



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

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April 12, 2007

VIA COURIER AND EMAIL

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

Dear Ms. Walli:

**Re: Letter of March 30, 2007 regarding the OEB's Review of Electricity  
Distribution Rate Design (EB-2007-0031)**

**Participation and Funding Request of the Vulnerable Energy  
Consumers Coalition (VECC)**

As Counsel to the Vulnerable Energy Consumer's Coalition (VECC), I am writing, per the Board letter of March 30, to indicate VECC's interest in participating in the EB-2007-0031 proceeding regarding Electricity Distribution Rate Design and to request funding for my client's participation, including participation by VECC's consultant.

**Interests Represented**

VECC is a coalition of groups that represents the interests of those energy consumers who, because of their household income, or other distinguishing characteristic such as age, literacy, etc, have a set of concerns that may differ in kind, and, in magnitude, from those of more affluent residential consumers as well as commercial and industrial consumers. The Vulnerable Energy Consumers Coalition (VECC) is currently comprised of the Ontario Coalition of Senior Citizens (OCSCO), and the Federation of Metro Tenants Association.

OCSCO is itself a coalition of over 120 senior groups, as well as individual members, across Ontario. OCSCO represents the concerns of over 500,000 senior citizens through its group and individual memberships. OCSCO's objective is to improve the quality of life for Ontario Seniors.

The Federation of the Metro Tenants Association is a non-profit corporation composed of over ninety-two affiliated tenants associations, individual tenants, housing organizations, and members of non-profit housing co-ops.

Although the organization is not itself a member of VECC, the Public Interest Advocacy Centre (PIAC) in Ottawa assists in the representation of the interests of vulnerable consumers by ensuring the availability of competent representation and advice to the VECC participation. As well, PIAC coordinates the participation of VECC with the ongoing efforts to advance the interests of the specific constituency outside of the formal hearing process. PIAC has played this role in energy policy and ratemaking in Ontario for over two decades.

### **Importance of Electricity Distribution Rate Design to VECC**

VECC's constituents' general concerns are that electricity costs should be kept as low as possible consistent with maintaining acceptable reliability and quality of service. In this regard issues related to the definition of customer classes, the design of rates and rate harmonization are as important as the determination of overall revenue requirement itself. For example, many of VECC's constituents are low-use consumers and the impact of changes in rate design, in terms of customer charges or block rate structure could have a material impact on their electricity bills.

### **Access to Other Sources of Funding**

As noted in PIAC's letter of July 14, 2004 on the matter of Stakeholder Participation in the Board's regulatory policy development processes, there are two types of customer and public interest organizations:

- Those that are member sponsored and can allocate a limited amount of staff resources paid out of membership fees to respond to the economic or political interests of their members and
- Public interest groups that are not generally member funded or do not have funds available for tribunal interventions,

VECC is in the latter category and uses the Public Interest Advocacy Centre to provide and co-ordinate the representation of its interests. VECC's constituent organizations, which consist of over one half million members, belong primarily to seniors and tenant groups. In order to provide meaningful and informed comment on the issues on which the Board is seeking input, VECC must either

ask its counsel, consultants and advisors to undertake pro bono work or not participate at all.

### **Request for Award of Costs**

VECC requests that it be awarded costs for its participation in this proceeding and believes that it meets the eligibility criteria set out in the Ontario Energy Board's Rules of Practice and Procedure and its Practice Direction on Cost Awards.

### **Future Participation**

VECC plans to comment on the Staff's Discussion Paper and wishes to be on the distribution list for future developments in this consultation. The name and address of the agent authorized to receive documents on behalf of VECC is:

Mr. Michael Buonaguro  
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c/o Public Interest Advocacy Centre  
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VECC would request that all correspondence and documentation also be copied to VECC's consultant:

Mr. Bill Harper  
Econalysis Consulting Services  
34 King Street East, Suite 1102  
Toronto, Ontario  
M5C 2X8  
(416) 348-0193 (office)  
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I look forward to a favorable response to this request.

Yours truly,



Michael Buonaguro  
Counsel for VECC