



**PUBLIC INTEREST ADVOCACY CENTRE  
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Michael Janigan  
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(613) 562-4002 ext. 26

December 14, 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: Vulnerable Energy Consumers Coalition (VECC)  
Orangeville Hydro Limited EB-2012-0155  
Final Submissions of VECC**

Please find enclosed the submissions of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Thank you.

Yours truly,

A handwritten signature in black ink, appearing to be 'Michael Janigan', written in a cursive style.

Michael Janigan  
Counsel for VECC  
Encl.

cc: Orangeville Hydro Limited  
Jan Howard

**ONTARIO ENERGY BOARD**

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

**AND IN THE MATTER OF** an Application by Orangeville Hydro Limited for an order or orders approving or fixing just and reasonable distribution rates to be effective May 1, 2013.

**FINAL SUBMISSIONS**

**On Behalf of The**

**Vulnerable Energy Consumers Coalition (VECC)**

**December 14, 2012**

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# Vulnerable Energy Consumers Coalition (VECC)

## Final Argument

### 1 The Application

- 1.1 Orangeville Hydro Limited (“Orangeville Hydro”, “the Applicant”, or “the Utility”) filed an application (“the Application”) with the Ontario Energy Board (“the Board” or “the OEB”), under section 78 of the *Ontario Energy Board Act, 1998* for electricity distribution rates effective May 1, 2013. The Application was filed in accordance with the OEB’s guidelines for 3<sup>rd</sup> Generation Incentive Regulation which provides for a mechanistic and formulaic adjustment to distribution rates between cost of service applications.
- 1.2 As part of its application, Orangeville Hydro included an adjustment to the revenue-to-cost ratios. The following section sets out VECC’s final submissions regarding this aspect of the application.

### 2 Revenue to Cost Ratio Adjustments

- 2.1 In Orangeville Hydro’s Decision and Order in its 2010 Cost of Service proceeding (EB-2009-0272), the Board prescribed a phase-in period to adjust revenue-to-cost ratios in the Street Lighting and Sentinel Lighting customer classes. The additional revenues from these adjustments would be used to reduce the revenue-to-cost ratio for the residential customer class.
- 2.2 In 2013, Orangeville Hydro adjusted the Street Lighting and Sentinel Lighting customer classes to the minimum values of their respective target ranges (i.e. 70%). Specifically, for the Street Lighting customer class, the revenue-to-cost ratio moved from 59.46% in 2012 to 70% in 2013 and for the Sentinel Lighting customer class, the revenue-to-cost ratio moved from 60.80% in 2012 to 70% in 2013.
- 2.3 The proposed 2013 balancing impact on the residential class decreases the ratio from 108.11% to 107.60%.<sup>1</sup> There is no change to the revenue-to-cost ratios for the other customer classes (GS<50 kW, GS 50 to 4,999 kW & unmetered scattered load).
- 2.4 VECC has reviewed the revenue to cost ratio adjustments proposed by Orangeville Hydro and submits that:
  - the revenue to cost ratio adjustments are in accordance with the EB-2009-0272 Decision and;

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<sup>1</sup> Revenue to Cost Ratio Adjustment Workform, Sheet 10

- the Revenue to Cost Ratio Workform has been completed appropriately.

**3 Recovery of Reasonably Incurred Costs**

- 3.1 VECC submits that its participation in this proceeding has been focused and responsible. Accordingly, VECC requests an order of costs in the amount of 100% of its reasonably-incurred fees and disbursements.

All of which is respectfully submitted this 14<sup>th</sup> day of December 2012.