



PUBLIC INTEREST ADVOCACY CENTRE
LE CENTRE POUR LA DÉFENSE DE L'INTÉRÊT PUBLIC

May 11, 2015

VIA E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge St.
Toronto, ONM4P 1E4

Dear Ms. Walli:

**Re: EB-2014-0073 – Festival Hydro Inc.
Comments on Draft Rate Order (“DRO”)**

VECC has reviewed the DRO of Festival Hydro Inc. (Festival) and the related comments of Energy Probe. We concur with the conclusions of Energy Probe in that Festival does not appear to have removed the intangible asset from opening rate base for 2015. As such we do not believe this to be in accordance with the Board’s Decision.

We also agree with the Applicant that the forthcoming IRM rate year should begin January 1, 2016. We also agree that Festival’s proposal to recover the DVA and other rate riders, other than the ByPass Expenditure rider, are properly collected over the abbreviated 2015 rate year. The language of the DRO is ambiguous as to whether the intent is to collect over the 7 month period June through December, or if time permits, May through December. We assume the former since it would seem more practical, but either period is acceptable in our view.

Yours truly,

A handwritten signature in black ink, appearing to read 'Michael Janigan', is written over a horizontal line.

Michael Janigan
Counsel for VECC

Cc: Festival Hydro Inc. – Debbie Reece - dreece@festivalhydro.com