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VIA ELECTRONIC FILING AND EMAIL

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

PowerStream Inc.
161 Cityview Boulevard
Vaughan ON L4H 0A9
Attn: Mr. Colin Macdonald

Midland Power Utility
Corporation
16984 Highway #12
P.O. Box 820
Midland ON L4R 4P4
Attn: Phil Marley

Dear Ms. Walli:

Re: Application by PowerStream Inc. (“PowerStream”) and Midland Power Utility Corporation (“Midland”) for an Extension to their Mandated Time-of-Use Pricing Date for Certain Regulated Price Plan Consumers;

**Board File Numbers EB-2011-0117 and EB-2011-0133
Submission of the Canadian Federation of Independent Business (“CFIB”)**

In response to the above-captioned applications, CFIB filed interrogatories, and has now reviewed the answers to its own interrogatories and those of Board Staff. CFIB and its advisors mistakenly understood the Board’s procedural order as setting a date of June 27, 2011 for the submissions of parties. We hope the Board will give consideration to this submission.

CFIB is a not-for-profit public interest entity, representing the interests of more than 108,000 owners of small and medium-sized businesses, distributed across all industry sectors and all regions of Canada. Approximately 42,000 of those CFIB members are located in Ontario.

Small and medium-sized businesses have a significant impact on Ontario’s energy profile. Approximately eighty-one percent of Ontario businesses employ fewer than five people. Small and medium-sized businesses account for more than half of Ontario employment and nearly half of GDP.

CFIB’s members mirror and reflect the regional and economic diversity of Ontario, as they include many commercial sectors such as agriculture, natural resources,

construction, manufacturing, wholesale, retail, transportation, arts and information, finance, insurance, real estate and leasing, professional services, enterprises and administrative management, social services, hospitality, personal, miscellaneous services and others. CFIB members will be affected by investments in conservation, generation and transmission that will be needed to maintain a clean and reliable electricity system for Ontarians, and by the cost of those investments as reflected in rates.

In a recent survey of CFIB members, focused on their energy needs and costs, the most important aspect of Ontario's electricity policy and decision-making noted by CFIB members is price stability.

CFIB and its members strongly support energy conservation. Of those surveyed, seventy-seven percent of small and medium-sized businesses have already implemented conservation measures including changes to lighting, thermostats, building alterations, investments in improved technologies, and changes to layout/production or timing.

Small businesses differ widely in their types of appliances and hours of operation. A convenience store is different from a restaurant, a hair salon, a dry cleaner or an office. Ninety-two percent of CFIB members surveyed confirmed that they are unable to switch their time of use from peak to low peak periods. We are therefore very concerned that the effect of time-of-use rates will have a negative effect on the bills of a majority of our members. For those customers whose operations are focused within the typical business day and week, that pattern will result in bill increases that exacerbate the effects of the significant rate increases expected over the next several years, especially if additional effective, affordable means to increase efficiency (i.e. reduce consumption without reducing our ability to serve customers) are not accessible to them.

Our understanding of the responses filed by PowerStream and Midland in response to the interrogatories in this proceeding is as follows:

- Until very recently, PowerStream was unable to quantify the expected bill impacts on its GS<50 customers of the change to time of use rates. (PowerStream's application). Midland began its review in January 2011, once rate information became available. If LDCs cannot predict bill impacts without this information, it can be concluded that a customer will not be able to predict bill impacts and assess possible actions, until comparative information is made available by their LDC.
- PowerStream indicated that nearly 60% of its sample of GS<50 customers can expect bill increases if they are unable to change their load shape. 87% of Midland's 720 GS<50 customers will experience a bill increase of 6.8%, and 44% of customers would see an increase of more

than 10%. Midland expects those increases to be even greater in the summer period. (Response to CFIB's IR 1).

- While PowerStream was not able to identify the characteristics of the customers who will see bill increases, from the data provided it appears that these are smaller customers. (Response to CFIB's IR 1).
- No information has been collected and made public, across LDCs, as to the actual or expected effect of time of use rates on the bills of Ontario small businesses, nor on the expected impacts of the conservation programs currently available through the OPA (Responses to CFIB's IR 2, 6, and 7).

We are very concerned about the majority of small businesses who, it appears, will be faced with bill increases, combined with little advance information and a small number of program tools, of which the effectiveness is not yet known.

Board staff has argued in its submission that the reasons for the requested delay are not "technical", and that the negative impacts are not "unexpected". While Board staff may have expected these results, CFIB considers that customers are not in the same position, and that many will receive an unwelcome surprise when time of use rates go into effect. While there is no guarantee that the steps planned by PowerStream or Midland will enable customers to mitigate their bills, the delay and the proposed information will at least enable provincial policymakers to rethink the plan to impose the current time of use regime on small businesses.

CFIB therefore considers the requested delay to be in the interest of the affected GS<50 customers, and assumes, since no reference was made to the issue, that there is no identified adverse impact on other customer classes or members of the public. CFIB, therefore, is of the view that the PowerStream's and Midland's applications should be approved.

CFIB commends the concern that PowerStream and Midland are demonstrating for small business customers, and would welcome an opportunity to support their planned initiatives through stakeholder participation and feedback.

We thank the Board for considering these submissions.

All of which is respectfully submitted on behalf of CFIB.

FASKEN MARTINEAU DuMOULIN LLP



Richard D. Butler

RB/fd

*CC: Satinder Chera, CFIB
Paula Zarnett, BDR*