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**BY EMAIL**

September 11, 2024

John Lawford  
Public Interest Advocacy Centre  
2-285 McLeod Street  
Ottawa ON K2P 1A1  
[jlawford@piac.ca](mailto:jlawford@piac.ca)

Dear John Lawford:

**Re: Tillsonburg Hydro Inc. (Tillsonburg Hydro)  
Application for 2024 Cost of Service Distribution rates  
OEB File Number: EB-2023-0053**

On August 2, 2024, the Ontario Energy Board (OEB) issued a letter announcing that an OEB Commissioner will act as facilitator in the settlement conference scheduled to commence on September 16, 2024 for the Tillsonburg Hydro 2024 Cost of Service application. On August 28, 2024, the Vulnerable Energy Consumers Coalition (VECC) filed a letter with the OEB indicating its opposition to the use of a Commissioner as a facilitator. VECC stated that it believes the facilitation of a settlement proceeding by an OEB Commissioner is counterproductive and not in the public interest and requested that the OEB reconsider its proposal.

In response to the Office of the Auditor General of Ontario's Report on the Value-for-Money Audit conducted in relation to the OEB, Electricity Oversight and Consumer Protection, the OEB has explored ways to reduce the regulatory burden on very small utilities. As explained in its August 2<sup>nd</sup> letter, the OEB decided to pilot the use of an OEB Commissioner as a facilitator to determine if there are more efficient and cost effective ways to set the rates for small electricity distributors. The OEB notes that the *Statutory Powers Procedure Act* allows tribunals such as the OEB to establish a rule that permits tribunal members to mediate, conciliate, negotiate or help resolve a matter.

The OEB values VECC's input and the concerns that it has raised. These concerns will

be considered by the OEB when evaluating the results of the pilot. The OEB encourages VECC to participate in the settlement conference in order for all participants to learn from the process.

VECC also raised concerns about the following statement in the OEB's August 2<sup>nd</sup> letter: "Over the course of discussions, the Commissioner may identify areas where a potential settlement may not, in their view, be in the public interest." This statement was not intended to change the role of the facilitator but rather to signal that a Commissioner acting as a facilitator could identify if part of a settlement raised clear red flags that could prevent the OEB from accepting a settlement proposal. The OEB notes that OEB staff identifies such concerns over the course of settlement discussions in its role as active observers of the negotiations. Given the overlap with the role of OEB staff, the OEB has decided that it is not necessary for a Commissioner Facilitator to provide parties with a view on the outcome of any potential settlement item, unless specifically requested by the parties.

Please direct any questions relating to this application to the Case Manager, Petar Prazic, at 416-440-7682 or [Petar.Prazic@oeb.ca](mailto:Petar.Prazic@oeb.ca).

Yours truly,

Nancy Marconi  
Registrar

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