



PUBLIC INTEREST ADVOCACY CENTRE  
LE CENTRE POUR LA DÉFENSE DE L'INTÉRÊT PUBLIC

January 8, 2016

**VIA E-MAIL**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge St.  
Toronto, ON  
M4P 1E4

Dear Ms. Walli:

**Re: EB-2015-0141 – Motion to Review & Vary EB-2013-0416/EB-2014-0247**

We are in receipt of the correspondence of counsel for the Carriers of January 7, 2016. We cannot support the submissions contained therein with respect to the submission of supplementary evidence by Hydro One Networks in this proceeding.

Counsel for the Carriers contends that his clients' motion raised only the issue of vegetation management costs. In fact, the principal driver of the motion was the lack of notice. In its June 30 decision, the Board stated the purpose of the motion to review and vary would be to fix the final Pole Access Charge, which until the disposition of the motion will remain at the interim level of \$22.35 per pole per year. The motion was thus to be a hearing on Hydro One's proposed increase to the Pole Access Charge. With the focus on whether Hydro One's proposed increase to the Pole Access Charge is just and reasonable.

While as the Board has indicated the current approved OEB methodology is to be used, counsel for the carriers conflates this to a quarantine on the use of actual 2014 and 2015 forecast costs as, in his submission only 2012 forecast costs were the basis for the EB 2013-0416. In fact, that Decision relied primarily on 2015-2019 forecast costs. It is also a curious submission that 2012 historical costs are to be preferred to 2014 historical costs for the purpose of this exercise. As well, there is a debate to be resolved as to what is actually the OEB approved methodology that will be resolved at the hearing that is ignored by the carriers.

Finally, Hydro one's proposed "corrections" to 2012 data contained in the Supplementary Evidence are attacked by the Carriers as being "entirely unsubstantiated and may be unreliable". VECC had already made note of a number of the corrections highlighted by HON in its supplemental evidence and was planning on exploring them during the Technical Conference. Indeed, if the Carriers want to understand the reasons for the corrections the Technical Conference offers the appropriate opportunity to do so. While attempting to shrink the evidentiary record beyond the limits already placed on it by the Board may impart some tactical advantage to the Carriers, it is out of step with the original intent of the Board's leave. Such intent was, in VECC's submission, to allow a full hearing of the issue of the costs that should be used in generating a rate in accordance with the approved methodology. The Carriers' submission, in essence, pleads to be able to fashion the most advantageous record unimpeded by the hindrance of the need to ensure fairness and accuracy. VECC submits that the Carriers' suggested course of action is inappropriate.

Yours truly,



Michael Janigan  
Counsel for VECC

cc. All Parties, EB-2015-0141