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BY EMAIL and RESS

December 9, 2013
Our File No. HV2012-0001

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2013-0159 – Oakville Hydro – HVAC Coalition Issues List Submissions

We are counsel for the HVAC Coalition. Pursuant to Procedural Order #1 in this matter, this letter constitutes HVAC's submissions on the proposed Issues List.

HVAC is aware that other intervenors will be proposing substantial changes to the draft issues list, or replacing that issues list with a more traditional approach. We will leave those submissions to those intervenors.

Based on the proposed issues list, HVAC believes that the following issues should be added with specific application to Oakville Hydro:

3.2 Has the applicant ensured that its relationships with its affiliates, including Oakville Hydro Energy Services Inc., and the business practices of the applicant and its affiliates, are in the best interests of the customers of the regulated utility?

4.4 Does the applicant's spending on resources that support the businesses of its affiliates result in appropriate improvement in operational effectiveness of the regulated utility, and thus appropriate reductions in revenue requirement?



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7.8 Has the applicant ensured that it receives proper compensation from affiliates for the use of the applicant's property, including intellectual property, and other resources?

Each of these issues deals with a different aspect of the operations of Oakville Hydro Energy Services Inc., and in particular whether those operations a) are reliant on actions by the applicant, or b) are carried out in such a way as to both insulate the regulated ratepayers from harm, and maximize the benefit to the regulated ratepayers from the economies of scope (if any).

Although there are several unregulated businesses under the Oakville Hydro Energy Services umbrella, HVAC expects to focus primarily on Sandpiper Energy Solutions, originally in the business of renting hot water heaters, but recently expanded to promote a full range of HVAC products and services.

These additional issues would allow us to investigate, through interrogatories and other discovery processes made available by the Board, whether the affiliate is receiving a subsidy or other benefit from the utility, and whether the actions of the utility and/or the affiliate are creating any confusion in the marketplace that is harmful to the ratepayers.

Depending on the answers received through the discovery process, HVAC may also seek to file evidence and offer witnesses in any oral proceeding to speak to these particular issues.

In the event that the Board determines that it will start with a different template for the issues list in this proceeding, HVAC requests that the same additional issues set out above, suitably modified to fit into that new template, be added to that issues list.

All of which is respectfully submitted.

Yours very truly,
JAY SHEPHERD P. C.

Jay Shepherd

cc: Martin Luymes, HVAC (email)
Interested Parties