

Elson Advocacy

August 25, 2020

BY EMAIL AND RESS

Ms. Christine Long

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

Dear Ms. Long:

Re: EB-2020-0059 – Waterloo North Hydro Inc. (“WNH”) – 2021 Rates

I am writing on behalf of Environmental Defence to respond to WNH’s objection to Environmental Defence’s request for intervenor status and costs eligibility.

WNH asserts that Environmental Defence has “failed to demonstrate that it represents the interests of customers of WNH who would be directly affected by the outcome of this proceeding” and “does not meet the Board’s cost eligibility requirement under section 3.03(a) of the Practice Direction.” However, the Board’s *Practice Direction* does not restrict eligibility only to ratepayer groups covered by s. 3.03(a). A party will be eligible if they represent a relevant interest or policy perspective as detailed in s. 3.03(b). This clearly applies to Environmental Defence, which represents the public interest in environmental protection.

Furthermore, Environmental Defence is also a strong advocate for the interests of consumers whose energy bills can be reduced through measures such as appropriate rate design, integrated resource planning, distributed energy resources, increased energy efficiency, and reduced transmission losses. These are examples of measures that simultaneously benefit the environment and lower energy bills.

Environmental Defence has been granted intervenor status and costs eligibility on this basis in over 30 Board proceedings over the past decade.¹ This includes a number of electricity distribution cases including, most recently, Hydro Ottawa’s rates case.²

¹ For example, see EB-2012-0064, EB-2012-0337, EB-2012-0394, EB-2012-0410, EB-2012-0451, EB-2012-0459, EB-2013-0053, EB-2013-0099, EB-2013-0321, EB-2014-0134, EB-2015-0029, EB-2015-0043, EB-2015-0049, EB-2016-0004, EB- 2016-0152, EB-2016-0160, EB-2016-0296, EB-2016-0300, EB-2016-0330, EB-2017-0127, EB-2017-0128, EB- 2017-0150, EB-2017-0224, EB-2017-0255, EB-2017-0275, EB-2018-0130, EB-2018-0143, EB-2018-0205, EB- 2018-0287, EB-2018-0288, EB-2019-0003, EB-2019-0082, EB-2019-0137, EB-2019-0247, EB-2019-0255, EB- 2019-0271, and EB-2019-0261.

² EB-2019-0261.

WNH also asserts that Environmental Defence seeks to raise issues that are not relevant to this proceeding. This assertion is without any basis whatsoever. For example, the first issue that WNH objects to “whether the utility is pursuing all of the cost-effective options to reduce its distribution losses.” This issue was expressly included in the issues list for Hydro Ottawa’s recent rates case.³ Losses have been also been added as a stand-alone issue in IESO and Hydro One proceedings.⁴ Furthermore, appropriately accounting for losses in system planning processes can significantly reduce system costs.

More fundamentally, it is inappropriate for WNH to be seeking a ruling on which issues are inside and outside of scope at this early stage. That should be addressed in the future when the issues list is determined. It is inefficient and unfair to attempt to pre-determine scope in an intervention objection letter, especially because other parties will not have an opportunity to respond.

WNH also asserts, perhaps in the alternative, that Environmental Defence has not provided sufficient details with respect to the issues it wishes to raise. We disagree. Environmental Defence provided the same amount or more detail in comparison to other intervenors. It would be inappropriate and inefficient to expect prospective intervenors to provide additional detail at this early stage before they have had an opportunity to ask and receive answers to interrogatory responses.

WNH also obtusely raises s. 3.04(a) of the *Practice Direction*, which states that the Board may, “in the case of a party that is an association or other form of organization comprised of two or more members, have regard to whether the individual members would themselves be eligible or ineligible.” This section does not apply to Environmental Defence. This section is intended to apply, for example, to an association of electricity generators, which would not be eligible because its members are ineligible under s. 3.05(b). Environmental Defence is not an association or organization comprised of members who would be ineligible under s. 3.05 or otherwise.

WNH also asserts that the issues raised by Environmental Defence would be better addressed by ratepayer groups. That not a valid argument to raise under the criteria set out in the *Practice Direction*. Furthermore, the assertion is without any basis. This process would benefit from Environmental Defence bringing its valuable perspective and knowledge to the issues, such as an examination of WNH’s proposed standby charges and rate design, and whether they would act as unreasonable disincentives to positive customer behaviour, such as the implementation of distributed energy resources and energy efficiency.

WNH also asserts that Environmental Defence has not indicated that it will comply with the timelines set out in *Procedural Order #1*. Environmental Defence’s intervention request was delivered on the same day as *Procedural Order #1* was issued, and therefore we did not have the

³ EB-2019-0261, *Decision on Issues List and Procedural Order No. 2*, June 22, 2020 (issue 3.4: “Has Hydro Ottawa appropriately considered measures to cost-effectively reduce distribution losses in its planning processes and included such measures where appropriate?”).

⁴ EB-2018-0143, *Decision on Issues List and Procedural Order No. 2*, July 30, 2018, p.5; EB-2019-0082, *Decision on Issues List and Confidentiality*, September 23, 2022.

opportunity to comment on it. I can confirm that Environmental Defence it will comply with the timelines set out in *Procedural Order #1* if it is granted intervenor status.

WNH notes that it is a small utility. However, it is in the top-quartile of Ontario electricity distributors based on peak demand.⁵ Furthermore, Environmental Defence strongly supports efforts to lower regulatory costs. However, making a baseless objection as WNH has done here runs counter to that important objective.

For the reasons outlined above and in the intervention request dated August 24, 2020, Environmental Defence respectfully requests that it be granted intervenor status and costs eligibility in this proceeding.

Please do not hesitate to contact me if anything further is required.

Yours truly,



Kent Elson

cc: Parties in the above proceeding

⁵ OEB, *Yearbook of Electricity Distributors*, 2019/20.