



# Niagara-on-the-Lake Hydro Inc.

## RECEIVED

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**ONTARIO ENERGY BOARD**

Ms. Kirstin Walli  
Board Secretary  
Ontario Energy Board  
Suite 2701  
2300 Yonge Street  
Toronto, Ontario M4P 1E4

VIA E-MAIL and Mail

2008-0237

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**Re: AMPCO Late Request for Intervenor Status**  
**Niagara-on-the-Lake Hydro Inc. Application for 2009 Electricity**  
**Distribution Rates - Board File No EB-2007-0755**

Dear Ms. Walli,

Over the past several years, the OEB has attended a number of EDA functions and extended an invitation to Electrical Distributors to work constructively with the OEB to constantly improve the regulatory environment for the benefit of all stakeholders. I respectfully wish to submit comments on the current intervention process based on feedback I have recently received from several of the 44 small Electrical Distributors in Ontario. The late request for intervenor status referenced above will be discussed.

We understand the Board's role to ensure just and reasonable rates and we do not wish to deny any consumer within our community the opportunity to oppose or question any part of a rate application. However, since the year 2000 when the OEB began regulating the Electricity Industry there has been a steady growth of provincially-based intervenors that have made it a regular routine to intervene in virtually all rate hearings. As a result, numerous rate applications processes are inflated in costs and out of line with the materiality of the application. Generally, the financial burden of these intervenors livelihood is placed on the backs of the customers they claim to represent. This is less evident with large LDC's, but prevalent with small and medium-sized LDC's.

We are asking the Board to review the current rates process with the goal of improving the accountability and fairness to the customer.

Starting with the current application for intervenor status, one must state 'the interest of the intervenor in the proceedings and the grounds for the intervention.' These provincial intervenors have provided broad rate group representation that has been assumed by the Board to exist in all our communities. The October 6 response by AMPCO to the Board sheds an important light on the need to revise the intervention process. When pressed for proof of local representation in our community, the above-mentioned intervenor applicant admitted that "No AMPCO member is served directly by NOTL Hydro Inc." but stated "The Board's Notice of August 26 does not require an intervenor to meet such a standard. We would note that we have been granted intervenor status in previous distribution rate applications where no AMPCO member was served." We have just been made aware that the Board agreed with the applicant based on their very broad qualifying guidelines. Should a change in these guidelines be considered?

The current Niagara-on-the-Lake Hydro rate application now has four registered intervenors in addition to a very capable Board staff to scrutinize a process for 7800 customers. I fully expect NOTL Hydro customers to be appalled at the prospects of the total cost of this scrutiny versus the perceived benefit.

NOTL Hydro respectfully requests that the Board consider the following potential changes to the intervenor registration process in the best interest of Ontario customers;

1. Provincial intervenors have a wealth of experience and given that they represent the broad interest of customer groups should be actively involved in the development of rate policy referred to as a 'stakeholdering' process.
2. Consumers in the specific community directly affected by the rates should be given the opportunity to express their specific concerns to the Board for consideration, investigation and potential rectification.
3. Correct implementation of Board established guidelines and policies in the rate application should be scrutinized solely by Board staff.
4. The Board consider using this provincial 'pool' of current intervenors to assist with processing larger and more complex applications.

Point in fact, AMPCO's October 6 response to the Board states "AMPCO participates in many proceedings, working groups, consultations and initiatives of the Ontario Energy Board. AMPCO has been a consistent participant in the Board's evolving approach to utility regulation and rate design over the past number of years." NOTL Hydro believes that this expertise is best served in assisting the Board at the development stage of rate policy. It should be the Board's role to ensure that the rate policies and guidelines are reflected in each



rate application. AMPCO's specific attention to the NOTL Hydro application is stated as "We are interested in utilities' interpretation and implementation of the Board's guidelines on cost allocation." If after Board staff scrutiny, NOTL Hydro is found to be following the Board's established guidelines on the application of cost allocation, how can the applicant justify the intervening expense when our application is available as a public document? Perhaps the Board would consider implementing this process for LDC's with under 20,000 customers?

We believe that an improved intervention process will benefit customers abroad through cost effectiveness while meeting the Board's mandate to give customers a voice in the rate process. Should the Board agree, I'm certain that several distributors would be pleased to participate in future constructive discussions.

Regards,

A handwritten signature in cursive script, appearing to read "Jim Huntingdon".

Jim Huntingdon  
President.