



GARDINER ROBERTS

Ian A. Blue, Q.C.
Direct Line: 416 865 2962
Direct Fax: 416 865 6636
iblue@gardiner-roberts.com
File No.: 97294

October 15, 2012

E-FILED

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street (27TH Floor)
P.O. Box 2319
Toronto, ON
M4P 1E4

Dear Ms. Walli,

**Re: Review of Cost Allocation Policy for unmetered loads;
Board File No. EB-2012-0383**

I act as counsel for the City of Toronto in connection with this matter.

I refer to the Board's request in its October 1, 2012 announcement in this file that parties wishing to express interest in participating in the proposed *Unmetered Loads Working Group (ULWG)* identify themselves. To that end, the City hereby nominates and requests that the Board appoint Mr. Ralph R. Frebold, CMA, M.B.A., Senior Financial Analyst, Corporate Finance Division, City of Toronto to be a member of the ULWG. I enclose a copy of Mr. Frebold's résumé which sets out his relevant experience and qualifications. Mr. Frebold is the City financial analyst responsible for the street lighting rates issue as it has been raised before the Board by the City

The City would like to express its appreciation to the Board for proceeding with the review of cost allocation policy for unmetered loads, the need for which was identified back in 2010 in Board File No. EB-2010-0219.

The City requests that Mr. Frebold be appointed a member of the ULWG because over the last few years the City has been active before the Board about its concerns with the cost allocation for street lighting rates. To repeat the chronology set out in the City's Application in File No. EB-2012-0250:

On December 1, 2010, in EB-2010-0142, by letter the City requested the Board to proceed with the consultation process and adjustment to the cost allocation applicable to rates for street lighting referred to in EB-2010-0219. In that letter, the City also expressed its concern about the five-fold increase in its street lighting costs between 2003 and 2007. This letter was Ex.K2.4 in EB-2011-0144.

On September 26, 2011, in EB-2011-0144, the City intervened and stated that it was concerned about THESL's street lighting costs.

GARDINER ROBERTS LLP

Scotia Plaza, 40 King Street West, Suite 3100
Toronto, ON, Canada M5H 3Y2
Tel: 416 865 6600 Fax: 416 865 6636 www.gardiner-roberts.com





GARDINER ROBERTS

On October 14, 2011, in EB-2011-0144, the City, through counsel, delivered interrogatories directed mainly at the issue of THESL's rates for street lighting and the City's street lighting costs.

On October 25, 2011, in EB-2011-0144, the City, through counsel, stated that its goal in participating in the hearing was to have a regulatory platform sufficiently flexible to allow the City a full and fair exploration of the street lighting rate issue.

On October 31, in EB-2011-0144, the City, through counsel, stated that it was the City's position that THESL's rates for street lighting "are excessively high". This was demonstrated in Ex. K2.6, the City's comparison of its rates for street lighting with those of other LDCs.

On November 11, 2011, in EB-2011-0144, at pages 61-69 of Volume 2 of the Transcript, the City, through counsel, cross-examined the THESL witness panel, about the City's deep concern about the level of THESL's street lighting rates. THESL's witnesses agreed that the current cost allocation methodology for street lighting rates is not the best one.

On November 17, 2011, in EB-2011-0144, at pages 1-10 of Volume 4 of the Transcript, the City, through counsel's argument, urged the Board to allow a hearing process that would permit a full examination of THESL's street lighting rates (Tab 8).

In addition, on May 10, 2012 the City filed an application to have THESL's street lighting rates interim in Board file No. EB-2012-0250 and is an intervenor in EB-2012-0064 into which the Board has folded File No EB-012 -0250, and intends to raise the interim rate issue for street lighting rates in that proceeding.

Through Mr. Frebold's participation in the ULWG, the City hopes to explore and obtain a better understanding of the cost allocation policy for unmetered loads and, specifically, for street lighting rates by working with other stakeholders and to provide the ULWG with the City's perspectives on these issues. The City also hopes that through Mr. Frebold's participation in the ULWG it can become better educated about cost allocation policy for unmetered loads and thereby be able to adjust its positions before the Board accordingly.

In closing, the City wishes to thank the Board for taking on this initiative and looks forward to the reports of both the ULWG and the Board.

Yours truly,

GARDINER ROBERTS LLP


Ian A. Blue, Q.C.



GARDINER ROBERTS

cc. Lorraine Searles-Kelly
Robert Hatton
Ralph Frebald

TORONTO: 353219\1 (97294)

RALPH R. FREBOLD, CMA, M.B.A

644 Bridle Wood

Burlington, Ontario, Canada

L7L 4E1

Cell: (905) 802-9861 / Business: (416) 397-0484

rfrebold@toronto.ca

EMPLOYMENT:

***Senior Financial Analyst, Corporate Finance Division
City of Toronto, 1999 to 2006 and 2008 to present***

This position assumes responsibility for providing strategic advice on financial, fiscal, economic, management, and governance issues for use by Senior Management and Council.

Co-ordinating with senior management both within the corporation and from outside firms, this position is responsible for planning, analyzing, and reporting to Committees/Council, and contract negotiation for projects such as:

2008 to present

- Review of City assets such as Toronto Hydro Corporation and Enwave Energy Corporation for potential optimization including sale of shares, restructuring, procuring and overseeing valuation studies
- Support Transportation Division in dealing with:
 - Street light maintenance fees through 5 year review features of contract in light of OEB decision to move specified assets to regulated business
 - Development of efficient lighting offset plan re rising electricity costs
 - Perform business analysis to identify the potential for incorporating new technologies for streetlighting
 - Assist in the five-year review of the Street and Expressway Lighting Maintenance Agreement with Toronto Hydro
 - Appropriate involvement at OEB in regard to rates for electricity especially streetlights including retention of outside legal support if required
- Input into shareholder direction for Build Toronto and Invest Toronto
- Technical team representative benefit case analysis, project definition reports, and project costing analysis for Metrolinx
- Assist with policy development, program design, and implementation of green power initiatives, Green Energy Act rollout, Tower Renewal, and carbon emissions policy analysis
- Established and maintain a corporate debt model
- Assist in the set-up of an insurance company for the City of Toronto for the purposes of self-insurance
- Identify potential opportunities of merger with the insurance operations of other agencies, corporations, and divisions

1999 to 2006

- Request for Proposals for:
 - lease financing for the annual replacement of vehicles in the corporation's light vehicle fleet and for the provision of vehicle management services
 - the development and implementation of E-Service architecture, corporate telecommunications infrastructure, and e-based web content management
 - acquisition and maintenance of street sweepers, computers, photocopiers, fire suits, corporate printing and a corporate systems data warehouse
- Procurement reports and report template for contract amendments, requests for proposals, requests for quotations, and tender calls
- Identification and implementation of procurement and payment solutions for Toronto Water including 3-Way Match, Purchasing Cards, and Service Level Agreement with PMMD

- The corporation's reserves and reserve funds including annual employee benefit costs and funding of accrued employee benefit liabilities
- Funding requirements for the corporation's employee benefits, facilities, and water/wastewater reserves
- Protection of the City's financial interests in the MFP investigation and legal dispute including negotiation of the final settlement

***Manager, Finance and Administration, Information and Technology Division
City of Toronto, 2006 to 2008***

Lead all finance and administration functions for the Division, including: budgeting, financial reporting, accounting, administration, human resources management, facilities management, payroll, contract negotiation/administration, and RFP co-ordination.

***Senior Financial Analyst, Finance Department
City of Hamilton, 1991 to 1999***

This position assumed responsibility for the co-ordination, preparation and publication of the ten-year capital budget. Conducting fiscal forecasts, reserve forecasts and multi-year scenario analysis were areas of specialization.

Additional responsibilities:

- Monitoring capital operations for budget variances and recommend corrective actions
- Conversion of Budget Accounting Module from a mainframe system to Microsoft Access
- Creation of an integrated capital budget consolidation module.
- Monitoring and analysis of capital reserves and long term debenture proceeds (including sinking funds) in order to recommend long term capital financing plans to senior management
- Conduct cost-benefit analysis studies, and program evaluation and measurement
- Lead interdepartmental working groups to ensure co-ordinated capital budget preparation
- Prepare analysis of the impact of proposed capital projects and new programs on operating costs through the development of financial simulation and impact models
- Develop policies and procedures for planning, preparation, monitoring and controlling of operating and capital budgets
- Prepare reports for the consideration of the City's Finance Committee and Council

Development Coordinator/Revenue Analyst, Finance Department, City of Hamilton, 1987-1991

Responsible for implementing the Provincial Development Charges Act and the Federal Goods and Services Act, this position was also responsible for:

- Implementation of the corporate Development Charges Action Plan
- Supervised Land Development Section staff
- Developed and implemented corporate GST policies and procedures
- Monitored, audited, and controlled the billing and collection of accounts receivable

PROFESSIONAL DESIGNATIONS / EDUCATION:

- Certified Management Accountant (1992)
 - Master of Business Administration (Finance), McMaster University, Hamilton, (1986)
 - Bachelor of Science (Applied Statistics and Computation), McMaster University, Hamilton, (1984)
-