

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Re: file numbers EB-2017-0373 (Town of Collingwood) & EB-2017-0374 (EPCOR)

May 11, 2018

To whom it may concern:

I would like to add an addendum to my May 2 letter expressing concerns about the proposed sale of Collingwood's electrical utility (Collus, formerly Collus-PowerStream) to the out-of-province, for-profit corporation, EPCOR and the secrecy involved in the process.

In the document EPCOR_IRR_SEC_EPCOR Collingwood MAADs_20180503.pdf, on the OEB website, the OEB posed this question:

Attached to these interrogatories is a news release dated February 21, 2018 on the Town of Collingwood website describing a material billing problem between the distributor and the Town. Please describe the status of this matter, and any implications on the proposed transactions.

The applicants responded:

As the news release indicates, recently the Town was advised that it had been overcharged by Collus PowerStream for electricity for many years. To date, the Town has received a refund from Collus PowerStream in the amount of \$410,747.42. The Town continues to consider its options for the recovery of further amounts but no decision has been made by Council at this time other than to request that Measurement Canada investigate the billing error. At this time Collus' overcharging error is not expected to have material implications on the proposed transactions given the matter involves only Collus and its customer, the Town of Collingwood.

If the OEB approves the deal BEFORE the town decides how to proceed with cost recovery, there will be no entity with which the town can continue to negotiate. Does that not disadvantage the town in any opportunity for such cost recovery? If the town launches legal action to regain some or all of the money they believe is owed, won't that affect both the utility and ultimately the deal?

It would seem commonsense to delay any decision until the town has received its reports from Measurement Canada and then has decided how to proceed with regard to the information received. Approvals before that decision would be premature.

Also in that response document, the OEB requested:

Please provide a copy of the Confidentiality Agreement referred to.

But the applicants REFUSED to do so. Is that not arrogant of them?

Response

The Applicants refuse to produce the Confidentiality Agreement given it is not relevant to the matters considered by the Board in a MAAD application process.

This document was key to council's decision not to engage the public in a sale of a publicly-owned asset, and justification for conducting 40 or more in-camera meetings where the decisions were made behind closed doors. Yet they will not make it public.

For two years, council members promised there would be public input and consultation on this sale and on the future of the utility. Then at the eleventh hour, we were told there would be none, and the deal was made without either. The agreement was mentioned numerous times in public at the council table as the reason why council and the administration could not host public information sessions or consult with the public.

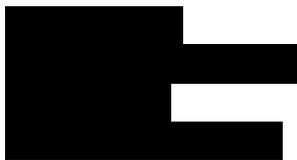
Yet as I have been led to believe, there was NO SUCH CLAUSE in the shareholders' agreement and no requirement in *any* agreement that said the town and council could not say WHY it wanted to sell the utility or its share, nor any clause that said it could not hold public hearings and consult the public on the sale.

I suggest the reason for not releasing the agreement is to solely avoid embarrassing officials who made that claim. I request that the OEB further insist on its release and to make it public so residents affected by this proposed sale can determine for themselves whether we were told the truth. The credibility of the proposal rests on that.

Also, one of the town's current councillors – Tim Fryer – was the CFO at Collus at the time of the previous, 2012 sale. He allegedly opposed it then. As councillor, he attended most (if not all) of the in camera meetings about the utility, and voted on motions related to the proposed sale. Does this not present a question a conflict of interest and ethics in this council's decisions to sell? He was also CFO during the time when the mistake with the water meters happened; neither he nor anyone in the utility's nor the town's accounting departments noticed the error in the billing.

Sincerely

Ian Chadwick

A large black rectangular redaction box covering the signature area.