ Should be explored, supported by collection of data
- ▶ Look for consistency in level of effort in different hearing activities, to determine how well it can be forecast
- ▶ Need a process to consider and approve additional funding in response to changes in scope of the work

## Proposed Modification in Rules of Practice

- ▶ Change language to define interest in terms of using or consuming the service, rather than in terms of paying rates directly
- ▶ Ensure that consumers whose energy costs are included in rent can be involved

## Effect of Increased Requirement of LDCs to Consult with Consumers

- ▶ CFIB supports the need for consultation
- ▶ *Consultation* does not guarantee that the input of any specific individual or group will be incorporated into the LDC's final proposals to the OEB
- ▶ Stakeholders must have the opportunity to submit their views directly to the OEB, and have the OEB make the decision.

## Summary

- ▶ Small and medium businesses are a very important constituency that should be represented in OEB proceedings and policy-making consultations
- ▶ CFIB can represent that constituency as long as the rules allow meaningful participation and fair consideration of the ideas offered
- ▶ CFIB consults with members
- ▶ CFIB could not obtain the needed services of legal counsel and experts without access to funding