

[REDACTED]

From: BoardSec
Sent: January 10, 2017 9:22 AM
To: [REDACTED]
Subject: FW: Letter of Comment - EB-2016-0300, EB-2016-0296, EB-2016-0330

From: Liza Harnish [REDACTED]
Sent: January-09-17 11:17 PM
To: BoardSec
Subject: Letter of Comment - EB-2016-0300, EB-2016-0296, EB-2016-0330

LETTER OF COMMENT

After reviewing Union Gas Limited, EB-2016-0296, application with the Ontario Energy Board (OEB), I believe their proposed plans to increase natural gas rates should not be permitted.

In the filing, EB-2016-0296, documents indicated that due to Cap & Trade they will be required to hire 13.5 full time employees (FTE), it will cause increased costs, increase calls to their Customer Service Department, higher bad debts and increase capital costs. Documents further eluded that due to unfavourable exchange rates rates, it will result in increased costs. All these points I believe are not sufficient to warrant passing costs onto residential consumers.

I have worked over twenty years in Sales within the pharmaceutical and cpg industries where government policies have resulted in increased costs. Much of these costs had to be assumed by the organization. Should I have used these "justification" of costs to the many retailers to such as LCL (Loblaws), Walmart, Sobeys, Metro and Shoppers Drug Mart, to name a few, whenever my organization had a price increase, they would not have accepted it, as they would see through the greed, and got rid of our products. Unfortunately I cannot do this with natural gas.

Increased demand to gas utilities' Customer Service Department will be for a short time and normal call volume will resume. It will not be a sustained demand as Ontario consumers, once again get use to an increase.

Bad debts unfortunately are a cost of doing business and Finance departments make provisions in their P&L. The gas companies have existing policies to re-coop funds or impose deposits by such risk consumers.

Any increased administration costs will be offset by retiring workers and organic growth from new construction builds in the GTA and should not be passed along saying its only for cap and trade.

At no time, in the past, have I received a rebate or reduction in rates due to favourable exchange rate which occurred nor due to lower oil prices (transportation/delivery) that provided favourable savings to the organization. These were passed along to shareholders as profit.

It is time the OEB says no to such utilities for any price increases or passing along debit servicing to consumers.

The documents in the filing also showed a greater rate increase to residential consumers vs. industry or large volume customers. However there appears to be no justification other than they will delay in charging these customers until further in 2017.

I also noticed that quietly there appears to be a rate increase for delivery that has been added to the calculations of 0.3% for residential and only 0.1% for high volume customer. It does not seem equitable.

As I consumer I sincerely hope the OEB will look out for my interests and recognize that they need to stop permitting costs increases to be passed along to consumers. It is about time that gas utilities are given the mandate that they must find synergies within their own organization.

Yours truly,

Liza Harnish

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