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BY EMAIL and RESS

April 17, 2009
Our File No. 2080150

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
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Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2008-0150 – Consultation on Energy Issues Relating to Low Income Consumers

On March 10, 2009 the Board sent a letter to stakeholders seeking comments on the Report of the Board – Low-Income Energy Assistance Program (the "Report") dated the same date. These are the submissions of the School Energy Coalition with respect to the Report. We have separately provided submissions with respect to the proposed Code amendments set out in EB-2007-0722, which include some aspects that are raised in the Report.

Although we have reviewed the Report and the Staff Report on which it is based, we have only a small number of comments. In general, we believe the Board has sought to establish a balance between protecting the rigour and principles underlying its ratemaking process, and recognition that low-income customers present special challenges, and responsibilities, for electricity and gas distributors.

With that background, we have the following comments:

1. ***Social Policy.*** We remain concerned that the Board, and distributors, keep policies relating to low-income consumers in the energy realm, and not seek to engage in social policy. There are good operational and equity reasons why distributors should have policies that recognize the special situation of low-income consumers. The LEAP approach, particularly with its emphasis on partnering with social service agencies, seeks to make that distinction.

We believe it would be useful for the Board to continue to emphasize, in its communications with distributors and with the public, that distributors are not being given the responsibility of identifying or achieving social justice goals. They are being given the responsibility of recognizing the diverse needs of their customers.

2. ***Standardization.*** The adoption by the Board of the principle that the same policies and programs should be available to all consumers, regardless of the distributor that serves their franchise area, is a welcome step. School boards, because they often deal with multiple distributors, are perhaps more acutely aware than most customers of the wide variations in policies and procedures between LDCs. We believe this principle of standardization, clearly suitable in the low-income context, and already applied by the Board in a number of other contexts, may also be appropriate for other aspects of distributor/customer relationships.

3. ***Cost.*** We agree with the establishment of a standard funding level, and we believe that the Board's proposed level of 0.12% [page 10 of the Report] produces an appropriate increase in funding for this area without an undue increase in the cost to other ratepayers.

   We have noted the comments of Hydro One in their submissions on EB-2007-0722, which suggest that the compliance costs for the low income components of the Code changes could be very substantial. If costs such as these come about, this should be a significant concern to all stakeholders. We suggest that the Board consider allowing distributors who expect to have high implementation costs to propose an alternative implementation plan that achieves the Board's objectives and stays as close as possible to the Board's specific policies and Code provisions, but reduces the cost to implement. While this obviously does not adhere strictly to the principle of standardization discussed above, it would recognize distributor diversity while still tightly controlling the achievement of province-wide service objectives.

4. ***Conservation Programs.*** We are very concerned with the idea that DSM and CDM programs that do not meet the TRC test should still qualify if the target market is low-income consumers [page 13 of the Report]. While we recognize that many conservation initiatives can be justified on bases other than TRC, the Report implies that delivering an uneconomic conservation program to low-income consumers is somehow a justifiable end in itself. This is not a fairness issue. If a conservation program is not economic, it does not become more economic for low-income consumers, unless there is some additional economic or other benefit.

   For example, an otherwise uneconomic home insulation program may be justified if it targets consumers who are having difficulty affording their monthly gas bill, and the monthly bill reduction will reduce the cost enough to make gas heating affordable. Even at that, there will be cost limits, but by identifying the additional benefit the Board can then assess whether the cost to achieve it is reasonable.

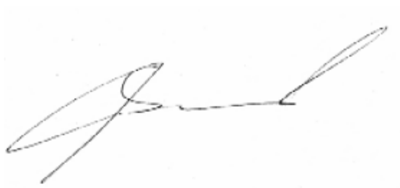
   We believe it is important for the Board to signal to distributors that, for programs that fail the TRC test, some other tangible benefit like that should be identified that justifies the program. Since the Board has little experience with this, it may have to keep the parameters open, but it should still expect rigorous analysis. As utilities propose programs based on various types of benefits, the Board will be able to develop some parameters based on that experience.

5. ***Application to Gas Distributors.*** It was not clear to us whether the Board, at page 16 of the Report, was requiring the gas distributors to adopt customer service rules similar to those for electricity, or encouraging them to do so. We believe they should be required to do so, subject to specific changes necessary for operational reasons.

As note above, we have no further comments on the Report, which we believe accomplishes the Board's objectives well.

All of which is respectfully submitted.

Yours very truly,
SHIBLEY RIGHTON LLP



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Wayne McNally, SEC (email)
Interested parties (email)