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March 23, 2020

Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Toronto ON, M4P 1E4

Dear Ms. Long,

**RE: EB-2018-0165 Toronto Hydro 2020 to 2024 Rates
Reply of Energy Probe to the Cost Claim Objection by Toronto Hydro**

In its submission dated March 18, 2020, Toronto Hydro objected to the cost claim of Energy Probe. This letter is the reply of Energy Probe to the objection.

Energy Probe's cost claim for its participation in the EB-2018-0165 proceeding was for \$140,606.49 and has since been revised to \$135,686.29 to correct an error pointed out by Board Staff. Energy Probe's cost claim is lower than the BOMA's claim of \$157,692.80 and SEC's claim of \$150,667.97.

Toronto Hydro's reason for objecting to Energy Probe's cost claim and not to the claims of other intervenors, particularly those that claimed higher costs, is that Energy Probe's cost claim for the EB-2018-0165 proceeding is higher than its \$78,937.80 cost claim in the EB-2014-0116 proceeding while claims of other intervenors are lower for EB-2018-0165 than their cost claims for EB-2014-0116. Toronto Hydro argues that the OEB should not award to Energy Probe more than the \$75,085.15 it awarded to Energy Probe in the EB-2014-0116 proceeding. Toronto Hydro states that the EB-2014-0116 and EB-2018-0165 proceedings were similar, and that Energy Probe should not claim more for the EB-2018-0165 proceeding than it claimed for the EB-2014-0116 proceeding.

Although the two proceedings may seem similar at a high level, the evidence presented in support of the issues of concern to Energy Probe was very different, and the level of effort required to deal with these issues was much greater in the EB-2018-0165 proceeding than in the EB-2014-0116 proceeding.

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In the EB-2018-0165 proceeding Toronto Hydro filed evidence claiming increased frequency of severe weather events in support of its capital and OM&A expenditures. Energy Probe was one of the few intervenors that tested this evidence by interrogatories and cross-examination and addressed it in argument. This topic was of concern to Energy Probe. There was no similar evidence filed by Toronto Hydro in the EB-2014-0116 proceeding.

System Reliability was a significant issue in the EB-2018-0165 proceeding. Energy Probe was one of the few intervenors that addressed this extensively in the hearing.

The Total Factor Productivity and Total Cost Benchmarking evidence filed by Toronto Hydro and Board Staff experts was more extensive in EB-2018-0165 than in EB-2014-0116. Energy Probe was one of the few intervenors that spent significant time examining the expert evidence and reply evidence and accordingly assisted the Board on this issue.

Further, Energy Probe was the only intervenor that addressed issue of the Revenue/Cost ratios for the Residential Class. The Board accepted Energy Probe's submission, resulting in a material reduction to Residential Rates from 2020-2024.

In the EB-2018-0165 proceeding, an intervenor, DRC, filed evidence and put forward an expert witness dealing with matters of concern to Energy Probe but not to most other intervenors. Energy Probe posed interrogatories to DRC, cross-examined the DRC expert witness and filed argument on matters brought forward by DRC. DRC was not an intervenor in the EB-2014-0116 proceeding.

Energy Probe submits that its cost claim of \$135,686.29 for its participation in the EB-2018-0165 proceeding is a reasonable amount for its effort in dealing with the many issues and the large amount of evidence in this case, and considering that it is lower than the amounts claimed by two other intervenors.

Respectfully submitted on behalf of Energy Probe,

T. Ladanyi

Tom Ladanyi
Consultant to Energy Probe