



**London  
Hydro**

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**ONTARIO ENERGY BD**

111 Horton St.  
P.O. Box 2700  
London, Ont.  
N6A 4H6

September 24, 2009

*25/9/09*  
Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON M4P 1E4

*EB-2008-0235*

OEB BOARD SECRETARY	
File No:	Sub File: <i>105</i>
Panel	<i>PS, CC, DC</i>
Licensing	<i>ICL</i>
Other	
00/04 <i>NS</i>	

Re: **Board File No.: EB-2008-0235 London Hydro Inc. – 2009 Rate  
Rebasing Application, Intervenor Cost Submissions**

Dear Ms. Walli:

Pursuant to the Decision of August 21, 2009 in the above-noted proceeding, please find attached, London Hydro's submissions with respect to Intervenor Cost submissions received.

Sincerely,

Dave Williamson  
Chief Financial Officer  
London Hydro Inc.  
Bus. (519) 661-5800 ext. 5745  
Fax (519) 661-2596  
[williamd@londonhydro.com](mailto:williamd@londonhydro.com)

cc: Consumers Council of Canada

*Our Commitment is To Our Customers*

**IN THE MATTER OF** the *Ontario Energy Board Act*, 1998, S.O. 1998, c.15, (Schedule B);

**AND IN THE MATTER OF** an Application by London Hydro Inc. to the Ontario Energy Board for an Order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2009.

**INTERVENOR COST SUBMISSION COMMENTS**

**DELIVERED SEPTEMBER 24, 2009**

**Background**

On August 21, 2009 the Board issued its Decision in this Application. In that Decision the Board directed all Intervenor to file with the Board and forward to London Hydro their respective cost claims within 30 days from the date of the Decision.

In the Board's August 21, 2009 Decision London Hydro was instructed to file with the Board and forward to intervenors any objections to the claimed costs within 44 days from the date of this Decision.

This submission represents London Hydro's comments and observations with respect to the Intervenor Cost Submissions received in this Application.

**Comments and Observations**

London Hydro cannot and does not comment on or provide any opinion on the quality of work performed by Intervenor that is included in the Cost Submissions received from Intervenor.

The only mechanism available to London Hydro to assess the reasonableness of the cost submissions received from Intervenor is to perform a cost and time comparison amongst the Intervenor Cost Submissions and compare that

information to data that is available to London Hydro with respect to work load indicators.

In the attached analysis, London Hydro presents for the Boards consideration, a comparison of the average Intervener hours and costs included in the cost submissions received and a series of cost versus work load measurements to determine the appropriateness of charges received.

		Consumers Council of Canada	Average for Other 4 Intervenors
Interrogatories Submitted	A	20	40
Final Argument Submitted - # pages	B	10	22
Total Interrogatories and Final Argument Pages	C (A+B)	30	62
Total Hours Charged	D	69.4	40
Total Claim Submitted	E	\$ 24,049	\$ 11,749
<b><u>Cost Claim Analysis and Comparison</u></b>			
<b><u>Cost</u></b>			
Avg. Hourly Cost	E/D	\$ 346.53	\$ 297.06
Avg. Cost Per Interrogatory	E/A	\$ 1,202.47	\$ 291.89
Avg. Cost Per Interrogatory and Final Argument Pages	E/C	\$ 801.65	\$ 190.26
<b><u>Hours</u></b>			
Avg. Hours Per Interrogatory	D/A	3.47	0.98
Avg. Hours Per Interrogatory and Final Argument Submissions	D/C	2.31	0.64

In the Intervenor cost claims received from the other 4 intervenors in this Application the cost claims ranged from a high of \$15,157 to a low of \$8,644, the total hours charged ranged from a high of 48.2 to a low of 31.5 and the total interrogatories received ranged from a high of 59 to a low of 26.

Consumers Council of Canada submitted the least number of interrogatories, they were the only intervenor that did not submit any second round interrogatories and their final argument had the second lowest number of pages of content. From the



available data, London Hydro is unable to rationalize why the cost submission for Consumers Council is 59% higher than the highest of the other 4 intervenors and why their chargeable hours are 44% higher than the highest of the other 4 intervenors in light of the fact that the number of interrogatories they submitted were 23% lower than the lowest of the other 4 intervenors.

London Hydro appreciates that this is a very simple analysis, and that there may be valid reasons for the apparent discrepancies indicated in the analysis, but based upon the limited information that is available, it appears that the cost submissions received from Consumers Council of Canada are significantly in excess of those received from other Intervenors both from a cost perspective and a total hours charged perspective.

If Consumers Council of Canada has additional information that would assist in understanding the apparent discrepancy in their total cost submission versus that of other Intervenors, they should provide that additional information to the Board for the purpose of evaluating their cost submission.

In the absence of any further clarification or justification for their cost submission, London Hydro would advise the Board that in its opinion, the cost submission for Consumers Council should be significantly reduced to a level that is more in line with the average amounts submitted by the other 4 intervenors in this Application.