



July 12, 2018

VIA E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge St. Toronto, ON

Dear Ms. Walli:

**Re: EB-2017-0039 –Essex Powerlines Corporation 2018 Cost of Service Rates
Submissions of VECC Notice of Intervention of Vulnerable Energy Consumers
Coalition (VECC)**

VECC has had the opportunity to review and discuss with the School Energy Coalition (SEC) their argument in of the DVA accounting errors. We are in full support of those arguments which we find cogent and convincing.

VECC has not reviewed any of the material filed in confidence with respect to this matter and therefore can make no submissions with respect to any issues arising from that material.

If the Board chooses not to accept SEC arguments we believe the Board should impose a penalty in excess of the \$22,000 in carrying charges that Board Staff have argued should be non-recoverable. Given the repeated history of this Utility to act imprudently with respect to its accounting the Board should limit recovery to no more than 50% of the claimed \$1.8 million.

Furthermore, and as argued by SEC, there are serious inter-generational inequities arising from the prolonged period over which the errors in question have arisen. The table below shows that over the 2014-2018 period approximately 1,000 new customers joined the utility. Since this table shows the net increase in customers it underestimates the total number of new customers in each year.

Rate Class	Residential	GS<50	GS>50	Intermediate	Street Light	Sentinel Light	USL	ED	Total
2010 Board Approved	25,902	1,852	222	2	2,643	168	151	-	30,940
2010	26,075	1,895	220	1	2,475	174	141		30,981
2011	26,182	1,921	228	1	2,474	175	141		31,122
2012	26,337	1,906	215	1	2,474	175	141	-	31,249
2013	26,466	1,904	214	1	2,621	175	140	-	31,521
2014	26,590	1,910	217	1	2,713	172	140	-	31,743
2015	26,815	1,936	217	1	2,701	174	141	-	31,985
2016	27,137	1,953	223	-	2,720	173	140	-	32,346
2017 Forecast	27,310	1,965	222	-	2,740	173	140	-	32,550
2018 Forecast	27,484	1,977	219	-	2,740	173	140	3	32,736

These customers had nothing to do with the over or under collection of DVA amounts. They cannot, in our submission, now be made to pay for Essex's past errors. In our submission should the Board allow for any monies to be collected from Essex Powerlines it should require that all new customers who joined Essex Powerlines from 2012 to the end of the period over which the Board might require collection to be made exempt from that order.

These are our respectful submissions.

Yours truly,

John Lawford/PIAC

Counsel for VECC

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