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October 31, 2018

VIA E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Toronto, ON

Dear Ms. Walli:

**Re: EB-2018-0016 – Alectra Utilities 2019 Rates Application
Submission of VECC on process to complete application review**

The parties have been unable to settle on any of the issues in this proceeding. The issues to be dealt with in this proceeding are: (1) ICM requests; (2) the disposition of the deferral accounts; (3) the earnings sharing mechanism for the Horizon rate zone, including the effect on it from the change in capitalization policy and, (4) the application of IRM rates to the respective zones

VECC is prepared to make written submissions on all the issues.

However, in two areas we have found the evidence to be incomplete or confusing. The first is with respect to the calculation of the Horizon earning sharing mechanism. The 2nd is with respect to the implementation of harmonized capitalization policies.

VECC is of the view that the Board might find the simplest and clearest way to consider the issues are in an oral hearing where it can avail itself to the opportunity to question the Applicant. While we do not think it necessary for the Board to unduly restrict itself as to what issues to consider at a hearing we believe that our proposal and that made by Board Staff in their submission are substantively the same.

Yours truly,

A handwritten signature in cursive script that reads 'Mark Garner'.

Mark Garner
Consultant for VECC/PIAC

Indy Butany-DeSouza, Vice President, Regulatory Affairs
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