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BY E-MAIL AND WEB POSTING

May 19, 2009

- To: All Licensed Electricity Distributors Vulnerable Energy Consumers Coalition Association of Major Power Consumer in Ontario School Energy Coalition Federation of Rental-Housing Providers of Ontario Building Owners and Managers Association of Greater Toronto London Property Management Association Energy Probe Research Foundation
- Re: Notice of Hearing for Cost Awards Electricity Distributors: Customer Service, Rate Classification and Non-Payment Risk Board File Nos.: EB-2007-0635 and EB-2007-0722

Background

A. The Consultations

On June 4, 2007, the Ontario Energy Board (the "Board") commenced a consultation process on the management of customer commodity payment risk by electricity distributors (EB-2007-0635) (the "Risk Management Consultation"). In its June 4, 2007 letter, the Board indicated that cost awards would be available under section 30 of the *Ontario Energy Board Act, 1998* (the "Act") to eligible participants in relation to their participation in the Risk Management Consultation, and that costs awarded would be recovered from all licensed electricity distributors based on their respective distribution revenues.

On September 6, 2007, the Board commenced a separate consultation process on issues associated with the provision of service by electricity distributors (EB-2007-0722) (the "Customer Service Consultation"). In its September 6, 2007 letter, the Board indicated that cost awards would be available to eligible participants in relation to their participation in the Customer Service Consultation, and that costs awarded would be

recovered from all licensed electricity distributors based on their respective distribution revenues.

In a letter dated March 6, 2008, the Board advised interested parties of its determination that issues that were being reviewed as part of the Risk Management Consultation would thereafter be more effectively addressed as part of the Customer Service Consultation.

B. Participants and Activities Eligible for Cost Awards

In its July 10, 2007 Decision on Cost Eligibility, the Board found the following participants to be eligible for an award of costs in the Risk Management Consultation: Energy Probe Research Foundation ("Energy Probe"), London Property Management Association ("LPMA") and the Vulnerable Energy Consumers Coalition ("VECC"). These participants are eligible for an award of costs in relation to the following activities:

- i. The provision of written comments on the June 4, 2007 Board staff Discussion Paper entitled "Electricity Distributors and Management of Customer Commodity Payment Default Risk", to a **maximum of 10 hours (**see the Board's letter dated June 4, 2007).
- ii. The provision of written comments on the March 6, 2008 Board staff Discussion Paper entitled "Electricity Distributors: Customer Service, Rate Classification and Non-Payment Risk", to a **maximum of 30 hours** (see the Board's letter of March 6, 2008).

In its decisions relating to cost eligibility dated October 12, 2007, March 26, 2008 and April 3, 2008, the Board found the following participants to be eligible for an award of costs in the Customer Service Consultation: VECC, the Federation of Rental-Housing Providers of Ontario ("FRPO"), the Building Owners and Managers Association of the Greater Toronto Area ("BOMA"), the Association of Major Power Consumers in Ontario ("AMPCO") and the School Energy Coalition ("SEC"). These participants are eligible for an award of costs in relation to the following activities:

- i. Preparation for and attendance at a stakeholder meeting, to a **maximum of** actual meeting time plus preparation time (limited to 1.5 times actual meeting time) (see the Board's letter of September 6, 2007).
- ii. The provision of written comments on the March 6, 2008 Board staff Discussion Paper entitled "Electricity Distributors: Customer Service, Rate Classification and Non-Payment Risk", to a **maximum of 30 hours** (see the Board's letter of March 6, 2008).

Notice of Hearing

The Board is initiating this hearing on its own motion in order to determine the cost

awards that will be made in accordance with section 30 of the Act in relation to the eligible activities noted above and in relation to the following participants: VECC, AMPCO, SEC, FRPO, BOMA, LPMA and Energy Probe (collectively, the "eligible participants"). The file number for this hearing is EB-2007-0772. This hearing does not address cost awards in relation to the provision of written comments on the proposed amendments to various codes that were issued on March 10, 2009 in relation to the consolidated Risk Management/Customer Service consultation. Cost awards in relation to that notice and comment process will be addressed once the process has been completed.

The Board intends to proceed by way of written hearing unless a party can satisfy the Board that there is a good reason for not holding a written hearing. If a party wants to object to a written hearing, the objection must be received by the Board no later than **7 days** after the date of this Notice.

Assuming that the Board does not receive any objections to a written hearing, the hearing will follow the process set out below.

- 1. The eligible participants shall submit their cost claims by **June 10, 2009**. A copy of the cost claim must be filed with the Board and one copy is to be served on each licensed distributor. The cost claims must be completed in accordance with section 10 the Board's *Practice Direction on Cost Awards*. Eligible participants are reminded that the amendments to the tariff for legal counsel and consultants that were adopted by the Board in the fall of 2007 apply only to work done on or after November 16, 2007. Cost claims for work done prior to November 16, 2007 must be based on the tariff as it existed prior to that date.
- 2. Distributors will have until **June 24, 2009** to object to any aspect of the costs claimed. A copy of the objection must be filed with the Board and one copy must be served on the eligible participant against whose claim the objection is being made.
- The eligible participant whose cost claim was objected to will have until July 2, 2009 to make a reply submission as to why its cost claim should be allowed. A copy of the reply submission must be filed with the Board and one copy is to be served on the objecting distributor.
- 4. The Board will then issue its decision on cost awards. The Board's costs may also be addressed in the cost awards decision.

Service of cost claims, objections and reply submissions on other parties may be effected by courier, registered mail, facsimile or e-mail.

All submissions in this hearing (i.e., cost claims, objections and replies) will form part of the public record. Copies of the submissions will be available for inspection at the

Board's office and the submissions may be published on the Board's website.

Parties must file a paper copy and one electronic copy of their submissions with the Board Secretary by **4:45 pm** on the required dates. The Board requests that interested parties make every effort to provide electronic copies of their filings in searchable/unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the Board's web portal at <u>www.errr.oeb.gov.on.ca</u>. A user ID is required to submit documents through the Board's web portal. If you do not have a user ID, please visit the "e-filings services" webpage on the Board's website at <u>www.oeb.gov.on.ca</u>, and fill out a user ID password request. Additionally, interested parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled "RESS Document Preparation – A Quick Guide" also found on the efiling services webpage. If the Board's web portal is not available, electronic copies of filings may be filed by e-mail at <u>boardsec@oeb.gov.on.ca</u>.

Those that do not have internet access should provide a CD or diskette containing their filing in PDF format.

All submissions must quote file number **EB-2007-0722** and include your name, address, telephone number and, where available, your e-mail address and fax number.

If you do not file a letter objecting to a written hearing or do not participate in the hearing by filing written submissions in accordance with this Notice, the Board may proceed without your participation and you will not be entitled to further notice in this proceeding.

Yours truly,

Original signed by

Kirsten Walli Board Secretary