



PUBLIC INTEREST ADVOCACY CENTRE
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September 14, 2016

VIA - Email

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700, P.O. Box 2319
2300 Yonge Street,
Toronto, ON
M4P 1 E4

Dear Ms. Walli:

**Re: Ontario Power Generation Inc. 2017-2021 Payment Amounts for Prescribed
Generating Facilities EB-2016-0152 Notice of Intention to Introduce Evidence**

Further to the instructions set out in the Procedural Order 1 herein, the Vulnerable Energy Consumers Coalition (VECC) proposes to file the evidence of Dr. Laurence Booth, pertaining to the Issue 3 on the Proposed Issues List, Capital Structure and Cost of Capital. Dr. Booth has previously offered evidence on these issues in the 2008 Ontario Power Generation proceedings and assistance to counsel in the most recent 2014 examination of OPG's capital structure. Dr. Booth is a well-known expert in the regulatory issues involved in the determination of utility Cost of Capital and Return on Equity, and has provided expert testimony on numerous occasions over the past four decades in the OEB and other regulatory Boards and Commissions throughout Canada. His curriculum vitae has been included with this submission.

Dr. Booth's evidence will be co-sponsored by the Consumers Council of Canada (CCC) and the Canadian Manufacturers and Exporters (CME). In addition, it is anticipated that the evidence may also be co-sponsored by other ratepayer based intervenors in this proceeding, but instructions for the same could not be secured in advance of the notification date of September 14th herein.

Dr. Booth has prepared a budget based on the Union Gas EB-2011-0210 proceeding (heard in 2012) in which he offered evidence on the capital structure proposed by the Applicant. We have enclosed his budget estimate of time required herein.

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Incremental counsel time for the proposed evidence, based upon time spent in the above-noted Union proceeding, is somewhat more difficult to calculate, given that counsel time for preparation, interrogatories, cross-examination, and argument would also likely be expended in the absence of the presentation of evidence. Using the counsel time spent on the cost of capital issue in the Union proceeding of some 73 hours as a guide, we would estimate that 35-40 hours is a reasonable estimate of incremental counsel time necessitated by the presentation of evidence. Similar to Dr. Booth's proviso, this does not include a time allocation for hot-tubbing, should it occur.

Yours truly,



Michael Janigan
Counsel for VECC

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