



**PUBLIC INTEREST ADVOCACY CENTRE**  
**LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC**

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Michael Janigan  
Counsel for VECC

October 30, 2014

**VIA MAIL and 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: Vulnerable Energy Consumers Coalition (VECC)**  
**Enersource Hydro Mississauga Inc. EB-2013-0068**  
**Final Submissions of VECC**

Please find enclosed the submissions of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Thank you.

Yours truly,

A handwritten signature in black ink, appearing to be 'Michael Janigan', written over a white background.

Michael Janigan  
Counsel for VECC  
Encl.

cc: Enersource Hydro Mississauga Inc.  
Gia DeJulio

**ONTARIO ENERGY BOARD**

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

**AND IN THE MATTER OF** an Application by Enersource Hydro Mississauga Inc. for an order approving just and reasonable rates and other charges for electricity rates to be effective January 1 2015.

**FINAL SUBMISSIONS**

**On Behalf of The**

**Vulnerable Energy Consumers Coalition (VECC)**

**October 30, 2014**

**Public Interest Advocacy Centre**

ONE Nicholas Street  
Suite 1204  
Ottawa, Ontario  
K1N 7B7

**Michael Janigan**  
Counsel for VECC

# FINAL SUBMISSIONS

## Vulnerable Energy Consumers Coalition (VECC)

### Final Argument

#### **1 The Application**

- 1.1 Enersource Hydro Mississauga Inc. (“Enersource”, “the Applicant”, or “the Utility”) filed an application (“the Application”) with the Ontario Energy Board (“the Board” or “the OEB”), under section 78 of the *Ontario Energy Board Act, 1998* for permission to change its delivery charges beginning January 1, 2015 under the Board’s Guidelines for Incentive Regulation Rate Applications. As part of the application, Enersource has requested a renewable generation connection funding amount.
- 1.2 The following section sets out VECC’s final submissions regarding Enersource’s proposed renewable generation connection funding amount.

#### **2 Renewable Generation Connection Funding Amounts**

- 2.1 Enersource’s basic Green Energy Plan (GEA Plan) was approved by the Board as part of Enersource’s 2013 cost of service application (EB-2012-0033). The GEA Plan identified the projects and expenditures associated with the connection of renewable generation. The GEA Plan did not include any smart grid initiatives. Renewable Generation Connection Funding amounts were approved in EB-2012-0033. The amounts approved were provided in Attachment I.
- 2.2 Enersource continues to connect renewable generation to its system.
- 2.3 The Board’s Guidelines indicate that distributors that have yet to file cost of service application pursuant to Chapter 5 will continue to be able to record renewable generation costs and smart grid demonstration costs in the deferral accounts that were established for that purpose but no new deferral accounts for these type of expenditures will be established. These distributors will also be able to request advance funding through a funding adder.<sup>1</sup>
- 2.4 Enersource records the revenues related to Renewable Generation in Account 1533 - Renewable Generation Connection Funding Adder Deferral Account and all associated costs are recorded in Account 1531 - Renewable Connection Capital deferral Account and Account 1532 - Renewable Connection OM&A Deferral Account.

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<sup>1</sup> Filing Requirements for Electricity Distribution Rate Applications: 2014 Edition for 2015 Rate Applications issued July 14, 2014, Page 18 Section 3.2.2 Treatment of costs for ‘eligible investments’

2.5 Enersource is requesting to collect renewable generation funding of \$82,968 in 2015, or \$6,914 per month from all provincial ratepayers, and \$0.02 per month from Enersource's ratepayers, as shown in Attachment F. Attachment F updates Attachment I from EB-2012-0033 to include 2013 actuals and updated estimates for 2014 and 2015 Renewable Generation Connection funding and costs.

Renewable Generation Funding from All Provincial Ratepayers

2.6 For the period 2010 to 2013, Enersource has connected a total of 209 projects.<sup>2</sup> This represents an average of 46 MicroFit projects and 6 FIT projects per year. As June 30, 2014 the total number of projects connected is 228.<sup>3</sup>

2.7 The Table below provides Enersource's forecasts regarding 2014 and 2015 connections.

Projects	2010-2013 Actuals	2010-2013 Average	2014 Forecast EB-2012-0033	2015 Forecast EB-2012-0033	2014 Forecast EB-2013-0124	2015 Forecast EB-2013-0124	2014 Forecast EB-2014-0068	2015 Forecast EB-2014-0068
MicroFIT	184	46	60	70	65	78	54	50
FIT	25	6	30	35	8	10	20	20
Total	209	52	90	105	73	88	74	70

2.8 In Board Staff IR#7 (b) Enersource provides an explanation of the variances related to actual versus forecast connections for the four year period 2010-2013. VECC notes Enersource's 2013 actual number of microFit and FIT projects were extremely close to Enersource's updated forecast in EB-2013-0124.<sup>4 5</sup>

2.9 In 2015, Enersource is forecasting the connection of 50 MicroFIT projects and 20 FIT projects.

2.10 Enersource provided an explanation of its current 2015 forecast compared to EB-2012-0033 and its current 2014 forecasts. VECC notes that Enersource's 2015 forecast has been trending downward since EB-2013-0033 and is below the 2015 forecast provided in EB-2013-0124. Informed by Enersource's experience in connecting renewable generation and Enersource's current 2014 forecasts, VECC submits Enersource's 2015 forecast is reasonable.

2.11 In considering the above, VECC submits Enersource's request to collect 2015 renewable generation funding from all provincial ratepayers should be approved.

<sup>2</sup> Tab 2 Page 7

<sup>3</sup> Tab 2 Page 6

<sup>4</sup> EB-2013-0124 VECC IR#2; 2013 Forecast 65 microFIT & 8 FIT projects = 73

<sup>5</sup> EB-2014-0068 Board Staff IR#1; 2013 Actuals 64 MicroFit & 9 FIT projects = 73

## Renewable Generation Funding from Enersource's Ratepayers

- 2.12 As noted above Enersource is requesting \$0.02 per month from its ratepayers. This is the first application where Enersource is requesting funding from both provincial and Enersource's ratepayers due to the accumulation of GEA costs over several years. In past applications (EB-2012-0033 & EB-2013-0124) the funding amount directly attributable to Enersource's ratepayers rounded to zero.<sup>6</sup>
- 2.13 In response to Board Staff IR#7, Enersource indicates that due to the lack of materiality of the portion attributable to Enersource's ratepayers, Enersource defers its request to collect GEA funding amounts directly attributable to Enersource's ratepayers until its next cost of service application. VECC submits Enersource's revised approach is reasonable and should be accepted by the Board.

### **3 Recovery of Reasonably Incurred Costs**

- 3.1 VECC submits that its participation in this proceeding has been focused and responsible. Accordingly, VECC requests an order of costs in the amount of 100% of its reasonably-incurred fees and disbursements.

All of which is respectfully submitted this 30<sup>th</sup> day of October 2013.

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<sup>6</sup> Board Staff IR#7 (e)