

# Elson Advocacy

December 18, 2018

**BY COURIER (2 COPIES) AND RESS**

**Ms. Kirsten Walli**

Board Secretary  
Ontario Energy Board  
2300 Yonge Street, Suite 2700, P.O. Box 2319  
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

**Re: EB-2018-0130 – Hydro One 2019 Transmission Revenue Requirement**

We are writing on behalf of Environmental Defence to request intervenor status and costs eligibility in the above proceeding.

Environmental Defence seeks intervenor status and costs eligibility as a leading environmental organization that represents both the public interest in environmental protection and the interests of consumers whose energy bills can be reduced through increased energy efficiency in the transmission of electricity and other means.

## **Nature and Scope of Intended Participation and Interest in Proceeding**

Environmental Defence wishes to file interrogatories, participate in the hearing, review and test the evidence, make submissions, and seek a cost award. Environmental Defence's interest in this proceeding is in promoting both the public interest in environmental protection and the interests of consumers whose energy bills can be reduced through energy efficiency in the electricity transmission sector. Environmental Defence wishes to address important issues relating to this mandate, including, but not limited to:

1. Whether it is appropriate for Hydro One to decline to comply with the directions from the Board's decision in EB-2016-0160, including the direction to explore cost effective opportunities for transmission loss reductions and to report on these initiatives as part of its next rate application; and
2. Whether Hydro One responded appropriately to the Board's directions regarding transmission losses made in EB-2016-0160.

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## Oral Hearing

Environmental Defence requests that a decision on whether to hold an oral hearing be postponed until after the responses to interrogatories are provided and that the parties be provided with an opportunity to make submissions on that question at that time.

In the alternative, Environmental Defence requests that an opportunity be provided to cross-examine Hydro One's witnesses through a technical conference and an oral hearing. Hydro One has attempted to narrow the scope of this hearing, avoid complying with the Board's directions in EB-2016-0160, and avoid a full oral hearing by proposing to set its rates using a one-year mechanistic adjustment. Hydro One explicitly states that: "[t]he directions arising from the OEB's decision in the 2017-2018 transmission rate proceeding (EB-2016-0160) will not be addressed in this Application as they are beyond the scope of the approvals sought."<sup>1</sup>

Hydro One has not provided a valid justification to decline to comply with the Board's directions from EB-2016-0160 and to exclude those topics from consideration in this hearing. For example, in EB-2016-0160 the Board directed Hydro One to explore cost-effective opportunities to reduce transmission losses and to report on these initiatives in its next rate application. When that decision was made, the assumption was that the next application would occur in 2018. The fact that Hydro One is proposing a different method to set its rates than originally planned is no excuse for declining to comply with the Board's directions.

The Board's transmission losses direction from EB-2016-0160 is excerpted below:

The OEB finds that, given the magnitude of line losses, Hydro One should work jointly with the IESO to explore cost effective opportunities for line loss reduction. Hydro One should also explore, as part of its investment decision process, opportunities for economically reducing line losses. The OEB requires Hydro One to report on these initiatives as part of its next rate application.<sup>2</sup>

This is only one of fourteen directions made by the Board in EB-2016-0160.<sup>3</sup> Hydro One's proposal will delay progress and avoid Board oversight on all the issues addressed in those fourteen directions for at least one year.

Hydro One has not justified its proposal to narrow the scope this proceeding so as to avoid an oral hearing, especially on the fourteen items that Hydro One was directed to address in this application by the Board's previous decision.

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<sup>1</sup> Application, Ex. A-3-1, p. 2.

<sup>2</sup> Decision in EB-2016-0160, p. 32 (see also p. 116)

<sup>3</sup> Decision in EB-2016-0160, p. 116.

## **Environmental Defence**

### *A. Mandate and Objectives of Environmental Defence*

Environmental Defence has been working since 1984 to protect Canadians' environment and human health. Environmental Defence's mandate and objective is to challenge, and inspire change in government, business and people to ensure a greener, healthier and prosperous life for all. Its vision is to create a world Canadians are proud to pass on to their children.

### *B. Membership and Constituency*

Environmental Defence is supported by many thousands of donors across the province and country. It sees its constituency as Canadians who are concerned about the environment and the legacy that we will pass on to our children.

### *C. Types of Programs and Activities that Environmental Defence Carries Out*

Environmental Defence has been highly successful in its public interest advocacy on energy issues. Environmental Defence's environmental work, on issues ranging from toxic chemicals to clean beaches, has led to concrete improvements in the lives of Canadians. For example, the dangerous chemical Bisphenol A ("BPA") is now banned in baby bottles in Canada due to concerns first raised by Environmental Defence in 2007. For many years, Environmental Defence has participated in the federal government's Chemicals Management Plan.

Environmental Defence is also the coordinator of Blue Flag Canada, which certifies beaches so that Ontario families can enjoy this public resource. It also co-founded Blue Green Canada with the United Steelworkers, which promotes green energy initiatives that have positive employment and economic impacts.

Environmental Defence also publishes reports and guides in the area of energy conservation, efficiency, and policy. For example, it has created an interactive online tool to help energy consumers reduce their bills through energy efficiency initiatives. Some further publications include:

- *Building an Ontario Green Jobs Strategy*
- *Ontario's Electricity System, a Background*
- *Canada's Methane Gas Problem: Why strong regulations can reduce pollution, protect health, and save money*
- *Powering up efficiency to get the conservation framework right*
- *The \$2 Billion Question - How Can Ontario Reinvest Cap-and-Trade Proceeds to Meet its Climate Challenge and Grow the Economy?*
- *What to Look for in the Canadian Energy Strategy*
- *Background - Coal and Renewable Energy in Ontario*
- *Building Ontario's Green Economy: A Road Map*
- *Ontario Feed-In Tariff: 2011 Review*
- *The Global Clean Energy Jobs Race: Ontario's Opportunity*

- *Blowing Smoke: Correcting Anti-Wind Myths in Ontario*
- *Faces of Transformation: Jobs, economic renewal and cleaner air from Year One of Ontario's Green Energy Act*
- *Falling Behind: Canada's Lost Clean Energy Jobs*
- *Greening Canada's Building: Report Card*

These and other reports can be found at <http://environmentaldefence.ca/reports/>.

### **Requests for Evidence and Addresses of Representative**

Environmental Defence requests that electronic copies of the pre-filed materials and all other documents in the proceeding be delivered to the following consultant and counsel:

Electronic copies to:

**Jack Gibbons**

Ontario Clean Air Alliance  
160 John Street, Suite 300  
Toronto, Ontario M5V 2E5  
Tel: (416) 260-2080 ext. 2  
E-mail: [jack@cleanairalliance.org](mailto:jack@cleanairalliance.org)

Electronic copies to:

**Kent Elson**

Elson Advocacy  
1062 College Street, Lower Suite  
Toronto, Ontario M6H 1A9  
Tel: (416) 906-7305  
Fax: (416) 763-5435  
E-mail: [kent@elsonadvocacy.ca](mailto:kent@elsonadvocacy.ca)

We also request that the above individuals be listed on the intervenors' list under Environmental Defence.

### **Address of Environmental Defence**

Environmental Defence's full name and address is:

**Environmental Defence Canada Inc.**

116 Spadina Avenue, Suite 300  
Toronto, Ontario M5V 2K6  
Tel: (416) 323-9521  
Fax: (416) 323-9301

However, please send correspondence and any other materials to both Jack Gibbons and to counsel as the authorized representatives.

**Service on other Parties**

Environmental Defence requests the Board's directions as to whether this letter should be served on any other parties.

Please do not hesitate to contact me if anything further is required.

Yours truly,

A handwritten signature in blue ink, appearing to read 'K. Elson', written in a cursive style.

Kent Elson