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January 28, 2014

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
PO Box 2319  
2300 Yonge Street, 27th Floor  
Toronto ON M4P 1E4

Dear Ms. Walli:

**RE: Hydro One Brampton Networks Inc.'s 2015 Cost of Service Electricity Distribution Rate Application-- Comments on Cost Claims-- EB-2014-0083**

Hydro One Brampton Networks Inc. ("Hydro One Brampton" or the "Company") has reviewed the cost claims submitted by Building Owners and Managers Association of Greater Toronto ("BOMA"), Energy Probe Research Foundation ("Energy Probe"), School Energy Coalition ("SEC") and Vulnerable Energy Consumers Coalition ("VECC") for the above-noted proceeding.

The cost claims are summarized below by Intervenor.

Intervenor	Number of Hours	Cost Claim				
		Fees claimed	Disbursements claimed	Taxes	TOTAL	
SEC	85.4 hours	\$20,390.00	\$0.00	13.0%	\$2,650.70	\$23,040.70
VECC	81 hours	\$26,411.25	\$732.60	3.9%	\$1,067.73	\$28,211.58
Energy Probe	87.7 hours	\$28,231.00	\$1,142.86	6.5%	\$1,934.14	\$31,308.00
BOMA	119.7 hours	\$39,501.00	\$3,184.51	13.0%	\$5,549.12	\$48,234.63

**MATERIALITY**

Hydro One Brampton is in agreement with the Board on the issue of materiality. The Board has advised the parties on a number of occasions not to engage in detailed exploration of the issues that were immaterial<sup>1</sup>. However, during the course of this proceeding, Intervenor's pursued issues that did not have a material impact on the Company's operations nor on rates. As a result of these inquiries, the Company did have to devote a large amount of time and resources in order to fulfil

<sup>1</sup> Procedural Order 1, dated July 10, 2014 (EB-2014-0083); Oral Hearing Transcript, Day 1, dated October 22, 2014, (EB-2014-0083), Chapter 2 of the Filing Requirements.

its due diligence. Hydro One Brampton awaits the Board's recommendation on the issue of materiality.

Hydro One Brampton comments as follows on the cost claims submitted by BOMA, VECC, Energy Probe and SEC.

## **BOMA'S COST CLAIM**

### *Excessive Hours Claimed*

BOMA's cost claim includes 119.7 hours for participation in the current proceeding. This number consists of 97.7 hours for legal counsel and 22 hours for consultant time. In previous proceedings, the Board has consistently made reductions to BOMA's cost claims as they had overstated or claimed an incorrect number of hours.<sup>2</sup> Upon reviewing BOMA's cost claim referred to in the chart above, Hydro One Brampton submits that this is the case in the current proceeding. At 119.7 hours, BOMA's hours of participation are 36% higher than that of Energy Probe at 87.7 hours, 40% higher than that of SEC at 85.4 hours, and 48% higher than that of VECC at 81 hours. The Company does not believe that the involvement by BOMA and its contribution to the process was to the same degree as those of the other Intervenors. In Hydro One Brampton's view this is an excessive number of hours and out of line with the other cost claims received.

BOMA also claims 8 hours for the oral hearing preparation, which includes preparing cross-examination material and arguments. However, Hydro One Brampton notes that BOMA did not attend or participate in the oral hearing nor did it call any evidence.<sup>3</sup>

BOMA also claims 56.3 hours for preparation of interrogatories. As per billing statement filed by Mr. Brett on behalf of BOMA, only 25.5 hours were allocated to the preparation and review of interrogatories. Moreover, it is Hydro One Brampton's view that BOMA pursued issues that went beyond the scope of the current proceeding and the constituency represented by BOMA.<sup>4</sup>

### *Disbursements - Printing*

Hydro One Brampton notes that BOMA has claimed \$3,137<sup>5</sup> in disbursements for printing/photocopying. The Company is concerned that this claim is much higher than the claims of other Intervenors. For the purpose of comparison, BOMA's claim is more than 10 times as high than Energy Probe's claim of \$307 for disbursements for printing/photocopying. BOMA's claim is more than 16 times as high as that submitted by VECC's claim of \$196 for printing/photocopying, and SEC made no claim for printing/photocopying. Hydro One Brampton

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<sup>2</sup> See Decision and Order on Cost Awards in EB-2013-0326, dated January 5, 2015 at pp. 2-3; Decision and Order on Cost Awards in EB-2014-0195, dated December 8, 2014 at p. 2; Decision and Order on Cost Awards in EB-2013-0024, dated August 15, 2013 at p. 2; Union Gas Limited – Comments on Cost Claims, dated March 11, 2014 (EB-2012-0451, EB-2012-0433, EB-2013-0074); Decision and Order on Cost Awards in EB-2012-0451, EB-2012-0433, EB-2013-0074, issued on March 31, 2014 and revised on April 3, 2014.

<sup>3</sup> Oral Hearing Transcript, Day 1, dated October 22, 2014 & Oral Hearing Transcript, Day 2, dated October 24, 2014 (EB-2014-0083).

<sup>4</sup> See BOMA's Interrogatories 3-BOMA-8, 7-BOMA-16 (b,c), 7-BOMA-17 (c), 7-BOMA-18, 7-BOMA-19 (d,e). Also, see Letter from BOMA to OEB re Intervenor Status and Cost Eligibility Request on Behalf of the BOMA, dated May 20, 2014 (EB-2014-0083).

<sup>5</sup> Taxes have been excluded from the comparison related to disbursements – printing section.

also notes that neither VECC nor BOMA requested hard copies of the Company's evidence, yet VECC's printing/photocopying costs were much lower than BOMA's.

For the above-mentioned reasons, Hydro One Brampton objects to the cost claim submitted by BOMA and asks the Board to review it and reduce it accordingly.

### **VECC'S COST CLAIMS**

Hydro One Brampton notes that VECC's claim includes costs for two consultants to attend the technical conference on September 3, 2014, one claiming 2.5 hours and the other 1.3 hours. The Company puts forward the Board's position on the issue as it was stated previously in numerous proceedings<sup>6</sup>. Specifically,

*"The Board finds it important to maintain its practice of permitting more than one representative from an intervenor group to attend the settlement conference if they choose to, but limiting the applicant's responsibility to only pay the costs of one representative."*<sup>7</sup>

Since VECC did not provide any reasons as to why the Board should depart from its usual practice, Hydro One Brampton asks the Board to review the cost claim submitted by VECC and reduce it accordingly.

### **ENERGY PROBE'S COST CLAIM**

Hydro One Brampton notes that Energy Probe's claim also includes costs for two consultants to attend the oral hearing on October 22, 2014, each claiming 2.5 hours. For the above-mentioned reasons, the Company asks the Board to review the cost claim submitted by Energy Probe and reduce it accordingly.

### **SEC'S COST CLAIM**

Hydro One Brampton reviewed SEC's Cost Claim and has no comments on it.

### **OTHER - TAXES**

Hydro One Brampton also notes that the tax rate each Intervenor claims is inconsistent. Although VECC and Energy Probe are both classified as "Qualifying Non-Profit," they use different HST Rates. No explanation was provided as to why there is an inconsistency. The Company awaits the Board's recommendation on the issue.

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<sup>6</sup> 2014 Niagara on the Lake Hydro Inc. Cost of Service Application, Decision and Order on Cost Awards, dated July 2, 2014 (EB-2013-0155); 2014 Burlington Hydro Inc. Cost of Service Application, Decision and Order on Cost Awards, dated July 2, 2014; 2014 Oakville Hydro Inc. Cost of Service Application, Decision and Order on Cost Awards, dated June 18, 2014 (EB-2013-0159).

<sup>7</sup> 2014 Burlington Hydro Inc. Cost of Service Application, Decision and Order on Cost Awards, dated July 2, 2014 (EB-2013-0115).

Should you have any questions or comments, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Gopic". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Dan Gopic  
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CC Paul Tremblay, President & CEO, Hydro One Brampton Networks Inc.  
Marc Villett, Vice-President, Finance, Hydro One Brampton Networks Inc.  
Intervenors on record