



PUBLIC INTEREST ADVOCACY CENTRE
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May 14 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: Vulnerable Energy Consumers Coalition (VECC) Comments
Centre Wellington Hydro Ltd. – 2009 Draft Rate Order
Board File: EB-2008-0225**

As counsel for the Vulnerable Energy Consumers Coalition's (VECC), I am writing to provide comments regarding Centre Wellington Hydro's Draft Rate Order circulated May 12^h, 2009.

On page 2 of the Manager's Summary Centre Wellington Hydro lists a series of adjustments to its original Application and the impact of each on the various elements contributing to the 2009 Revenue Requirement. Unfortunately in a number of cases the supporting schedules in the accompanying pages are not structured so as to align with these individual line items. As a result, while VECC has been able to work through the final changes in the average Cost of Capital, OM&A and Amortization and reconcile them with the Board's Decision, it has not been able to reconcile the values reported for Working Capital, Rate Base and PILs.

For example, the Original Application Commodity costs reported on page 3 do not match those in the August 18th, 2008 filing, but appear to be calculated using the revised loss factors. Similarly, the changes in commodity costs used for the working capital calculation are captured on page 2 under items #5 and #15 and do not reconcile with the change in commodity costs detailed on pages 4-5. With respect to the PILs calculations, VECC has been unable to follow the derivation of the revised adjustments (-\$120,318) required to arrive at taxable utility income.

Also, contrary to the Board's direction (page 24), Centre Wellington has not provided any supporting calculations showing the allocation of the base distribution revenue requirement to customer classes or the derivation of the base distribution rates. As result, VECC is unable to readily determine whether or not Centre Wellington followed the Board's directions with respect to Cost Allocation and Rate Design.

At a minimum, Board Staff should work closely with Centre Wellington to ensure that all of the adjustments adopted by Centre Wellington during the proceeding and the additional ones directed by the Board are properly captured.

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC

cc: Mr. Doug Sherwood
Centre Wellington Hydro Ltd.