



THE BOARD OF DIRECTORS

Chair, GAIL REGAN

President, Cara Holdings Ltd.

President, PATRICIA ADAMS

MAX ALLEN

Producer, IDEAS, CBC Radio

ANDREW COYNE

Columnist, National Post

GLENN FOX

Professor of Economics, University of Guelph

IAN GRAY

President, St. Lawrence Starch Co.

CLIFFORD ORWIN

Professor of Political Science, University of Toronto

Secretary/Treasurer, ANNETTA TURNER

ANDREW ROMAN

Barrister & Solicitor, Miller Thomson

ANDREW STARK

Rotman School of Management, University of Toronto

GEORGE TOMKO

Resident Expert, PSI Initiative, University of Toronto

MICHAEL TREBILCOCK

Chair, Law & Economics, University of Toronto

MARGARET WENTE

Columnist, The Globe and Mail

September 15, 2013

BY EMAIL & COURIER

**Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge St, Suite 2701
Toronto ON M4P 1E4**

Dear Ms. Walli:

**Board File No. EB-2012-0160
Peterborough Distribution Inc. – 2013 Cost of Service Application**

Pursuant to the Decision and Rate Order, issued August 22, 2013, this is the response to the objection to the Energy Probe Research Foundation (Energy Probe) cost claim, filed by the Applicant's president on September 6, 2013 in the EB-2012-0160 proceeding.

The objection to Energy Probe's cost claim was presented as follows:

"PDI has completed its review of the cost claim submitted by Energy Probe and objects to \$326.85 in costs for a second consultant, David MacIntosh, to attend the settlement conference."

In addition to the objection to Energy Probe's cost claim, the president of Peterborough Distribution filed a letter of objection in regard to the cost claim filed by the School Energy Coalition (SEC) in the EB-2012-0160 proceeding.

It was somewhat surprising to Energy Probe to find that the Applicant had, in its objection to the cost claim of SEC, held out the cost claim of Energy Probe as an example of an appropriate cost claim that SEC should emulate. This is presented by the Applicant in the second paragraph of the Conclusion to its objection to the SEC cost claim:

"On behalf of Peterborough Distribution Inc. ratepayers we respectfully submit that the cost submission be reduced to \$15,365.80. This cost claim will then be in line with both the Energy Probe and the VECC cost claims on this file."

Energy Probe Research Foundation 225 BRUNSWICK AVE., TORONTO, ONTARIO M5S 2M6

Phone: (416) 964-9223 Fax: (416) 964-8239 E-mail: EnergyProbe@nextcity.com Internet: www.EnergyProbe.org

As well, it is only fair to point out that in the spreadsheet presented by the Applicant in its Section 3, it fails to note that in the cost of service rate proceedings noted for Bluewater Power Distribution, PUC Distribution, Thunder Bay Hydro and Greater Sudbury Hydro, the SEC did not file the highest intervenor cost claim. In fact, in evaluating that spreadsheet, it should be noted that SEC filed the lowest intervenor cost claim for the Bluewater Power Distribution, Thunder Bay Hydro and Greater Sudbury Hydro cost of service proceedings.

Energy Probe can state that in the Peterborough Distribution proceeding, SEC took a lead position in a number of areas of evidence review. In the other proceedings noted above, other intervenors took lead positions, which is reflected in the differences of relative amounts in their cost claims.

The many emails which so intrigued the president of the Applicant, include intervenor to intervenor communications necessary to comply with Board directions to intervenors to actively cooperate with each other during the cost of service proceedings.

It is difficult for Energy Probe to accept the Applicant's position that less than \$40,000 in intervenor cost claims incurred to assist in locating some \$4,000,000 in rate savings spread over 4 years is objectionable. Ratepayers are unlikely to complain, especially in comparison to the \$175,000 expense for consultants filed by the Applicant in Appendix 2-M (Regulatory Cost Schedule).

For all the reasons submitted to the Board in this response, Energy Probe Research Foundation requests that it be awarded a full recovery of its costs incurred in its participation in this proceeding, which is only in the public interest and without pecuniary purpose. Further, Energy Probe requests that the other intervenors in this proceeding be awarded full recovery of their costs.

Respectfully submitted at Toronto, Ontario this 15th day September 2013.



David S. MacIntosh
Case Manager

cc: Amanda Jankowski, Peterborough Utilities (By email)
John Stephenson, Peterborough Distribution (By email)
James Sidlofsky, Borden Ladner Gervais LLP (By email)
Jay Shepherd, Canadian Energy Lawyers (By email)
Randy Aiken, Consultant to Energy Probe (By email)

Energy Probe Research Foundation 225 BRUNSWICK AVE., TORONTO, ONTARIO M5S 2M6

Phone: (416) 964-9223 Fax: (416) 964-8239 E-mail: EnergyProbe@nextcity.com Internet: www.EnergyProbe.org