

June 23, 2014

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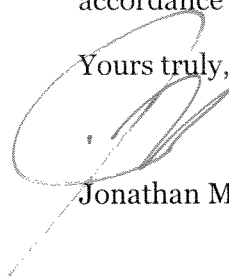
Attention: Ms. K. Walli, Board Secretary

Dear Ms. Wali:

Re: EnWin Utilities Ltd. - Appeal Under Section 7 of the *Ontario Energy Board Act* from Decision and Rate Order in EB-2013-0125 - Appellant's Reply Submission (EB-2014-0156)

We are counsel to EnWin Utilities Ltd. ("EnWin"), the Appellant in the above-referenced proceeding. On behalf of EnWin, we are hereby filing the EnWin's Reply Submission in accordance with Procedural Order No. 1 dated May 28, 2014.

Yours truly,



Jonathan Myers

cc: Mr. A. Sasso, EnWin Utilities Ltd.
Mr. C. Keizer, Torys LLP

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B);

AND IN THE MATTER OF an appeal under section 7 of the *Ontario Energy Board Act, 1998* of an order of the Ontario Energy Board in EB-2013-0125, regarding an application by EnWin Utilities Ltd. for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2014.

APPLICANT'S REPLY SUBMISSION

June 23, 2014

1. On March 28, 2014, EnWin Utilities Ltd. ("EnWin" or the "Appellant") filed an appeal under section 7 of the *Ontario Energy Board Act, 1998* (the "Act") from the Decision and Rate Order of the Ontario Energy Board (the "Board") made by delegation and issued March 13, 2014 in EB-2013-0125 (the "Decision"). EnWin asked for an order of the Board setting aside the part of the Decision in which the Board did not provide for the disposition of its Group 1 deferral and variance account balances and approving the disposition of those balances in accordance with its initial Application.
2. The Board issued a Notice of Written Hearing and Procedural Order No. 1 on May 28, 2014. EnWin was required by the Procedural Order to serve copies of the Notice of Appeal on the other parties and was invited to file additional materials by June 3, 2014. In correspondence filed June 3, 2014, EnWin confirmed that a copy of the Notice of Appeal was served on the other parties as required and advised that it would not be filing additional materials because the Notice of Appeal set out the basis for the appeal in a comprehensive manner. Other parties were permitted to file written submissions by June 12, 2014. Only one party, apparently being the employees of the Board that filed a submission in the prior proceeding, filed submissions. The following is the Appellant's reply to the Board staff submission.
3. In EnWin's submission, for the following reasons, the Appeal should be granted and the disposition of the Group 1 deferral and variance account balances should be permitted in accordance with EnWin's initial Application:
 - (a) A strict application of the EDDVAR approach to disposition results in significant amounts not being returned to a large majority of EnWin's ratepayers. Allowing EnWin to dispose of its Group 1 accounts would permit these funds to be returned to a significant number of its customers with minimal impact on a small number of its customers and, as such, is in the public interest;
 - (b) The Board's rigid application of the EDDVAR Report amounts to a fettering of the Board's discretion for setting rates that are just and reasonable because it results in the setting of rates that are higher than necessary for a significant

number of customers. There was not due consideration given to the Board's objectives of protecting the interests of consumers with respect to pricing;

- (c) Board staff has provided no explanation for the Board's decision to refuse disposition of the Group 1 accounts being based on cash flow impacts when cash flow was never at issue in the proceeding;
 - (d) Board staff have not disputed and have provided no explanation as to why the Board made its decision to refuse disposition of the Group 1 accounts without giving due consideration to EnWin's stated concerns with respect to intergenerational inequities or the accumulation of large balances, both of which are identified in the EDDVAR Report as being key objectives of the standard approach to disposition;
 - (e) there is nothing in the EDDVAR Report that precludes application of the threshold test on a disaggregated basis where it is in the public interest to do so;
 - (f) the Board has previously deviated from the EDDVAR preset disposition threshold based on findings that doing so was in the public interest, including where the account balances are in a credit position, such that amounts were payable to customers; and
 - (g) Not permitting disposition of the Group 1 account balances gives rise to a risk of significant rate volatility in the future or else, if those fluctuations are smoothed by allowing future recovery to be spread over a longer period, then concerns with intergenerational inequities would arise.
4. Board staff has organized its submissions under two headings - (a) EDDVAR and its Proper Application, and (b) Accounting for the Public Interest. Board staff makes three arguments under each of these headings. These are addressed in sequence, as follows.

Staff Arguments re Application of EDDVAR

Consideration of the Three Objectives in Disposing of Group 1 Accounts

- 5. EDDVAR identifies three objectives of the standard approach to disposition of Group 1 Account balances, namely mitigating intergenerational inequities, mitigating the accumulation of large account balances and enhancing a distributor's ability to manage cash flow. Board staff argues that EDDVAR does not require all three objectives to be addressed for disposition of account balances to occur and that a balanced consideration of these three objectives is implied in the preset disposition threshold.
- 6. EnWin agrees that there is no requirement for the three objectives to be addressed in order for disposition of the Group 1 Account balances to occur. This is because EDDVAR, including these three objectives and the preset disposition threshold itself, is not binding law. Rather, EDDVAR is an administrative/procedural guideline that is subject to the Board's discretion in fulfilling its statutory responsibility to establish rates

that are just and reasonable and to act in the public interest based upon the facts that are before the Board.

7. In making its decision on the question of whether to allow EnWin to dispose of its Group 1 Account balances, the Board turned to the guidance provided in EDDVAR and referenced the Board's expectation that its standard approach to disposition should enhance a distributor's ability to manage its cash flow. However, the Board did not give any indication that it gave any consideration to the remaining two Board expectations, which relate to mitigating intergenerational inequities and the accumulation of large account balances. This is despite that cash flow management was not discussed in the evidence and was never at issue in the proceeding. Moreover, in its reply submissions and interrogatory responses EnWin raised specific concerns with respect to the potential for intergenerational inequities and the accumulation of large account balances. Even though EDDVAR does not require all three objectives to be addressed, the objectives that are relevant to and part of the facts before the Board should be addressed.
8. In its submissions in response to the Notice of Appeal, Board staff have provided no explanation for this deficiency in the Board's reasons and, by arguing that it was not necessary for all three objectives to be addressed, staff appear to confirm that in fact no consideration was given to EnWin's concerns with intergenerational inequity or the accumulation of large account balances.
9. Furthermore, contrary to staff's assertion that the objectives are implied in the threshold, application of the preset disposition threshold is not a guarantee that the three objectives will necessarily be achieved. Rather, within the framework established by EDDVAR, these three objectives can best be characterized as the Board's intended outcomes from applying the disposition process, including the preset disposition threshold. This is demonstrated by the use of the word "should" on p. 10 of EDDVAR, where the report states that "this systematic approach *should* mitigate intergenerational inequities and the accumulation of large Account balances. Further, this disposition threshold level *should* enhance the distributor's ability to manage its cash flow" (emphasis added).
10. The use of the word "should" rather than "will" in the relevant language from EDDVAR, highlighted above, indicates that the Board expected that there may be circumstances in which these three objectives will not be met by applying the standardized approach that has been prescribed. One such circumstance arises from the offsetting effect between individual accounts that affect different customer classes differently, which as demonstrated by EnWin has the potential to result in intergenerational inequities and the accumulation of large account balances to occur. The Board should not assess the public interest of permitting disposition of the Group 1 accounts simply applying the threshold on the assumption that the Board's public interest objectives are implied in the threshold. Rather, the Board should assess, based on the facts that are before the Board and the rate effects on rate payers, whether its public interest objectives have been appropriately accounted for.
11. In determining that EnWin should not be permitted to dispose of its Group 1 account balances, the Board considered a factor in respect of which no evidence or argument was

led, namely cash flow, and failed to consider two material factors on which substantial evidence and argument was led, namely intergenerational inequities and the accumulation of large balances, both of which are specifically identified in EDDVAR as material and relevant considerations.

Whether the Threshold Test Should be Applied on a Disaggregated Basis

12. Board staff notes EnWin's statement from the Notice of Appeal that there is nothing in the EDDVAR Report that precludes the application of the threshold test on a disaggregated basis where it is in the public interest to do so. In response, Board staff states that similar arguments have been raised before the Board in prior proceedings and that the Board has determined in those proceedings that the test is not to be applied in a disaggregated basis. To support its point, staff refer to the Board's decisions in Algoma Power (EB-2011-0152) and PowerStream (EB-2011-0005). Notwithstanding that the Board is not bound by its prior decisions, it is EnWin's view that the cases cited by staff can be distinguished from the circumstances at hand because their specific findings on this point do not involve any public interest considerations. Moreover, despite the Board's statement in Algoma to the effect that all balances should be included in the threshold calculation, the Board in fact goes on in that decision to order disposition of the Group 1 accounts *exclusive* of the Global Adjustment sub-account, as discussed below.
13. In the Algoma Power decision, the Board noted that Algoma Power had excluded the Global Adjustment sub-account balance from its calculation and "reminds Algoma that the threshold calculation, pursuant to the EDDVAR Report, in the first instance, is to include all balances regardless of Algoma's proposals on the amounts to be recovered". No public interest considerations were raised in issuing this reminder to Algoma.
14. The Board's use of the words "in the first instance" in the above excerpt from the Algoma decision appears to be an acknowledgement that the Board may nevertheless choose to deviate from its expectation that all balances be used in the calculation. In fact, the Board goes on to find that, when aggregated, Algoma's Group 1 balance was in a credit position of just over \$1 million, which amounted to a credit of \$0.005 per kWh for its customers. Algoma nevertheless proposed that the Group 1 balance should exclude the Global Adjustment sub-account and that the resulting amount, being a credit of approximately \$250,000, be disposed of to ratepayers. The Board accepted this proposal (largely due to shortcomings in Algoma's billing system). Algoma indicated that it would upgrade its billing system and apply for clearance of the credit balance in the sub-account within a period of 27 months, which the Board found to be unacceptable, as the balance in the account, of ~\$800,000, was sizable. The Board instead required Algoma to file an application within a shorter period to dispose of the credit balance in the sub-account. As such, the Algoma decision ultimately demonstrates that (a) EDDVAR should be applied with discretion and flexibility, and (b) that, in the Board's view, it is in the public interest to dispose of a Group 1 account balance where that balance is in a credit position.
15. In the PowerStream decision, the Board found that the threshold test should be applied to the combined balances for both of PowerStream's service areas in order to be consistent with EDDVAR. Using the aggregated or disaggregated approach here had no impact on

the public interest as the threshold was not exceeded in either circumstance and PowerStream did not propose to dispose of the balances.

16. The very fact that there are decisions of the Board providing variations in approaches establishes that the Board should first consider the facts that are before the Board in a particular application before reaching a conclusion as to the application of the threshold.

The Board Does Not Round Up Results of the Threshold Test

17. In its submissions, Board staff states that “on appeal, EnWin notes two prior proceedings before the Board where the Board rounded the results of the threshold test in approving disposition of Group 1 account balances.” Staff then goes on to explain that there have been several cases where the preset disposition threshold has been approached but not exceeded and where the Board did not round the results of the threshold test.
18. EnWin did not ask the Board to consider rounding up the results of the threshold test in the Application or on appeal. In the Notice of Motion, at paragraphs 31-33, EnWin discusses two prior Board decisions in EB-2009-0405 (Enersource Hydro Mississauga Inc.) and EB-2010-0093 (Innisfil Hydro Distribution Systems Limited). These decisions were referenced for purposes of demonstrating the degree of flexibility with which EDDVAR has previously been applied. Board staff has mischaracterized these two prior proceedings as being examples of the Board having “rounded the results of the threshold test in approving disposition of Group 1 account balances” and by suggesting that EnWin referenced these decisions in support of that view.
19. In each of these decisions, the Board deviated from the EDDVAR preset disposition threshold based on findings that doing so *was in the public interest*. Although the Board in its decision in Innisfil summarizes Board Staff’s submissions in that proceeding, which discuss the idea of ‘rounding up’ to three decimal places, the Board’s decision in each case was the result of a finding that allowing disposition of the account balances despite not meeting the threshold was appropriate in the public interest. Disposition was not permitted merely by allowing for the mathematical rounding up of decimal places to meet the threshold.
20. In the Innisfil decision, the Board found that disposition of the account balances was in the public interest on the basis of the Group 1 account balances being in a credit position, such that amounts were payable to customers. This situation is analogous to the circumstances in the present appeal. As Board staff submitted in the Innisfil proceeding, and the Board accepted, the public interest would be served by disposing of that credit balance.
21. In the Enersource decision, the Board also found that the public interest required deviation from EDDVAR because the balance, although below the threshold, did not materially differ from the preset disposition threshold and the proposal was substantively consistent with the rationale of the EDDVAR Report such that a minor deviation from the threshold was found to not be sufficient reason to deny the requested relief. The Panel

found that disposition will mitigate potential inter-generational inequities and enhance the distributor's ability to manage its cash flow effectively.

Accounting for Public Interest

The Savings to Ratepayers are Not Per kWh

22. Board staff notes that the savings described by EnWin at paragraph 15 of the Notice of Appeal were on a "per month" basis but were erroneously referred to as being on a "per kWh" basis. EnWin agrees with Board staff and acknowledges this error. The savings should have been expressed as monthly savings such that paragraph 15 of the Notice of Appeal should read:

The effect of the Board's Decision refusing disposition of EnWin's Group 1 accounts is that EnWin is not permitted to return previously collected funds owing to ratepayers through rate riders of -\$1.12 per month to the benefit of a Residential (800 kWh) customer, -\$1.40 per month to the benefit of a Residential (1000 kWh) customer, or -\$2.80 per month to the benefit of a General Service <50 kW (2000 kWh) customer, over the next three years.

Notwithstanding this correction, EnWin's purpose in making this statement remains the same. That is, EnWin has proposed significant financial relief for a majority of its ratepayers through the disposition of the Group 1 accounts and, as a consequence of not being permitted to dispose of those account balances, these EnWin ratepayers are significantly worse off.

While Some Customer Classes Would Experience Savings, Others Would See Increases

23. In its submissions, Board staff observes that the savings described in the Notice of Appeal will only apply to RPP customers. Staff then reference the Decision, in which the Board stated that "while EnWin's proposal would have resulted in a credit to Residential and General Service <50 kW RPP customers, it would also have resulted in a charge to retailer-enrolled Residential and General Service <50 kW, streetlighting and all larger customers." It is staff's submission that this statement demonstrates that the Board did in fact consider the impacts on all of EnWin's customers.
24. Staff is correct that EnWin's proposed disposition of the Group 1 Accounts would result in charges for retailer-enrolled customers and certain other customer classes. However, the relative number of customers that would incur these incremental charges, and the amounts of those charges, are small. Although staff argue, based on the statement above, that the Board considered the impacts on all of EnWin's customers, information as to the number of customers that would experience increases rather than decreases, or the relative amounts of those increases and decreases, was not before the Board. It is EnWin's submission that the public interest benefit of disposing of the account balances for EnWin's large number of RPP customers outweighs the public interest impact of introducing small additional charges for a small number of customers.

25. In EnWin's experience, the Board does not typically consider the numbers of customers impacted by rate riders. Rather, the Board normally considers the impacts of rate riders on certain typical consumers. This approach is reflected in the Board's filing requirements, rate models and past decisions. Board staff did not seek additional information on the bill impacts of account disposition for certain customers through interrogatories. Consequently, when the Board found that disposition of the Group 1 accounts would have resulted in charges for certain classes of customers, the Board would not have had the information needed to put those charges into their full context and there was no reasonable basis for EnWin to expect such information would have been needed. For instance, the Board may not have realized that the charges for non-RPP customers would be substantially offset by credits to those same customer classes that would result from disposition of other deferral and variance account balances.
26. Tables 1 and 2, below, are provided to assist the Board in understanding the relative impacts of clearing the Group 1 accounts on EnWin's different rate classes. These tables set out the monthly impacts, relative to the 2014 rates that have now been implemented based on the Board's Decision, if the Group 1 account balances were to be disposed of and recovered over a 3 year period as initially proposed by EnWin. Table 1 includes all rate classes that would experience either no change to their typical total bill or a reduction to their typical total bill. Table 2 includes all rate classes that would experience increases to their typical total bill.
27. As indicated in Table 1, a total of 79,784 or 93% of EnWin's customers, plus 100% of its 25,151 street lighting, sentinel lighting and unmetered scattered load connections, would experience either no change or a reduction to their typical total bill if the Group 1 accounts are disposed of in accordance with EnWin's proposal. This is compared to the 6,237 or 7% of EnWin's customers that would experience increases to their typical total bills, as shown in Table 2. As such, it is only a small portion of EnWin's customers that would experience increases to their typical total bills as compared to the portion that would experience reductions or no changes to their total bills.
28. As indicated in Table 2, for those rate classes that would experience increases in their total bills, the expected increases would be small. The largest increase would be for the GS >50 - non-RPP rate class, which would see an increase in their total bill of 0.4%. The Large Use - FA - HOEP rate class would see an increase in their total bill of 0.3%. For all other rate classes that would experience increases, those increases would be of 0.1% or less of their total bill. By contrast, for those rate classes listed in Table 1, total bills will be reduced by up to 3.3% in the case of the GS >50 - on RPP rate class and by 0.9% for each of the Residential - on RPP and GS <50 - on RPP rate classes.
29. Given the way in which the proposed disposition of the Group 1 account balances would impact each of EnWin's rate classes, it is clear that a far greater number of customers would experience a far greater benefit through rate reductions as a result of disposition as compared to the number of customers and the magnitude of the impact on those that would experience rate increases. As such, in EnWin's submission, the public interest would be well served by allowing for disposition of the Group 1 accounts notwithstanding that some customers will experience small rate increases.

Table 1 - Rate Classes Whose Rates Would be Reduced or be Unchanged by Group 1 Account Disposition

Rate Class (Incl. WMP)	Customers or Connections (#)	% of Customer or Connection Class	3 Year Disposition Amount	Monthly Impact of DVA Disposition (\$)	Typical Total Bill (\$)	% Change of Total Bill
Residential - on RPP	72,624	94	-0.0014 \$/kWh	-1.40	149.00	-0.9
GS <50 - on RPP	6,684	93	-0.0013 \$/kWh	-2.60	290.17	-0.9
GS >50 - on RPP	470	39	-0.5196 \$/kW	-103.92	3,106.00	-3.3
Large Use - Regular - HOEP	6	100	-0.2032 \$/kW	-1,544.32	560,285.03	-0.3
USL - with Retailer	609 Connections	100	0.00 \$/Connection	0.00	1,460.34	0.0
USL - on RPP	488 Connections		-0.45 \$/Connection	-11.70	1,460.34	-0.8
Sentinel Lighting - with Retailer	39 Connections	100	-0.15 \$/Connection	-0.30	50.94	-0.6
Sentinel Lighting - on RPP	606 Connections		-0.16 \$/Connection	-0.32	50.94	-0.6
Street Lighting - with Retailer	-	100	-0.01 \$/Connection	0.00	0.00	0.0
Street Lighting - on HOEP	23,394 Connections		-0.01 \$/Connection	-233.94	440,358.20	0.0
Street Lighting - on RPP	15 Connections		-0.10 \$/Connection	-1.50	273.46	-1.0

Table 2 - Rate Classes Whose Rates Would be Increased by Group 1 Account Disposition

Rate Class (Incl. WMP)	Customers (#)	% of Customer Class	3 Year Disposition Amount	Monthly Impact of DVA Disposition (\$)	Typical Total Bill (\$)	% Change of Total Bill
Residential - with Retailer	5,004	6	0.0001 \$/kWh	0.10	149.00	0.1
GS <50 - with Retailer	502	7	0.0002 \$/kWh	0.40	290.17	0.1
GS >50 - non-RPP	725	61	0.0607 \$/kW	12.14	3,106.00	0.4
Intermediate - HOEP	3	100	0.0653 \$/kW	215.49	171,035.07	0.1
Large Use - 3TS - HOEP	2	100	0.0151 \$/kW	329.18	1,463,977.20	0.0
Large Use - FA - HOEP	1	100	0.2342 \$/kW	1,662.82	616,212.13	0.3

There is Insufficient Evidence to Establish a Trend in the Account Balances

30. Board staff argues in its submissions that there is no evidence on the record to support the assertions that (a) overall Group 1 balances will continue to increase, or (b) that RPP and non-RPP balances will continue to increase in opposite directions and that two years is not long enough to establish such trends. Staff goes on to argue that if the accumulation of Group 1 balances reverses direction in future, the rate smoothing EnWin seeks would be accomplished with no disposition. Having said this, staff does acknowledge that if in future a distributor could demonstrate such a trend, then staff would in those circumstances consider supporting a deviation from EDDVAR.
31. In its appeal, EnWin has not asserted that the Group 1 balances will necessarily continue to increase or that RPP and non-RPP balances will necessarily continue to increase in opposite directions. Rather, at paragraph 19 of the Notice of Appeal, EnWin acknowledges this possibility, which was raised in the Decision, and then goes on to consider the potential implications. EnWin states that “if the trend of accumulation in EnWin’s Group 1 account balances continues . . .” EnWin’s main point is to identify this risk, which would either give rise to significant rate fluctuations as a larger rate rider in the future is introduced and then expires, or else that a longer disposition period would be needed to achieve smoothing, which would thereby give rise to concerns for intergenerational inequities.
32. For disposition of the Group 1 account balances, it is not necessary for EnWin to establish that there is a definitive trend that will continue into future years or that future accumulations will not offset current balances. The threshold is applied at a specific point in time and concerns the quantum of the balances in the accounts at that point in time. There are risks of potential public interest implications of not permitting disposition of EnWin’s Group 1 account balances. It is because of those risks that EDDVAR recommends the application of the threshold as the standard approach. EnWin has raised the ‘trend’ issue in response to the Decision and is not arguing for the Board to adopt the trend approach in place of the threshold approach. Rather, in EnWin’s view, the Board should exercise its discretion in applying the EDDVAR approach so as to allow for immediate disposition of EnWin’s Group 1 deferral and variance account balances in order to return funds to customers and thereby provide immediate rate relief.

Implementation

33. If the Board accepts EnWin’s appeal and grants the requested relief, then upon the granting of such relief it would be EnWin’s intention to then make a submission to the Board requesting disposition effective from August 1, 2014 and continuing until April 30, 2017. This would be a 33-month disposition period rather than a 36 month disposition and, as a result, the actual rate riders would be recalculated to reflect this change. EnWin’s objective would be to provide rate relief at the first practical opportunity while continuing to address the rate smoothing and intergenerational equity issues discussed in the application and on this appeal.

Scope of Test

34. At the conclusion of each part of its submissions, Board staff argues that no error in fact or law was made, in the application of the EDDVAR Report on the one hand and in accounting for the public interest on the other, and that the Decision was consistent with the Board's relevant policies and practices.
35. As described in paragraphs 39 - 45 of the Notice of Appeal, the statutory right of a person to appeal and the statutory power of the Board to confirm, vary or cancel an order on an appeal under Section 7 of the Act are not qualified or limited in any way other than that it must be in relation to an order made by an employee of the Board pursuant to delegated authority. This is in contrast to the more limited scope of an appeal to Divisional Court under Section 33 of the Act, which may only be made in relation to an order of the Board, a rule or a code, but which must be made only upon a question of law or jurisdiction. It is also in contrast with the scope of review under Rules 44 and 45 of the Board's Rules of Practice and Procedure, which are limited to errors in fact, changes in circumstances, new facts that have arisen or facts that were not reasonably discoverable. As such, whether or not there has been an error in fact or in law will not be the only considerations for the Board in determining this Appeal.

Conclusion

36. Of primary importance to the Board in this Appeal is whether the Board's Decision results in rates that are just and reasonable. As noted above, the EDDVAR Report is not binding law. This includes the preset disposition threshold and the disposition process contemplated by EDDVAR. Rather, EDDVAR is an administrative/procedural guideline that is subject to the Board's discretion.
37. Through EDDVAR, the Board no doubt has endeavoured to strike a balance between the interests of customers and those of the utility. However, the strict application of EDDVAR in the application that is the subject of this appeal does not effectively achieve this outcome. Consequently, in its application and through this appeal EnWin has sought to advance the interests of its customers by asking the Board to permit it to return money to its customers, consistent with the Board's public interest objectives in setting rates that are just and reasonable. To the contrary, it is effectively Board staff's submission that the need to strictly adhere to its narrow interpretation of the administrative guidelines under EDDVAR outweighs the public interest benefits of reducing distribution rates for a large majority of EnWin's customers.
38. The inflexible application of EDDVAR in the Decision amounts to a fettering of the Board's discretion for setting rates that are just and reasonable. In exercising its discretion in the application of EDDVAR, the Board must be guided by its fundamental statutory responsibility to establish rates that are just and reasonable. The two components of the just and reasonable standard are that rates are fair to the consumer and that they yield fair compensation to the utility and its owner. These principles are embodied in the Board's statutory objectives regarding the regulation of electricity distribution. Section 1 of the Act provides that, in regulating electricity, the Board should

be guided by objectives that include protecting the interests of consumers with respect to prices and promoting economic efficiency and cost effectiveness in the distribution of electricity, while facilitating the maintenance of a financially viable electricity industry.

39. By refusing to provide for the disposition of EnWin's Group 1 account balance when that balance was in a credit position, such that amounts would be payable to the vast majority of EnWin's customers and with minimal incremental charges for a small minority of EnWin's customers, while minimizing the risk of significant future rate increases and/or volatility, the Board has in the Decision not sufficiently taken into account its public interest objectives and, as such, has established rates that fall short of the just and reasonable standard.
40. For the foregoing reasons, EnWin requests that the Board set aside that part of the Decision in which the Board, by delegation, found that it would not provide for disposition of EnWin's Group 1 accounts, and approve the disposition of EnWin's Group 1 accounts in accordance with the proposal in EnWin's September 11, 2013 application.

All of which is respectfully submitted this 23rd day of June, 2014.

ENWIN UTILITIES LTD.

By its counsel

Torys LLP



Jonathan Myers