



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

June 5, 2015

VIA E-MAIL

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

Dear Ms. Walli:

**Re: EB-2015-0113 – Whitby Hydro Electric Corporation
Submission on request for deferral to file a cost of service application**

On May 22, 2015 Whitby Hydro Electric Corporation (Whitby Hydro) wrote the Board seeking a one year deferral to filing a cost of service application. In the absence of being granted such a deferral the Board had required the Utility to file proposed new rates for 2016.

Whitby Hydro sets out three reasons for a deferral. With respect we submit that none of the reasons provided is unique to this Utility. Nor has Whitby Hydro explained why these normal utility activities are of a greater burden than that experienced by other Ontario distribution utilities.

The actual rates of return of Whitby Hydro are clearly excessive to the allowed return on equity currently being granted 2016 rebasing utilities. In 2013 the excess was 480 basis points. IN our view the attempt by Whitby Hydro to mitigate the severity of the overearnings in 2013 and 2014 by way of adjusting for conceptual versus actual taxes is beside the point. The facts are this Utility is has significantly over earned over the past two years and can continue to be expected to over earn in the future.

We also express our concern over the fact that, leaving aside 2013 and the impact of the ice-storm, this Utility's reliability statistics have materially degraded.

VECC and other member of the public are able to view only a limited amount of information on utilities when they are not before the Board. Other than the mandated Board scorecard information Whitby Hydro has the ability to provide a selective view of its performance. However, even by this narrow measure it is clear that the basis for the current rates of Whitby Hydro should be examined. VECC respectfully submits that the Board should deny the request for a deferral. In the alternative, as a minimum ratepayer protection, VECC submits that Whitby's rates should be declared interim pending a Board decision determining just and reasonable rates.

Thank you.

Yours truly,



Michael Janigan
Counsel for VECC

Cc: Susan Reffle, Vice President, sreffle@whitbyhydro.on.ca
Birgit Armstrong, Board Staff birgit.armstrong@ontarioenergyboard.ca