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File 20741

October 28, 2015

**VIA RESS FILING AND COURIER**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

**Re: Elimination of Load Transfer Arrangements – Revised Proposed  
Amendments to the Distribution System Code (EB-2015-0006)**

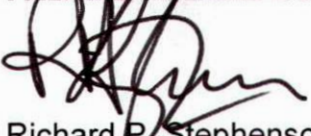
The Power Workers' Union ("PWU") represents a large portion of the employees working in Ontario's electricity industry.

The PWU is committed to participating in regulatory consultations and proceedings to contribute to the development of regulatory direction and policy that ensures ongoing service quality, reliability and safety at a reasonable price for Ontario customers. To this end, please find the PWU's comments with regard to the Board's revised proposed amendments to the Distribution System Code: Elimination of Load Transfers (EB-2015-0006).

We hope you will find the PWU's comments useful.

Yours very truly,

**PALIARE ROLAND ROSENBERG ROTHSTEIN LLP**



Richard P. Stephenson  
RPS:pb

Encl.

c: John Sprackett  
Kim McKenzie

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**Elimination of Load Transfer Arrangements: Revised Proposed  
Amendments to the Distribution System Code**

**Comments of the Power Workers' Union**

**I. INTRODUCTION**

1. On October 14, 2015 the Ontario Energy Board ("OEB" or the "Board") issued a Notice of Revised Proposal to Amend the Distribution System Code ("DSC")<sup>1</sup> ("Revised Proposed Amendments") setting out the criteria to facilitate the elimination of the remaining load transfer arrangements between electricity distributors. The Revised Proposed Amendments reflect revisions to the amendments initially proposed by the Board's Notice of Proposal to Amend the DSC issued on February 20, 2015<sup>2</sup> ("February Proposed Amendments").

**II. POWER WORKERS' UNION'S COMMENTS**

2. In the February Proposed Amendments the Board proposed that the load transfer customer would remain with the geographic distributor until there is a change in ownership of the account. In the Revised Proposed Amendments, the Board has changed its approach and is now proposing that all load transfer customers be transferred at the same time and apply rate mitigation, where needed.

3. The PWU supports this proposed change as it addresses the issues of significant administration burden and costs for distributors that the PWU articulated in its comments on the February Proposed Amendments.

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<sup>1</sup> Ontario Energy Board. EB-2015-0006. Revised Proposed Amendments to the Distribution System Code, October 14, 2015.

<sup>2</sup> Ontario Energy Board. EB-2015-0006. Proposed Amendments to the Distribution System Code, February 20, 2015

4. Another concern raised by a number of stakeholders, including the PWU, was regarding the proposal to eliminate all load transfers within six months. In the Revised Proposed Amendments, the Board is proposing to increase the timeline to 18 months to provide distributors with enough time to identify and value the assets that must be transferred to the physical distributor and then prepare applications for OEB approval. The Board noted that this issue is most relevant to Hydro One Networks which currently has load transfer arrangements with approximately 50 other distributors.

5. The PWU supports this proposed amendment as it provides distributors with more time to complete the transfer of customers.

6. The OEB established a working group (the "Working Group") comprised of stakeholders to provide input on a rate mitigation approach for load transfer customers facing a bill increase. Based on input from the Working Group the OEB is proposing a monthly credit as opposed to a negative rate rider as this approach would avoid implementation costs and billing system changes and it would also avoid complications with the planned move to a fully fixed distribution charge. The PWU agrees with this reasoning and supports this proposed amendment.

7. The PWU notes that there was no agreement among members of the Working Group with respect to which distributor should fund the rate mitigation needed to help customers whose distribution rates would increase if transferred to the physical distributor. The PWU submits that it would be unreasonable to require the geographic distributor that is losing its customers (and the associated distribution revenue) to the physical distributor to fund the rate mitigation. For this reason, the PWU supports the Board's proposal that the physical distributor, not the geographic distributor, fund the rate mitigation.

**All of which is respectfully submitted.**

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