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June 7, 2012

BY RESS AND COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P. O. Box 2319
2300 Yonge Street
Suite 2700
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

**Re: EB-2012-0033 Enersource Hydro Mississauga Inc. ("Enersource")
Cost of Service Rate Application ("Application")**

The Application has received a number of intervention requests, all of which include requests for cost eligibility.

Enersource does not oppose granting intervenor status to all of these parties.

With respect to cost eligibility, Enersource notes that the 2011 Auditor General's Report ("Report") states that, while many intervenors do add value to the Board's process, "it is also important that intervenors be integrated efficiently and effectively into the hearing process to ensure that the value they provide is not outweighed by the additional costs they impose on consumers, who ultimately pay for their services." The Report therefore recommended that the Board "better co-ordinate and evaluate intervenor participation in the rate-setting process in an effort to reduce duplication..."

The Ontario Energy Board ("Board") has indicated that it intends to implement some recommendations of the Report. Thus, for example, the Board stated that it would report on intervenor costs "in response to the recommendations of the Auditor General of Ontario".

The Board has also taken direct steps to address duplication of cost awards for similarly situated intervenors in other proceedings in a manner consistent with the Auditor General's recommendation.

In EB-2011-0140 (East West Tie Line Designation Proceeding), the Board noted that there were two intervenors applying to represent low volume customers and four intervenors applying to represent high volume customers. It determined that it would grant costs for one intervenor to represent each of those categories of customers. The Board therefore provided the intervenors in each of these categories with an opportunity to consider whether to form a joint intervention for the purposes of cost eligibility or whether to agree on one representative intervenor for cost eligibility. It further ruled that if no agreement was reached among the relevant parties, then the Board would receive submissions from each party as to why it, individually, should be the costs-eligible party, and then determine which two intervenors would be eligible for costs.

Although the East West Tie Line Designation Proceeding was not a rates case, the principle of avoiding duplicative cost eligibility is applicable across Board proceedings. Further, as there will be a number of large cost of service rate applications heard in 2012, Enersource submits that it would be prudent for the Board to manage the potential duplication issue proactively.

Enersource submits that the Board's approach in the East West Tie Line Designation Proceeding balances the need to ensure ratepayer participation while at the same time, managing the costs and time of regulatory proceedings. Enersource therefore respectfully requests that the Board apply that approach here as well.

Sincerely,

(Original signed by)

Gia M. DeJulio
Director, Regulatory Affairs

cc. Dan Pastoric, Executive Vice-President and Chief Operating Officer
George Vegh, McCarthy Tétrault
Intervenors of Record in EB-2007-0708