



**BY EMAIL and RESS**

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June 11, 2019  
Our File No. 20200249

Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> Floor  
Toronto, Ontario  
M4P 1E4

**Attn: Christine Long, Registrar**

Dear Ms. Long:

**Re: EB-2020-0249 – PUC Distribution – Confidentiality Submissions**

We are counsel for the School Energy Coalition. Pursuant to Procedural Order #6, these are SEC's submissions in respect of the documents that the Applicant claims are confidential in whole or in part.

SEC has reviewed the submissions of OEB Staff with respect to confidentiality, and with one overriding caveat supports those submissions. We will not provide additional detailed submissions.

SEC is concerned, however, that OEB Staff is generally accepting the essence of the Applicant's argument, i.e. that because this is a commercial transaction, there can be no public review of the details of that transaction. Things like pricing and other components of the transaction can be withheld from the members of the public who will be paying for it, because the commercial interests of the counterparties are more important than the right of the ratepayers to know what they are paying for.

This proposal is the biggest undertaking ever carried out by this utility, not just because of the dollars involved, but also because it contemplates making a fundamental change

to the distribution infrastructure in Sault Ste. Marie. Management is placing a big bet on a transformative project. If the bet is a good one, the customers could be vaulted into a modernized and improved distribution system, with resulting benefits. If the bet is not as good, the customers could be paying an additional \$3 million (or more) every year in rates for decades. To put that in context, that is a more than 15% increase in revenue requirement.

SEC understands and accepts that commercial sensitivity is an important consideration, and dealing with it carefully doesn't just protect the directly affected third parties. The customers also benefit if third parties dealing with utilities can rely on reasonable competitive protections.

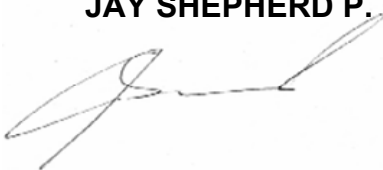
But since the confidential items are likely to be central to the consideration of the issues in this proceeding, there is a very real possibility that the public will see too little of the analysis that the Board undertakes in determining whether this project should be approved.

This may well be a good project, and SEC is not in any way trying to stifle the Applicant's attempts to be innovative. The issue is transparency, which is particularly important in transformative projects of this magnitude. In the best of all possible worlds, this proceeding - and a public hearing - would take place in the Sault, but that is obviously not possible for practical reasons. At the very least the Board should ensure that the evidence it is considering, and the analysis it undertakes, is as public as possible.

We therefore urge the Board to limit the redactions to the narrowest possible scope.

All of which is respectfully submitted.

Yours very truly,  
**JAY SHEPHERD P. C.**



Jay Shepherd

cc: Wayne McNally, SEC (email)  
Interested Parties