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ONTARIO ENERGY BOARD

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> floor  
Toronto, ON M4P 1E4

Dear Ms Walli,

<b>Re:</b>	<b>Motion to review and vary Decision EB-2013-0416/EB-2014-0247 as it relates to the Specific Charge for Cable and Telecom Companies Access to the Power Poles charged by Hydro One Networks Inc. (Hydro One)</b>
<b>Board File No.:</b>	<b>EB-2015-0141</b>

Please consider this correspondence as the written submissions of Canadian Manufacturers & Exporters (CME) on the notice of motion to review and vary the Board's March 12, 2015 Decision approving distribution rates and charges for Hydro One for the period 2015 through 2017. In particular, this is a motion brought by a number of cable and telecommunication companies and associations (hereinafter referred to as the Carriers) seeking to vary the joint use charges approved by the Board in EB-2013-0416.

We have had the benefit of reviewing the Argument-in-Chief of Hydro One and the Final Argument of the School Energy Coalition (SEC). In this regard, throughout this proceeding CME has benefitted from the cooperation of SEC and the Vulnerable Energy Consumers Coalition.

CME submits that the pole access charge should be fixed at \$72.16 per attacher per pole. This amount has been calculated by SEC in accordance with the formula approved by the Board in the Hydro Ottawa Pole Attachment Rate Decision (EB-2015-0004). As set out in SEC's Final Argument, the difference between the amount calculated by Hydro One (\$70.04) and the amount calculated by SEC (\$72.16) is derived from the formula approved in the Hydro Ottawa Decision (EB-2015-0004). Specifically, we agree that the calculation of the proper factor for 1.3 attachers per pole is 35.4% (as calculated by SEC) and not 34.3% (as calculated by Hydro One).

With the exception of this calculation adjustment, CME entirely supports the Argument-in-Chief of Hydro One.

CME wishes to briefly address one additional point. Throughout this proceeding the Carriers have attempted to argue that because this motion was brought to review and vary the determination of the pole attachment rate of \$37.05 approved by the Board in EB-2013-0416, it would be inappropriate for the Board to increase the pole attachment rate in this proceeding.

For instance, by letter dated January 7, 2016, the Carriers argued that if Hydro One desired an increase of the pole attachment rate set by the Board based on new information, it ought to have brought a review and variance motion before the Board. In that correspondence, the Carriers attempted to argue that the Board should exclude supplementary evidence filed by Hydro One which included revised calculations of the pole access charge based on corrected data concerning the number of poles it owns and the depreciation costs, as well as calculation using actual 2012 costs, actual 2014 costs, and forecast 2015 costs.

Similarly, by correspondence dated January 26, 2016, the Carriers again attempted to limit the scope of this proceeding by requesting a pre-hearing Order that the hearing be limited to issues relating only to vegetation management costs that were factored into Hydro One's calculation of the pole access charge.

To date, the Board has rejected such arguments. In PO 6 and PO 7, this argument was rejected by the Board. Moreover, the Board confirmed that the purpose of this proceeding is to fix the final pole access charge at a level that is just and reasonable.

We submit that any argument by the Carriers that this Board is limited or is not permitted to establish a pole access charge in excess of the amount previously determined in EB-2013-0416 should be rejected in its entirety. The Board is entitled, in this motion, to take into consideration all of the evidence on the record to fix the final pole access charge a level that is just and reasonable. To the extent that the supplemental evidence filed by Hydro One, in particular the actual 2014 costs and forecast 2015 costs, can assist the Board in fixing a just and reasonable rate, the Board is entitled to take that evidence into account.

Yours very truly,



Vincent J. DeRose  
VJD/kt

c. All Interested Parties EB-2015-0141  
Paul Clipsham and Ian Shaw (CME)

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