



By EMAIL and RESS

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May 17, 2023
Our File: EB20220016

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
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Attn: Nancy Marconi, Registrar

Dear Ms. Marconi:

Re: EB-2022-0016 – Bluewater 2023 Rates – Objection to SEC Cost Claim

We are counsel to the School Energy Coalition (“SEC”). We have reviewed the objection from the Applicant to the cost claim from SEC, and have the following response.

SEC is very surprised that Bluewater objected to this claim.

As Bluewater is aware, going into the ADR there was little likelihood that this case would settle. There were many intervening years since the last rebasing, and during that time a number of significant problems arose. The Applicant was also seeking a very high rate increase, which was itself surprising, particularly when compared to existing rates of other LDCs and the rate increases others were requesting. It was not the expectation of SEC, or we believe the other intervenors, that a settlement was even possible.

SEC consultant Jane Scott took the lead in the ADR on behalf of all parties. SEC counsel Jay Shepherd attended for most of the time, but had a primary focus on interaction with the client. (Mr. Shepherd was also the key person looking at some of the more problematic accounting and cost allocation issues. He also was responsible for the rate comparison analysis with other LDCs.)

This case was additionally unusual in that the province-wide co-ordinator of SEC is also an executive with one of the Sarnia school boards, and a former senior person at the City of Sarnia (Bluewater’s shareholder). Thus, we had a client in this case with much more understanding than is normally the case about the specific utility, and the issues being raised. We were able to take full advantage of this.



SEC believes that it is in large part because of the extra effort of Ms. Scott and Mr. Shepherd, and the ability to draw on the resource of our client in this case, that a settlement was reached in this proceeding, avoiding what would certainly have been a difficult and contentious oral hearing. While we would not for a minute discount the contributions of the other intervenors, SEC believes that it had a key role here.

The OEB will note that SEC does not normally make a cost claim for more than one person in an ADR or hearing process, and regularly writes off time spent when more than one person does participate. This case, SEC believes, is exactly the sort of situation in which there is a "compelling reason" to allow time spent by two persons. The extra effort SEC put into this was necessary, and the result – a full settlement - is a good indicator of that fact.

All of which is respectfully submitted.

Yours very truly,
Shepherd Rubenstein Professional Corporation

A handwritten signature in black ink, appearing to read "Jay Shepherd", written over a light blue horizontal line.

Jay Shepherd

cc: Brian McKay, SEC (by email)