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File: 5356

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January 20, 2011

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: Response to Letter from Mr. Parker Gallant dated January 15, 2011
Objecting to the Request for Cost Eligibility by the Ontario Sustainable
Energy Association (OSEA)
Renewed Regulatory Framework for Electricity Consultation Initiation
Board File Numbers: EB-2010-0377, EB-2010-0378 and EB-2010-0379**

We are writing on behalf of OSEA and in response to Mr. Gallant's letter objecting to OSEA's request for cost eligibility.

We note that the Ontario Energy Board (the "Board") has not yet issued a decision granting cost awards to any intervenors in this matter. Mr. Gallant would appear to have issued his objection to this cost eligibility prematurely.

In the interest of being a responsible intervenor, we provide the following comments and clarifications (using the same numbering in Mr. Gallant's letter) without prejudice to the integrity of the Board's decision and to provide assistance to the Board in deciding what weight, if any, to place on the purported objection.

1. OSEA admits it submitted its request for cost eligibility late and notes that almost half of the parties seeking costs to date have also applied late. OSEA apologizes for its late submission and requests that the Board use its discretion to grant OSEA's late participation request.
2. OSEA maintains that it does not have funds to allocate towards meaningful participation in this matter. OSEA does not receive any grant or other funding to participate in Board hearings. OSEA's grants are given for clearly specified purposes and/or projects or proposal initiatives. To use these funds for Board



hearings would violate the purpose of the grants and would be inappropriate. OSEA, like many other organizations, can only participate in Board hearings if OSEA receives a cost award from the Board and it is appreciative of the cost awards that it has received to date and its permitted participation in general.

Mr. Gallant also makes the incorrect claim that OSEA has moved funds between related non-profit corporations in order to “qualify” for intervenor funding. This is simply not the case. The Community Power Fund is an independent non-profit corporation and OSEA’s role in the grant to the Community Power Fund was administrative only as directed by the government funding source.

3. OSEA changed its membership structure recently which accounts for the change in numbers. OSEA’s membership is comprised of organizations and individuals. OSEA’s core membership is community based organizations made up of local individuals. These individuals join as members of OSEA through their community organization. The number of individuals who are members of OSEA, either on their own or through their community groups, currently numbers in the thousands and continues to grow.
4. OSEA, APPro, CanWEA and CanSIA have agreed to extend reciprocal relationships among each organization at no cost. Their reciprocal membership structure is representative of the desire to work together where synergies exist.

OSEA does not state that it represents the interests of all of the members of these renewable energy associations. Moreover, OSEA’s mandate is unique. The organization promotes sustainable energy and community power, where every Ontarian is a conserver and generator of sustainable energy, either through a household or through a local community owned business. OSEA promotes community-based (or ratepayer-based) ownership of renewable energy.

Mr. Gallant references his objections in Board File EB-2010-0059. OSEA would remind Mr. Gallant that the Board heard his objections as a motion to review the Board’s decision on cost eligibility. In that decision, the Board held that Mr. Gallant’s objections did not pass the “threshold test” required to determine if a matter should be reviewed. Further that “the grounds identified by Mr. Gallant do not raise a question as to the correctness of the Cost Eligibility Decision such that a review of the decision would result in it being varied, cancelled or suspended.”¹

OSEA, in addition to many stakeholders, participated in stakeholder sessions for the MicroFIT advisory committee. OSEA sought to improve transparency and advise on how to improve the existing program. Stakeholder input is common across all areas of government and business. Stakeholders bring many varied perspectives to the table and allow government and non-government bodies to understand concerns and challenges and

¹ *Decision on Motion to Review*, EB-2010-0059, July 23, 2010, p 4.



choose how best to address those concerns and challenges. OSEA has and will continue to work with all political parties to ensure that local ownership of renewable energy and the importance of sustainability practices are understood. Participating in stakeholder sessions is a normal part of any organizations activities. As with lobbying, it does not disqualify an organization from receiving cost eligibility. This was also pointed out by the Board in its decision on EB2010-0059.²

Finally, OSEA's mandate is to continue to contribute to the discussion on the future of Ontario's electricity system, including the current investment required in maintaining and upgrading Ontario's electricity network and it respectfully requests that it continue to be awarded costs where the Board sees fit to grant a cost award.

Yours truly,

Cherie Brant

cc: Kristopher Steven, Executive Director, OSEA
OSEA Board of Directors and members

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² *Decision on Motion to Review*, EB-2010-0059, July 23, 2010, p 5.