

October 10, 2013 Ontario Energy Board P.O. Box 2319 27th Floor 2300 Yonge Street Toronto, Ontario M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary Regarding: EB-2013-0122 - 2014 Cost of Service Application Subject: Letter of objection to a settlement conference

Dear Ms. Walli,

On September 4th, Cooperative Hydro Embrun Inc. (CHEI) received a procedural order outlining dates and steps related to CHEI's cost of service application filed on May 10, 2013. Amongst the steps listed, the OEB made a provision for a settlement conference on October 24, 2013 and possibly October 25, 2013. CHEI respectfully asks that the OEB reconsider its provision for a settlement conference and proceed instead by way of written hearing. The utility understands that settlement conferences often help to streamline the approval or rates however CHEI projects that a settlement conference would result in additional regulatory costs in the amount of \$31,000 for a single day of settlement conference.

CHEI's cost estimate is broken down as such;

Legal representation:

- 2 days to review the application prior to settlement: cost \$11,000
- 1 day of settlement conference: cost \$5,000

BDO (accounting resource)

• Time, travel and accommodation (as quoted by BDO): cost \$11,000

CHEI (General Manger and Administrative Coordinator)

• Travel and accommodations: cost \$2,500

Regulatory Consultant

• Hourly rate for 1 day: cost \$1,500

(Potential increase in intervenor costs)

CHEI makes every effort to minimize its costs in an effort to help its customers. Evidence of these efforts is that distribution expenses have only increased by \$60.000 from its 2010 approved distribution costs. \$31,000 represents more than half of this increase. CHEI strongly feels that incurring \$31,000 in additional regulatory costs would only serve to penalize the customer by increasing its bill impacts.

CHEI is also of the opinion that there are no issues in its application that would be considered contentious and that warrant a settlement conference. Therefore, CHEI respectfully requests that the application proceeds by way of written hearing.

In addition, please be advised that I, Benoit Lamarche, will be out of the county on until the end of the month and that no other person has the authorization to negotiate on my behalf

Yours truly,

Benoit Lamarche, General Manager Cooperative Hydro Embrun 821 Notre Dame Rue Russell, ON (613) 443-5110