

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

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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: EB-2010-0002-Hydro One Networks Inc Transmission

Vulnerable Energy Consumers Coalition (VECC)

Submissions re: Motion to Sever Review of the "High 5 Proposal"

These are the submissions of VECC with respect to the motion brought by Hydro One to sever the consideration of the proposed "High 5 Proposal", including, most importantly, consideration of the consultants' Report obtained by Hydro One concerning the "High 5 Proposal" to a generic proceeding outside the scope of the within proceeding.

VECC has no objection, *per se*, to having the issue considered in a generic proceeding; however VECC is concerned that if the Board agrees to sever the proceeding and proceed to consider possible changes to the charge determinants in a separate, generic application, that the appropriate scope of evidence be available in that generic proceeding.

By way of example, one of the issues raised in consideration of the "High 5 Proposal" is its alignment with the drivers of Hydro' One's investment in transmission infrastructure. In order to explore that issue, a witness panel with the necessary knowledge to provide evidence on the manner in which Hydro One develops its' investment plans in relation to the drivers that may be affected by proposed changes in the charge determinants will be necessary, in order to determine whether the link between the High 5 Proposal and some of the benefits upon which the High 5 Proposal is based exists in any material

sense. While VECC is confident that such witnesses will be available in the context of the 2011/2012 rate proceeding as a whole, it is not so clear that Hydro One is committed to providing the same level of evidence in a separate, generic proceeding.

Accordingly, in the event the Board is persuaded to sever the issue of changes to the existing charge determinants to a generic proceeding, it should do so on the understanding that Hydro One will be obliged to provide the necessary depth of evidence that would be available in a rate hearing to issues relevant to the separately constituted generic proceeding.

Yours truly,

Michael Buonaguro Counsel for VECC