



PUBLIC INTEREST ADVOCACY CENTRE
LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC

ONE Nicholas Street, Suite 1204, Ottawa, Ontario, Canada K1N 7B7
Tel: (613) 562-4002. Fax: (613) 562-0007. e-mail: piac@piac.ca. <http://www.piac.ca>

Michael Janigan
Counsel for VECC
613-562-4002 ext. 26

August 08, 2012

VIA MAIL and E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge St.
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Re: DRAFT ISSUE LIST COMMENTS
TORONTO HYDRO-ELECTRIC SYSTEM LIMITED (THESL)
2012-2014 DISTRIBUTION RATE APPLICATION (EB-2012-0064)

As counsel for the Vulnerable Energy Consumers Coalition (VECC), I am writing to provide comments regarding the proposed Issue List for the above proceeding distributed by the Board on July 31, 2012. The comments are set out below by issue number.

Issue #1: Incentive Regulatory Mechanism (IRM) Schedules and Models

Based on the subject matter of Issue #2, VECC assumes that Issue #1 is meant to address Toronto's use of the Board's standard IRM models, excluding the Incremental Capital Module. The Board's primary IRM models (i.e., excluding the ICM Module) do not calculate revenue requirements for the test year(s) but rather rates. As a result, Issue #1.2 should be re-worded to state: "Is THESL's proposal that the Board approve under the IRM framework separate and successive electricity distribution rates and rate adders for each of the 2012, 2013 and 2014 rate years appropriate?"

VECC notes that Issue #1.3 is already captured under Issue #1.1. However, given that THESL's proposal to recognize its approved 2011 year-end rate base is a major departure from the Board's established IRM methodology VECC has no objection to it also being included as a separate issue on its own.

Issue #2: Incremental Capital Module (ICM)

VECC would suggest that, for purposes of consistency, the wording to Issue #2.1 be revised to correspond with that of Issue 1.1 as follows: “Is THESL’s application in accordance with the Board’s ICM criteria and, if not, are any proposed departures adequately justified?”

Again, VECC notes that Issues #2.2, #2.3 and #2.4 can be assumed to be covered under Issue #2.1. However, for reasons similar to those noted above, VECC has no objection to all three also being included as separate issues.

Issue #3: Rate Design

Subject to THESL’s reply comments, VECC assumes that THESL will be applying for revised RTSRs for 2013 and 2014. As result, Issue #3.1 should be re-worded to specifically reference 2012.

With respect to Issue #3.2, the reference should be to 2012 and not 2013.

The proposed wording for Issue #3.3 appears to be incomplete and the reference should be to EB-2011-0142 not EB-2011-0144. . VECC suggests that the wording of the issue should end after “EB-2011-0142”.

Issue #4: Deferral and Variance Accounts

No comments.

Issue #5: Implementation

No comments.

Yours truly,



Michael Janigan
Counsel for VECC

cc:

OEB – Case Manager – Martin Davies martin.davies@ontarioenergyboard.ca

OEB – Counsel – Michael Millar – michael.millar@ontarioenergyboard.ca

THESL Senior Regulatory Counsel - Amanda Klein regulatoryaffairs@torontohydro.com

THESL Applicant Counsel – Fred Cass – fcass@airdberlis.com

All intervenors - via email