



**PUBLIC INTEREST ADVOCACY CENTRE  
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Michael Janigan  
Counsel for VECC  
(613) 562-4002 ext. 26

December 12, 2012

**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)  
Renfrew Hydro Inc. EB-2012-0163  
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,

A handwritten signature in black ink, appearing to read 'Michael Janigan', is written over a horizontal line.

Michael Janigan  
Counsel for VECC  
Encl.

cc: Renfrew Hydro Inc.  
Tom Freemark

**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 Renfrew Hydro Inc. for an order or orders approving or fixing just and reasonable distribution rates to be effective May 1, 2013.

**FINAL SUBMISSIONS**

**On Behalf of The**

**Vulnerable Energy Consumers Coalition (VECC)**

**December 12, 2012**

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# Vulnerable Energy Consumers Coalition (VECC)

## Final Argument

### 1 The Application

- 1.1 Renfrew Hydro Inc. (“Renfrew Hydro”, “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 May 1, 2013. The Application was filed in accordance with the OEB’s guidelines for 3<sup>rd</sup> 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, Renfrew Hydro included an adjustment to the revenue to cost ratios. The following section sets out VECC’s final submissions regarding this aspect of the application.

### 2 Revenue to Cost Ratio Adjustments

- 2.1 In Renfrew Hydro’s Decision and Order in its 2010 Cost of Service proceeding (EB-2009-0146), the Board directed that the GS>50kW revenue-to-cost ratio be increased progressively over the 2010-2013 period; specifically, from 80% in 2010, to 84% in 2011, to 87% in 2012 and to 90% in 2013. However, the Board specified that the GS>50kW upward progression should only continue until the Residential class reaches a limit of 100%. For the GS<50kW, Unmetered Scattered Load (USL) and Street Lighting classes the Board approved revenue-to-cost ratios in 2013 of 100%, 80% and 70%, respectively.<sup>1</sup>
- 2.2 The proposed 2013 balancing impact on the residential class decreases the ratio from 111% to 108%.<sup>2</sup>
- 2.3 VECC has reviewed the revenue to cost ratio adjustments proposed by Renfrew Hydro and submits that:
  - the revenue to cost ratio adjustments are in accordance with the EB-2009-0146 Decision and;
  - the Revenue to Cost Ratio Workform has been completed appropriately.

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<sup>1</sup> EB-2009-0146 Decision, Pages 30-34

<sup>2</sup> Revenue to Cost Ratio Adjustment Workform, Sheet 10

**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 12<sup>th</sup> day of December 2012.