

Sent via e-mail: [boardsec@ontarioenergyboard.ca](mailto:boardsec@ontarioenergyboard.ca)

October 12, 2012

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street – 27<sup>th</sup> Floor  
Toronto ON M4P 1E4

Dear Ms. Walli:

I am writing in regards to the Review of Cost Allocation Policy for Unmetered Loads (Board File No. EB-2012-0383). AMO is very pleased to learn that the OEB is now moving to establish a review committee to examine the terminology and modeling methodology for Unmetered Loads. AMO has been concerned about the manner in which streetlight service rates have been allocated since 2007 as this has resulted in rate increases and limitations on streetlight planning without any increase in service. This letter is seeking confirmation as to whether or not AMO would qualify for Cost Awards to participate in this group.

As a membership-based advocacy association, AMO's mandate is to support and enhance strong and effective municipal government in Ontario. We have not been active participants in Board Hearings because they generally do not hear matters that affect the municipal sector as a whole, nor does AMO have the internal capacity or expertise to delve into most technical matters. However, this issue affects all of our members and we believe AMO represents a public interest in terms of those entities that plan, build and maintain assets, streetlights, which perform an essential public service. While AMO did participate in one meeting of the initial proceeding on this issue (EB-2010-0219), this merely confirmed the fact that we could benefit from outside expertise moving forward.

As a result, if eligible for cost awards, we would like to retain Bruce Bacon from Borden Ladner Gervais as our representative on this committee as he has both the background and technical knowledge that we lack. Mr. Bacon has assisted numerous LDCs in completing their cost allocation studies and was a consultant to the OEB in preparing the cost allocation model at issue as part of this review. He is well versed in the municipal concerns around the model and would represent AMO at the committee, including the preparation of any background research and quantitative analyses.

There is recent precedence for awarding costs to municipal associations from the *East-West Tie Line Decision on Intervention and Cost Award Eligibility* from March 30, 2012. In that decision, the Board ruled that both the (1) City of Thunder Bay and Northwestern Ontario Associated Chambers of Commerce and Northwestern Ontario Municipal Association, as well as (2) the Municipality of Wawa and the Algoma Coalition were eligible for cost awards because they represented a public interest which is relevant to the Board's mandate in this particular proceeding related to the role of municipalities in land use planning and development more generally in the region. The Northwestern Ontario Municipal Association (NOMA) is an apt comparator to AMO, and in fact NOMA is one of the geographic caucuses within the AMO family. We would argue that the same rationale should apply to the upcoming Review of Cost Allocation Policy for Unmetered Loads and we await your clarification as a result.

We look forward to your response on whether AMO is eligible for a cost award and could participate in this committee.

Yours truly,

A handwritten signature in blue ink, appearing to read 'R.F. Powers', with a long horizontal flourish extending to the right.

R.F. (Russ) Powers  
President

cc: Vince Cooney, Policy Advisor, Rates, Conservation & Policy Evaluation  
Regulatory Policy, Ontario Energy Board