



PUBLIC INTEREST ADVOCACY CENTRE
LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC

ONE Nicholas Street, Suite 1204, Ottawa, Ontario, Canada K1N 7B7

Tel: (613) 562-4002. Fax: (613) 562-0007. e-mail: piac@piac.ca. <http://www.piac.ca>

Michael Buonaguro
Counsel for VECC
(416) 767-1666

October 5, 2009

VIA MAIL AND EMAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
26th Floor
2300 Yonge Street
Toronto, ON
M4P 1E4

Dear Ms. Walli:

**Re: Draft Issues List re: Proceeding to Determine a Just and Reasonable Rate to Recover the Costs Associated with Embedded Generators Having a Nameplate Capacity of 10 kW or Less
Board File Number: EB-2009-0326**

As Counsel to the Vulnerable Energy Consumers Coalition (VECC), I am writing, per the Board's Notice of September 21st to provide VECC's comments on the Draft Issues List for the above proceeding.

Cost Elements to be Recovered

The current Draft Issues List appears to contemplate that there will be one "rate" (fixed and/or volumetric) that will apply to all the micro generation facilities in the class. While most microFit projects are expected to be "indirectly" connected to the distribution system and have an associated load sharing the same connection point, the OPA has acknowledged that this may not always be the case. Indeed, the OPA's microFIT Program Overview (September 2009) describes the circumstances under which the project could be "directly" connected to the distribution system (see page 17). Such a connection could give rise different costs (and hence rates) and the Issues List should recognize this. One way to do this is to add an Issue possibly worded as follows:

Are the same cost elements applicable to all micro-generation customers?

Rate Design

Consistent with the preceding comments another issue should be added under this section possibly worded as follows;

Are there variations in connection or service arrangements such that sub-classes or rate discounts should be implemented for certain types of projects/connections?

Thank you for the opportunity to comment.

Yours truly,

Michael Buonaguro
Counsel for VECC