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March 25, 2009

VIA MAIL and 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: COLLUS Power Corp. – 2009 Electricity Distribution Rate Application
EB-2008-0226 – PO#6 Supplemental Submissions
Vulnerable Energy Consumers Coalition (VECC)

Pursuant to Procedural Order #6 set out below are VECC's submissions regarding the materials filed by COLLUS on March 18, 2009.

Results of COLLUS' Cost Allocation

VECC has reviewed COLLUS' responses provided to Questions #1 and #2 as per PO #6. In VECC's view COLLUS has now properly accounted for the removal of ALCOA and the removal of the transformer allowance discount costs and revenues.

Proposed Revenue to Cost Ratios

VECC notes that COLLUS' proposed changes in revenue to cost ratios over the 2009-2011 period are generally consistent with VECC's February 13, 2009

Submissions. Given the significant increase in the Street Lighting revenue to cost ratio required to achieve the lower bound of the Board's guidelines VECC agrees that a three-year implementation period is reasonable. However, in the case of the GS>50 class, VECC submits that the overall change required to the ratio is much less. As a result, VECC submits that the case for a three year implementation period is not as compelling.

Implementation Methodology

VECC has reviewed COLLUS' proposed implementation methodology as described in response to Question #3 b). VECC notes that it is generally consistent with the approach recommended by VECC in its February 13, 2009 submissions. The only exception is Steps #4 and #5. Under the approach proposed by COLLUS, the revenues at existing rates are increased on a pro-rata basis (Step #4) to yield the proposed 2009 revenue requirement and then a determination is made (Step #5) as to the relative revenues by class that equate to a 100% revenue to cost ratio.

In contrast, VECC's recommended approach (see February 13, 2009 Submissions, Appendix A) starts with the revenues at current rates and first determines the revenues by class that equate to a 100% revenue to cost ratio before increasing these revenues on a pro-rata basis to yield the proposed revenue requirement. This effectively reverses the two steps. The overall results will be slightly different due to the inclusion of miscellaneous revenues in the calculations. VECC believes its proposed approach is preferable but agrees that COLLUS' approach is reasonable.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.