



MILTON HYDRO DISTRIBUTION INC.

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January 11, 2018

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

**Re: Milton Hydro Distribution Inc. 2018 IRM Application EB-2017-0061
Objection to the Vulnerable Energy Consumers Coalition (VECC) Request for
Intervention**

Milton Hydro received a Notification of Intervention from VECC for the above proceeding on January 11, 2018. In VECC's Notification of Intervention, they state the following:

GROUND'S FOR THE INTERVENTION

9. VECC's intervention is focused on Milton Hydro's proposed request for approval of class specific standby charges for customers installing load displacement generation.

INTERESTS OF THE INTEVENOR

10. VECC is intervening in order to ensure that consumer interests and **in particular the interests of the low-income and vulnerable users [emphasis added]** of electricity are fully represented in the determination of just and reasonable rates. VECC's focus will be on the determination of revenue requirement and proposed recovery from the RRRP.

Milton Hydro provided VECC a copy of its 2018 IRM Application on January 4, 2018, which states the following beginning on page 14, line 26:

"Milton Hydro proposes that it is appropriate to set a standby charge that is equal to the variable distribution charge **for each of the GS 50 to 999 kW, the GS 1,000 to 4,999 kW and the Large Use customer classes. A standby charge ensures that**

the revenue-to-cost ratios are maintained within the customer class [emphasis added] should a single customer install load displacement generation and require Milton Hydro to provide standby power. Furthermore, the proposed standby rates hold Milton Hydro's distribution revenue neutral from any future load displacement projects that would reduce the load assumed in Milton Hydro's load forecast."

Milton Hydro objects to VECC's request for intervenor status for the following reasons:

1. The proposed Standby Charge is not applicable to low-income or vulnerable customers being those customers in the Residential or General Service < 50 kW customer classes;
2. The proposed Standby Charge is required to maintain the OEB-Approved revenue-to-cost ratios from Milton Hydro's 2016 Cost of Service, thereby eliminating the potential for cross subsidization across customer classes, including the Residential and General Service < 50 kW classes; and
3. The proposed Standby Charge is required to maintain distribution revenue neutrality with each customer class thereby upholding just and reasonable rates for all classes.

The proposed Standby Charges, if approved, will achieve the concerns addressed by VECC without requiring VECC's intervention and costs.

Therefore, Milton Hydro respectfully requests that the OEB deny VECC's request for intervenor status. However, should VECC wish to support the proposed Standby Charges, Milton Hydro would welcome a simple letter stating VECC's support which is easily prepared without costs.

Yours truly,

Original signed by

Cameron McKenzie
Director, Regulatory Affairs