



PUBLIC INTEREST ADVOCACY CENTRE

LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC

ONE Nicholas Street, Suite 1204, Ottawa, ON, Canada K1N 7B7

Tel: (613) 562-4002 Ext. 26 Fax: (613) 562-0007 e-mail: mjanigan@piac.ca www.piac.ca

September 3, 2014

VIA 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: EB-2013-0116 Cambridge and North Dumfries Hydro Inc.
Submission of the Vulnerable Energy Consumers Coalition (VECC)**

On behalf of VECC, we are in receipt of the comments of Energy Probe concerning the draft rate order in the above noted proceeding. VECC has the following submissions in response to the same:

1.

CNDHI has proposed to dispose of the deferral and variance accounts (including account 1576 and stranded meters) over a 9 month period rather than the 1 year period that was agreed to in the Settlement Agreement. This 9 month disposition period would run from August 1, 2014 through April 30, 2015, aligning with the rate year that also ends on April 30, 2015. CNDHI has indicated it would move to the 9 month disposition period if all intervenors who were party to the Settlement Agreement agree in writing to this proposal.

VECC is in agreement with the CNDHI proposal.

2.

Energy Probe notes that CNDHI has included an increase in the working capital component of rate base between the Settlement Agreement and the Board's Decision. This is shown as an increase of \$619,643 in Table 2 in the DRO. This is the difference shown in Appendix I to the DRO in the Working Capital column between \$172,834,988 on the line labeled "Figures as Per Settlement" and the figure of \$173,454,631 shown on the line labeled "Final Figures for Draft Rate Order". Appendix I also shows the three adjustments that make up this increase. Two of the changes reflect reductions to the OM&A expenses as directed by the Board (\$379,806) and as corrected by CNDHI during the oral hearing (\$59,245). Energy Probe has no issues with these adjustments.

However, VECC, like EP questions the cost of power adjustment, and requests a detailed explanation for the change that seems not to arise in the context of the Settlement Agreement.

Thank you.

Yours truly,

A handwritten signature in black ink, appearing to be 'Michael Janigan'.

Michael Janigan
Counsel for VECC

cc: CND – Grant Booker – gbooker@camhydro.com
CND – Counsel – John Vellone@blg.com
Intervenors – via email