



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

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June 6, 2008

VIA COURIER and E-MAIL

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

Dear Ms. Walli:

Re: Board File No. EB – 2008 - 0106
Notice of Proceeding on Commodity Pricing, Load Balancing, and
Cost Allocation Methodologies for Natural Gas Distributors in
Relation to Regulated Gas Supply

Request for Intervenor Status and Request for Cost Eligibility
Determination by the Vulnerable Energy Consumers' Coalition

As Counsel to the Vulnerable Energy Consumers' Coalition (VECC), in response to the Board's letter dated March 5, 2008, I hereby advise you that VECC wishes to participate in Phase I of this process.

Interests Represented

VECC is a coalition of groups that represents the interests of those energy consumers who, because of their household income, or other distinguishing characteristic such as age, literacy, etc, have a set of concerns that may differ in kind, and, in magnitude, from those of more affluent residential consumers as well as commercial and industrial consumers. The Vulnerable Energy Consumers Coalition (VECC) is currently comprised of the Ontario Coalition of Senior Citizens (OCSCO), and the Federation of Metro Tenants Association.

OCSCO is itself a coalition of over 120 senior groups, as well as individual members, across Ontario. OCSCO represents the concerns of over 500,000 senior citizens through its group and individual memberships. OCSCO's objective is to improve the quality of life for Ontario Seniors.

The Federation of the Metro Tenants Association is a non-profit corporation composed of over ninety-two affiliated tenants associations, individual tenants, housing organizations, and members of non-profit housing co-ops.

Although the organization is not itself a member of VECC, the Public Interest Advocacy Centre (PIAC) in Ottawa assists in the representation of the interests of vulnerable consumers by ensuring the availability of competent representation and advice to the VECC intervention.

Issues of Specific Concern to VECC

As the Board is well aware, there is seldom a bright line that separates the interests of stakeholders on all issues within the regulatory purview of the OEB. From time to time, depending on the issue, the interests of VECC are aligned with those of other ratepayer groups. As usual, VECC will coordinate its intervention with other intervenors to avoid duplication and overlap where possible.

VECC's main interests in participating in this proceeding are as follows:

- a) changes made pursuant to review and standardization of the QRAM methodology may result in substantial increases in bill volatility that adversely affect low-income and fixed income system supply customers;
- b) changes made pursuant to the review and standardization of the methodology for load balancing may result in bill increases for low-income and fixed income system supply customers; and
- c) changes made in cost allocation between delivery and gas supply across natural gas distributors might adversely impact low-income and fixed income system supply customers. On this point VECC notes that the timing for implementation of any cost allocation changes during the period that Union and EGD are operating under the current incentive regulation regime is a concern for VECC.

Request for Cost Eligibility

VECC requests that the Board determine that VECC is eligible for a cost award based on section 3.03 (a) of the *Practice Direction on Cost Awards* given that

VECC represents the interests of low- and fixed-income ratepayers. The Board has previously found VECC to be eligible for recovery of its legitimate costs in many natural gas and electricity proceedings.

VECC has no access to any other funding sources and relies upon the cost awards it receives to participate in proceedings before the Board.

I would appreciate all communications be directed to me:

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Yours truly,



Michael Buonaguro
Counsel for VECC