

Jonathan L. Holmes Executive Director regulatory@itpa.ca

21 April 2015

<u>By email</u>

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

Dear Ms. Walli:

Subject:OEB File: EB-2013-0416/EB-2014-0247 - Application by Hydro One NetworksInc. for approval of distribution rates for 2015 to 2019

1. The Independent Telecommunications Providers Association ("the ITPA") has obtained copies of correspondence from Allstream, Cogeco Cable, Eastlink, Shaw, Rogers and Videotron relating to their requests that the Ontario Energy Board ("the OEB") issue an order:

a) granting the Carriers status as parties to this proceeding and leave to file a motion requesting that the Board review and vary the Decision as it relates to the Pole Attachment Rate approved in the Decision;

b) extending the deadline for Carriers to file a motion to review and vary the Decision until 20 days after the date on which the Board grants the Carriers leave to file the review and vary motion; and

c) staying that part of the Decision and any resulting Order that approves the Pole Attachment Rate. (Rogers letter, 13 April 2015, para. 46)

2. The list of ITPA members is set out in the Appendix to this letter.

3. ITPA member companies are small telecommunications carriers that operate networks in the rural and remote Ontario and British Columbia. They provide telephone, high-speed Internet and video services over their networks to rural Canadian and as such, are key drivers of social and economic benefits to Canadians. Many Ontario-based ITPA members have attached elements of their wireline networks to the support structures of Hydro One and pay its pole attachment rate. ITPA members' ability to provide high quality services to their customers depends on reasonable, and reasonably priced, access to support structures such Hydro One's distribution poles. The rate charged by support structures for owners for access to those support structures is a significant component of their cost structure

4. The ITPA and its member companies have only recently been made aware of the OEB's decision and, like the other Carriers, received no advance notice of this rate increase application or the OEB's decision.

5. The ITPA notes the following assertion by Rogers:

The only evidence about the Pole Attachment rate is found on a single page buried about 2,900 pages later in a Supporting Schedule called "Miscellaneous Charges", which is one of 12 supporting schedules to Exhibit G - Cost Allocation and Rate Design. Significantly, the written direct evidence for Cost Allocation and Rate Design, which is contained in 15 other schedules, contains no reference to the Pole Attachment Rate. (Rogers letter, 13 April 2015, para. 30)

6. At page 5 of its letter, dated 7 April 2015, Hydro One states:

Each of the Cable parties are large, sophisticated corporations that are regulated entities themselves. All of them had the opportunity to participate but failed to do so. Each had an obligation and every opportunity to determine whether the application would impact them...

7. As noted earlier, ITPA member companies are small businesses operating in rural Ontario and British Columbia. Only a fraction of these carriers have staff dedicated to regulatory issues and for its part, due to limited resources, the ITPA does not monitor OEB proceedings. In light of the fact that no notice was provided and given that the proposed Pole Attachment rate was buried in a record consisting of many thousands of pages, Hydro One's blithe claim that an opportunity to participate ever existed rings hollow.

8. The rate increase will result in substantial additional payments to Hydro One. Due to the lack of notice, ITPA members have had no opportunity to anticipate or factor in potential additional costs into their budgeting process for the current year. ITPA members have been blind-sided in a manner that will result in significant financial hardship. Moreover, ITPA member companies have, comparatively, significantly less capacity to absorb these substantial impacts of this rate increase than do the larger Carriers.

9. For all of these reasons, the ITPA submits that the OEB should grant the relief requested by the Carriers.

Yours truly,

Jonathan Holmes

Cc: Hydro One Allstream Cogeco Cable Eastlink Shaw Rogers Videotron

Appendix

Independent Telecommunications Providers Association (ITPA)

Brooke Telecom Co-operative Limited Bruce Telecom City West Cable & Telephone Corp. **Cochrane Telecom Services** Execulink Telecom Inc. Gosfield North Communications Co-operative Limited Hay Communications Co-operative Limited Huron Telecommunications Co-operative Limited The Lansdowne Rural Telephone Company Limited Mornington Communications Co-operative Limited Nexicom Telecommunications Inc. Nexicom Telephones Inc. North Frontenac Telephone Corporation Limited North Renfrew Telephone Company Limited Quadro Communications Co-operative Inc. Roxborough Telephone Company Limited Tuckersmith Communications Co-operative Limited WTC Communications Wightman Telecom Limited