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November 24, 2011

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: Vulnerable Energy Consumers Coalition (VECC)
Hydro One Brampton Networks Inc. EB-2011-0193
Final Submissions of VECC

Please find enclosed the submissions of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Thank you.

Yours truly,

Michael Buonaguro
Counsel for VECC
Encl.

cc: Parry Sound Corporation
Mr. Miles Thompson, Vice President

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B), as amended;

AND IN THE MATTER OF an Application by Parry Sound Power Corporation for an order or orders approving or fixing just and reasonable distribution rates to be effective January 1, 2012.

FINAL SUBMISSIONS

On Behalf of The

Vulnerable Energy Consumers Coalition (VECC)

November 21, 2011

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Vulnerable Energy Consumers Coalition (VECC)

Final Argument

1 The Application

- 1.1 Parry Sound Power Corporation (“Parry Sound Power”, “the Applicant”, or “the Utility”) filed an application (“the Application”) with the Ontario Energy Board (“the Board” or “the OEB”), under section 78 of the *Ontario Energy Board Act, 1998* for electricity distribution rates effective January 1, 2012. The Application was filed in accordance with the OEB’s guidelines for 3rd Generation Incentive Regulation which provides for a mechanistic and formulaic adjustment to distribution rates between cost of service applications.
- 1.2 As part of its application, Parry Sound Power included an adjustment to the revenue to cost ratio of one customer class. The following section sets out VECC’s final submission regarding this aspect of the application.

2 Revenue to Cost Ratio Adjustments

- 2.1 The Board directed Parry Sound Power in its Decision in Parry Sound Power’s 2011 cost of service (COS) application (EB-2010- 0140) to move the revenue-to-cost ratio for the Streetlighting class to 35% in the test year, 52% in 2012 and 70% in 2013. The additional revenues from these adjustments should be allocated to the GS>50 kW class, reducing the GS>50 kW class as this class still has a revenue to cost ratio outside the Board’s range.¹
- 2.2 VECC submits that the revenue to cost ratios were input correctly in the Workform.
- 2.3 In its original filing, Parry Sound Power input the Transformer Allowance as a negative value on Sheet 8, resulting in a higher volumetric distribution rate for the GS 50 to 4,999 kW customer class, instead of lower.
- 2.4 In response to VECC interrogatory # 1 (b) and Board Staff interrogatory # 6, Parry Sound changed the Transformer Allowance from a negative to a positive, resulting in an adjustment to the volumetric distribution rate for the GS 50 to 4,999 kW rate class from 4.2213 to 3.9339.
- 2.5 With this revision, VECC submits that the revenue to cost ratio adjustments are in accordance with the EB-2010-0140 Decision and the Revenue to Cost Ratio Workform has been completed appropriately.

¹ EB-2010-0140, Decision, Page 30

3 Recovery of Reasonably Incurred Costs

- 3.1 VECC submits that its participation in this proceeding has been focused and responsible. Accordingly, VECC requests an order of costs in the amount of 100% of its reasonably-incurred fees and disbursements.

All of which is respectfully submitted this 21st day of November 2011.