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February 27, 2015

**Delivered by Email and Courier**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
Suite 2701  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: North Bay Hydro Distribution Ltd. ("NBHDL") – 2015 Cost of Service  
Application  
Reply Submission regarding North Bay Taxpayers Association's  
("NBTA") Letter of Intervention  
Board File No. EB-2014-0099**

In response to the notice of intervention filed by D. D. Rennick on behalf of the North Bay Taxpayers Association on February 20, 2015, please find enclosed NBHDL's submission in regards to the above noted matter.

Yours very truly,

**BORDEN LADNER GERVAIS LLP**

Per:

*Original signed by John A.D. Vellone*

John A.D. Vellone

cc: Todd Wilcox, NBHDL  
Melissa Casson, NBHDL  
Cindy Tennant, NBHDL

TOR01: 5862178: v1

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

**AND IN THE MATTER OF** Application by North Bay Hydro  
Distribution Limited (“**NBHD**L”) for an order or orders  
approving just and reasonable rates and other charges for  
electricity distribution to be effective May 1, 2015.

**EB-2014-0099**

**Written Submissions of NBHD**L

**February 27, 2015**

1. NBHDL provides these written submissions pursuant to the Ontario Energy Board’s (the “**Board’s**”) *Rules of Practice and Procedure* Rule 22.07 in respect of the Notice of Intervention filed on February 20, 2015 by Mr. Donald D. Rennick on behalf of the North Bay Taxpayers’ Association (the “**NBTA**”).
2. Mr. Rennick, in his notice, states that the NBTA intends to apply for recovery of costs of its representative for any out-of-town costs that may be incurred as a result of the participation in the proceeding. Mr. Rennick also states that the NBTA is eligible for a cost award because its mandate is to advocate on behalf of local taxpayers and it is the only intervenor who is the exclusive advocate for the interests of North Bay ratepayers making up the entire customer base of NBHDL. Mr. Rennick further states the NBTA is not ineligible under Section 3.05 of the Board’s *Practice Direction on Cost Awards*.
3. In NBHDL’s previous Cost of Service Application (EB-2010-0102), Mr. Rennick intervened and claimed to represent the interest of all NBHDL customers. However, on May 11, 2011 in a decision on cost awards the Board found that “there was no substantiation of the claim that he represented any other ratepayers.” In that case, the Board specifically accepted the intervention of Mr. Rennick solely as an individual intervenor and reminded him that he may not be eligible to receive any costs associated with his time (e.g. the time spent preparing interrogatories, submissions, etc.). The claim for time spent was denied.

4. In EB-2013-0157, the Board in Procedural Order 1 issued October 1, 2013, again reminded Mr. Rennick that as an individual intervenor, he may be eligible to recover out-of-pocket costs for photocopying or travel to attend Board related events but not for any costs for events organized by persons other than the Board, not for costs associated with his time, and not for costs in advance.
5. NBHDL is concerned that Mr. Rennick has once again intervened as an individual intervenor, albeit on this occasion under the auspices of a taxpayers' association. Once again, Mr. Rennick's assertion of representation is absent clear substantiating evidence and raises questions as to the validity of the claim.
6. For example, Mr. Rennick has indicated that the "North Bay Taxpayers' Association is a non-profit organization established to represent the interests of North Bay taxpayers." NBHDL has done a corporate search with Industry Canada on the name "North Bay Taxpayers' Association" which resulted in no hits.
7. NBHDL does not object to Mr. Rennick's eligibility for out-of-pocket photocopying or travel expenses (as they relate to Board proceedings) in the same manner as was described by the Board in EB-2013-0157.
8. NBHDL does object to Mr. Rennick's eligibility to receive any other costs, including costs for time spent. NBHDL submits that Mr. Rennick's intervention is again that of an individual and not as "the exclusive advocate for the interests of North Bay ratepayers making up the entire customer base of NBHDL."
9. NBHDL has no objection to Mr. Rennick's participation in the proceeding as an individual customer, provided Mr. Rennick participates responsibly and appropriately, with a view to contributing to a better understanding by the Board of one or more issues and does not engage in conduct which is inappropriate or of unnecessary duration. Specifically, NBHDL's expectation is that Mr. Rennick's participation is prudent and focused on issues that are both relevant and material.
10. On relevance, NBHDL is concerned that Mr. Rennick may attempt to use the hearing as a forum to express his dissatisfaction with established Board policies,

rather than engaging in an assessment of whether or not NBHDL has appropriately applied the Board's established policy in the Application. The Board's policy on cost of capital stands out in this regard.

11. On materiality, it is NBHDL's expectation that Mr. Rennick will not engage in detailed exploration of items that do not appear to be material. For the benefit of Mr. Rennick, the materiality threshold for NBHDL is set out in Exhibit 1 of the 2015 Cost of Service Application at page 95 and is \$65,000.
12. NBHDL submits that the Board should consider, at the cost award stage of the process, whether or not specific intervenors have engaged in excessively detailed exploration of non-material issues and/or issues that are not relevant to the Application. This is consistent with the Board's approach in EB-2014-0096 and EB-2013-0155, as set out in Procedural Order 1 issued November 18, 2014 and Procedural Order 2 issued December 20, 2013, respectively.

All of which is respectfully submitted this 27<sup>th</sup> day of February, 2015.

*Original signed by John A.D. Vellone*

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John A.D. Vellone