

16 October 2013

Ontario Energy Board
2300 Yonge St., 27th Floor
Toronto, ON
M4P 1E4

Attn: Ms Kirsten Walli
Board Secretary

By electronic filing and e-mail

Dear Ms Walli:

Re: EB-2013-0301 – Participation Consultation - Further comments of GEC

We have had the benefit of reading the initial written submissions and hearing the presentations of several other intervenor groups with which we largely agree. In the interest of efficiency we will not repeat those points here or the comments we made during the discussion. In short, we see no evidence of significant inefficiency and every possibility that the changes suggested by utility groups would in most cases be penny wise and pound foolish and would diminish the quality of the hearing process.

We do wish to note that in the particular case of GEC's involvement in DSM and CDM matters we have on several occasions raised concerns during hearings and DSM audit processes that were not raised by other parties or by the auditor and that ultimately reduced ratepayer expense by millions of dollars. Two examples will illustrate the point:

In 2000 Enbridge's 1999 DSM results were being audited. The SSM claim was for \$6.8 million. The Audit report recommended an SSM award of \$6.6 million. GEC raised a number of issues with commercial and residential program results that were not identified by the auditor and that resulted in a further reduction of the claim. This one GEC intervention reduced the claim to \$5.1 million, saving ratepayers \$1.5 million, and was settled in the DSM Consultative meetings without the need for litigation.

In RP-2001-0029 Union Gas claimed an LRAM payment to the company of \$11.2 million for DSM saving volumes lost over a 3 year period. This was a complex case in which GEC filed evidence raising 22 issues contesting the accuracy of the claim. Twenty of these issues were settled and Union re-filed for \$1.9 million less as a result. The remaining issues were litigated (free drivers and the 'half-year' issue) and the Board found against Union, with a final resulting LRAM adjustment of \$2.5 million, for an overall savings to ratepayers of almost \$10 million.

The particular expertise we have brought to the conservation issues is in most cases not available from other parties or from Board Staff. It is not surprising that the LDCs would prefer not to face such effective scrutiny and will tend to label it expensive micro-management. However, the nature of DSM and CDM is that the devil is in the details and without such scrutiny the incentive for the utilities is to claim high savings but deliver free riders.

We listened to the presentations and comments of those utilities and utility organizations that complained of duplication and higher regulatory costs. While there have certainly been occasions where a few of GEC's interrogatories duplicated those of other intervenors, and occasions when, after hearing all the evidence, GEC took similar positions in final submissions, we do not feel there has been any undue duplication, and we submit that the ratepayer savings that have occurred as a direct result of GEC's participation have far exceeded any regulatory costs we precipitated. Again, to achieve minor regulatory savings at the risk of reducing the effectiveness of such interventions would be penny-wise and pound foolish, would diminish the fairness and credibility of the Board's processes, and would defeat the intent of the statute to allow for a full and open public review of monopoly franchise spending.

Sincerely,

A handwritten signature in black ink, appearing to read "David Poch". The signature is fluid and cursive, with the first name "David" written in a larger, more prominent script than the last name "Poch".

David Poch

Cc: All parties