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578 McNaughton Ave. West Chatham, Ontario, N7L 4J6

April 2, 2007

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street Suite 2700 Toronto, Ontario, M4P 1E4

Dear Ms. Walli:

Re: EB-2007-0031 – Intention to Participate and Request for Cost Eligibility Determination for the London Property Management Association – Review of Electricity Distribution Rate Design

This letter is in response to the Board's March 30, 2007 letter related to the Review of Electricity Distribution Rate Design (EB-2007-0031). Three paper copies have been provided to the Board and an electronic version has been sent to the Board Secretary. The London Property Management Association (LPMA) is interested in participating in this process and intends to make written comments on the Staff Discussion Paper. Further LPMA wishes to be on the distribution list for future developments in this consultation.

LPMA requests a determination in its eligibility for a cost award in this process. The following information is provided in support of the LPMA request to be found eligible for costs.

#### The LPMA

LPMA is a non-profit organization whose overall goal is to help property managers and those who own/operate residential income properties in the City of London and surrounding communities. The LPMA offers information and assistance to its members to help them deal with the legislation, rules and regulations that affect their business. LPMA is made up of approximately 325 members ranging in size from single unit owners to managers and owners of in excess of 2,000 units. The membership consists of a representative cross section of the rental property owners in the London and surrounding area. In total LPMA members own or manage more than 35,000 rental units in the London and surrounding area.

# **Cost Eligibility**

LPMA submits that it is eligible to apply for a cost award based on section 3.03 (a) of the Practice Direction on Cost Awards. In particular, LPMA "primarily represents the direct interests of consumers (e.g. ratepayers) in relation to regulated services".

The Board has found the LPMA to be eligible for cost awards in numerous natural gas and electricity proceedings before the Board.

LPMA represents the interests of small to medium to large commercial customers that take service from regulated utilities in the London and surrounding area. The policies that will be dealt with in the above noted process have the potential to have significant impacts on regulated rates paid by the consumers.

As a non-profit organization, LPMA does not have access to any other funding sources. LPMA relies on the cost awards it receives from the Board to effectively participate in, and assist the Board, in these regulatory processes.

LPMA is requesting that the Board determine that the LPMA is eligible for a cost award for all activities related to this process.

As has been the practice in past proceedings, the LPMA will work with parties representing the same class of users to communicate and co-ordinate their participation. Further, LPMA will work with all parties throughout the process to ensure a complete and comprehensive review is accomplished.

As part of Appendix A to the March 30, 2007 letter, the Board indicated that the name and credentials of any lawyer, analyst or consultant that may be retained should be provided, if known. LPMA advises the Board that it will be retaining Mr. Randy Aiken of Aiken & Associates in this process. A brief summary of his relevant professional experience and training are attached as Appendix A to this letter.

Contact information is as follows:

Mr. Randy Aiken Aiken & Associates 578 McNaughton Ave. West Chatham, Ontario, N7L 4J6

Phone: (519) 351-8624 Fax: (519) 351-4331 E-mail: raiken@xcelco.on.ca

If you require any further information or clarification, please do not hesitate to contact me.

Sincerely,

Randy Aiken

Randy Aiken Aiken & Associates

Attachment

## APPENDIX A

## RANDALL E. AIKEN

578 McNaughton Ave. West Chatham, Ontario, N7L 4J6 (519) 351 - 8624 Fax: (519) 351-4331 E-mail: raiken@xcelco.on.ca

#### **CAREER HISTORY**

1992 - Present AIKEN & ASSOCIATES, Chatham, Ontario

- \* Leading a team of public utility professionals providing services in the areas of utility economics, finance, regulation and litigation.
- \* Providing consulting services and expertise in the areas of public utility regulatory case management, cost of service regulation, performance based regulation, litigation support, evidence preparation, sales and revenue forecasting, economic analysis, O & M budget analysis, capital project analysis, cost allocation, rate design and regulatory support.
- \* Provide expert testimony on behalf of clients before the Ontario Energy Board.
- \* Provide cross-examination of expert witnesses on behalf of clients before the OEB.

1986 - 1992 UNION GAS LIMITED, Chatham, Ontario
Senior Economist 1987-1992
Supervisor Forecasts & Market Statistics 1986-1987

- \* Forecast and analysis of macroeconomic scenarios for Canada, Ontario, and various industries for strategic planning purposes.

\* Gas sales throughput and revenue forecasting for budget and regulatory purposes.

- \* Testified before Ontario Energy Board at several rates and facility cases.
- \* Communicated national and provincial economic outlooks and industry analysis to senior management.
- \* Designed and implemented regional gas sales models for throughput and revenues and incorporated advanced forecasting techniques into sales and revenue models.
- \* Implemented facility forecast analysis procedures and improved and expanded management reporting systems related to forecast variance analysis.
- 1984 1986 CHASE ECONOMETRICS (now Global Insight), Toronto, Ontario Economist
  - \* As a member of a small team, assisted in the production and publication of the Canadian Macro, Canadian Provincial and Canadian Cost Planning services.
  - \* Responsible for customer-specific projects and associated client support.
  - \* Received President's Award in 1985 for outstanding performance.

1982 INFORMETRICA LIMITED, Ottawa, Ontario Student Economist Work Terms - Spring & Fall 1982

> Employed on work terms as part of the requirements for the M.A. (Economics) degree at the University of Waterloo.

## SELECTED UTILITY, REGULATORY AND RELATED EXPERIENCE (partial)

2006 Provided economic evaluation evidence for NRG Leave to Construct Application (EB-2006-0243). 2006 Representing LPMA in Multi-Year Electricity Distribution Rates Setting Plan Cost of Capital (EB-2006-0088) and 2<sup>nd</sup> Generation Incentive Regulation Mechanism (EB-2006-0089). 2006 Providing distributors and transmitters with assistance developing rate applications. 2006 Representing LPMA in Multi-Year Incentive Regulation for Natural Gas Utilities (EB-2006-0209). 2006 Providing litigation support for Energy Probe in Enbridge 2007 rates proceeding (EB-2006-0034). 2006 Provided expert analysis and litigation support for London Property Management Association and Wholesale Gas Service Purchasers Group in EB-2005-0520 (Union Gas 2007 Rates). 2006 Provided expert analysis and litigation support for LPMA and WGSPG in Natural Gas Electricity Interface Review (EB-2005-0551) 2006 Provided expert analysis and litigation support for LPMA in Natural Gas Demand Side Management Generic Issues Proceeding (EB-2006-0021) 2006 Provided evidence preparation, rate case management, sales forecasts, cost allocation, rate design, etc. for NRG (EB-2005-0544) for the Ontario Energy Board. Testified at hearing. 2006 Provided assistance to Fort Albany Power Corporation (RP-2005-0020/EB-2005-0365) and Kashechewan Power Corporation (RP-2005-0020/EB-2005-0383) with the preparation of 2006 distribution rates applications. 2000 - Present Prepare application and evidence for NRG QRAM filings. Provided litigation support for Energy Probe in Hydro One 2006 Rates Case (RP-2005-2005-2006 0020/EB-2005-0378). 2005 Member of the OEB's Cost Allocation Technical Advisory Team (Phase 1 and Phase 2) (EB-2005-0317) on behalf of LPMA and Energy Probe. 2005 Provided expert analysis and litigation support in London Hydro 2006 Rates Case (RP-2005-0020/EB-2005-0389) for the LPMA. 2005 On behalf of LPMA, participated in the OEB's Natural Gas Utility Service Quality Requirements consultation process (EB-2005-0453). 2005 Prepared evidence and provided regulatory support for NRG for gas cost proceedings (EB-2005-EB-2005-0296, EB-2005-0466, EB-2005-0540) 0235, On behalf of LPMA, participated in the OEB's Minimum Filing Requirements for Natural Gas 2005 Distributors Cost of Service Applications consultation process (EB-2005-0494). 2005 Provided expert analysis and litigation support in Union Gas 2006 Rates Case (EB-2005-0449) for the LPMA and WGSPG. 2005 Assisted Great Lakes Power Limited with the preparation of 2006 distribution rates application (RP-2005-0020/EB-2005-0369). 2005 Provided expert analysis on cost allocation, rate design, revenue, taxes and variance account related issues for Energy Probe in Enbridge Gas Distribution 2006 Rates Case (RP-2005-0001), including the preparation of evidence related to an alternative methodology for forecasting degree days.

- 2005 RP-2003-0063/EB-2004-0542 Provided expert analysis and litigation support in Union Gas Embedded Storage Rates proceeding for the London Property Management Association ("LPMA") and the Wholesale Gas Service Purchasers Group ("WGSPG").
- 2005 RP-2003-0063/EB-2005-0189 Represented LPMA at Union Motion to vary the RP-2003-0063/EB-2004-0480 Decision.
- 2005 Prepared Economic Evaluation Model for Five Nations Energy Inc.
- 2004 RP-2003-0063/EB-2004-0480 Prepared submissions on behalf of LPMA and WGSPG with respect to Union's proposal for rates for 2005.
- 2004-2005 RP-2003-0204 Distribution Rates for Attawapiskat Power Corporation develop model and prepare evidence and interrogatory responses for three different test periods.
- 2004 RP-2004-0196 Smart Meter Initiative member of the Cost Considerations Working Group.
- 2004 RP-2004-0188 2006 Electricity Distribution Rates member of the Test Year, Rate Base and Taxes/PILS working groups. Provided submissions on behalf of LPMA.
- 2004-2005 Providing financial modelling, evidence preparation and interrogatory responses for Great Lakes Power Limited related to their Transmission rates application (EB-2005-0241).
- 2004 Provided evidence preparation, rate case management, sales forecasts, cost allocation, rate design, etc. for NRG (RP-2004-0167) for the Ontario Energy Board. Testified at hearing.
- 2004 Prepared evidence and provided regulatory support for NRG for gas cost proceedings (EB-2004-
- 0213, EB-2004-0269, EB-2004-0413, EB-2004-0509).
- 2004 Prepared evidence and testified for NRG for gas cost recovery mechanism (EB-2004-0004)
- 2004 Provided expert analysis on cost allocation and rate design issues for Energy Probe in Enbridge Gas Distribution 2005 Rates Case (RP-2003-0203).
- 2003 Provided expert analysis and litigation support in Union Gas 2004 Rates Case (RP-2003-0063) for LPMA and WGSPG
- 2003 Provided expert analysis and litigation support in Review of the Board's Guidelines for setting ROE (RP- 2002-0158/EB-2002-0484) for LMPA
- 2003 Provided expert analysis and litigation support in review of the Quarterly Rate Adjustment Mechanism (EB- 2003-0056) for Union Gas Ltd. on behalf of LPMA and WGSPG
- 2003 Provided evidence preparation and testimony, rate case management, sales forecasts, cost allocation, rate design, etc. for NRG (RP-2002-0147)
- 2003 Provided evidence and regulatory support for NRG for gas cost proceedings (EB-2003-0007, EB-2003-0061 EB-2003-0239, EB-2003-0286)
- 2002-Current Member of Union Gas DSM Consultative, including Audit Subcommittee in 2002
- 2002 Managed intervention and provided expert analysis and litigation support in Union Gas 'Customer Review Process' (RP-2002-0130) process to establish rates for 2003 for WGSPG and LPMA.
- 2002 Provided evidence preparation and rate design assistance to Great Lakes Power for distribution rates application to the Ontario Energy Board.
- 2002 Provided evidence and testified at Hydro One Networks Distribution Rates case at the Ontario Energy Board on behalf of a coalition of municipal electric distributors (Enersource Mississauga Hydro, Ottawa Hydro, London Hydro, St. Catharines Hydro, Oshawa PUC Networks).

- 2002 Prepared evidence and regulatory support for Natural Resource Gas Limited ("NRG") for a gas cost increase proceeding (EB-2002-0229)
- 2001 Provided evidence preparation, rate case management, sales forecasts, etc. for NRG (RP-2000-0126) for the Ontario Energy Board.
- 2001 Provided regulatory and analytical support for Cogenerators Alliance in TransCanada Pipeline Tolls and Tariffs Application (RH-1-2001).
- 2001-2002 Managed intervention and provided expert analysis and litigation support in Union Gas 'Enabling Unbundling' (RP-2000-0078) case for the Wholesale Gas Services Purchasers Group ("WGSPG") and London Property Management Association ("LPMA").
- 2001-2002 Managed intervention and provided expert analysis and litigation support in Union Gas 'Customer Review Process' (RP-2001-0029) process to establish rates for 2001 and 2002 for WGSPG and LPMA.
- 2001-2006 Providing regulatory assistance and analysis for Kitchener Utilities.
- 2001-2004 Providing evidence preparation and cost allocation and rate design for Five Nations
  Energy Inc. for pre-market and post-market (pooled) opening transmission rates and for distribution
  rates for related local distribution companies (Attawapiskat Power Corporation, Kashechewan
  Power Corporation, Fort Albany Power Corporation) for filing with the Ontario Energy Board.
- 2000-2001 Prepared evidence on rate unbundling for Middlesex Power Distribution Corporation in accordance with the Ontario Energy Board Electricity Distribution Rate Handbook and harmonized rates from three utilities.

2000-2002 TransAlta	Provide consulting services related to natural gas transportation, and distribution to Energy Corporation.
1999 - 2000 Union Gas Consumers and	Managed rate case intervention and provided expert analysis and litigation support in Unbundling and PBR rates case (RP-1999-0017) on behalf of WGSPG, Major Energy Producers ("MECAP") and LPMA.

- 2000 Assisted LaSalle HES in the design and implementation of an intermediate use rate. Provided assistance in preparation of Ontario Energy Board filing and OEB approval of rate addition.
- For NRG, provided analysis and input on the proposed Distribution Access Rule at the Ontario Energy Board.
- Prepared evidence and regulatory support for NRG for a gas cost increase proceedings (EB-2000-0113, EB-2000-0308).
- 2000 Provided analysis of bundled and unbundled service options and costs for Trigen Energy Canada Inc.
- 1999 For NRG, provided rate case management, expert testimony and evidence preparation for rates application.
- 1999 Completed cost allocation and rate design study for NRG. Provided expert testimony before OEB.
- 1999 For NRG and Six Nations Natural Gas Company Ltd., provided case management and litigation support in RP-1999-0011 (Contract between City of Kitchener and Union Gas).
- 1999 Provided analysis of gas distribution rates for proposed Sarnia co-generation facility for TransAlta Energy Corporation.
- 1998 Managed rate case intervention and provided evidence on behalf of WGSPG, NRG, Tractebel Power, and Northland Power in Union Gas rates proceeding (E.B.R.O. 499).

- 1998 For NRG, updated and enhanced throughput and revenue forecast models for budget and regulatory use.
- 1997 For NRG, provided rate case management, evidence preparation and expert testimony for rates application, including cost allocation and rate design study.
- 1997 For NRG, provided assistance in reviewing Legislative Change (E.B.O. 202).
- For NRG and Sunoco, provided regulatory support and analysis with respect to proposed changes to load balancing costs (E.B.R.O. 494-06).
- 1997 For NRG, prepared throughput and revenue forecast and model for use in rate case. Also prepared updated working cash study and updated depreciation study.
- 1997 For PanEnergy Marketing, provided assistance in review of merger proposal between Centra Gas Ontario and Union Gas (E.B.O. 195).
- For Ontario Hot Mix Producers Association, provided support in preparation of Letter of Comment filed at Union Gas/Centra Gas rates case (E.B.R.O. 493/494).
- 1996 For NRG, provided litigation support in the review of the rates and costs proposed by Union Gas (E.B.R.O. 493/494).
- 1996 For NRG, provided a report on the issues in the separation of ancillary programs from the regulated utility service.
- 1996 For the Electric Utilities Group, provided litigation support in the review of proposed rate changes by Ontario Hydro.
- For NRG, provided litigation support in the review of proposed gas cost adjustments by Union Gas (E.B.R.O. 486-04).
- 1996 For PanEnergy Marketing, provided a report on the determination of Buy/Sell reference prices for Ontario LDCs.
- 1996 For NRG, oversaw the implementation of revised gas sales rates and structures.
- 1996 For Direct Energy Marketing, provided an analysis of historical trends of Ontario LDC residential gas and distribution costs.
- For NRG, managed rates case, including evidence preparation, operating and capital budget preparation, gas sales and other operating revenue and rates forecasts.
- 1995 For NRG, enhanced and refined cost allocation model and rate design analysis.
- 1995 Present Create and update monthly Purchased Gas Variation Account ("PGVA") report for NRG.
- 1995 For London Hydro, prepared a long-term outlook for the price of natural gas.
- 1995 For London Hydro, prepared a report comparing the annual cost of using natural gas by a residential customer for the period 1981 to 1995.
- 1994 For NRG, prepared a working cash study and testified about same before OEB.
- 1994 For NRG, prepared a depreciation study and testified about same before OEB.
- For NRG, developed a gas sales forecasting model and provided customer, volume and revenue forecasts. Testified on behalf of NRG in support of forecasts before OEB.
- For NRG, managed rates case, including evidence preparation, and testified on behalf of NRG before OEB. Coordinated information requirements on behalf of NRG for cost allocation, rate design and rate of return studies.

- 1994 For London Hydro, prepared a long-term outlook for the price of natural gas.
- 1994 For Key Property Management Corp., prepared a report on the practice of group billing by Union Gas.
- 1993 For NRG, managed rate case, including evidence preparation, and testified on behalf of NRG before OEB.
- For NRG, prepared a report and a financial analysis model for the feasibility analysis of system expansion projects.
- 1993 For NRG, prepared a report and model for setting water heater rental rates.

#### SELECT APPEARANCES BEFORE ONTARIO ENERGY BOARD

<u>Witness</u>
EB-2006-0243 - Leave to Construct – Natural Resource Gas Limited
EB-2005-0544 - Main Rates Case - Natural Resource Gas Ltd. (Rates for 2007)
EB-2005-0188 - Natural Resource Gas Limited – Motion to Vary
RP-2004-0167 - Main Rates Case - Natural Resource Gas Limited (Rates for 2005)
EB-2004-0004 - PGCVA Amendment - Natural Resource Gas Limited
RP-2002-0147 - Main Rates Case – Natural Resource Gas Limited (Rates for 2003, 2004)
RP-2000-0023 - Distribution Rates - Hydro One Networks Inc. (on behalf of London Hydro, Ottawa Hydro,
St. Catharines Hydro, Oshawa PUC Networks and Enersource Mississauga Hydro)
RP-2001-0036 - Uniform Transmission Rates - Five Nations Energy Inc.
RP-2000-0126 - Main Rates Case - Natural Resource Gas Ltd. (Rates for 2001, 2002)
RP-1999-0031 - Main Rates Case - Natural Resource Gas Ltd. (Rates for 2000)
E.B.R.O. 496 - Main Rates Case - Natural Resource Gas Ltd. (Rates for 1998, 1999)
E.B.R.O. 491 - Main Rates Case - Natural Resource Gas Ltd. (Rates for 1996, 1997)
E.B.R.O. 488 - Main Rates Case - Natural Resource Gas Ltd. (Rates for 1995)
E.B.R.O. 480 - Main Rates Case - Natural Resource Gas Ltd. (Rates for 1993, 1994)
E.B.R.O. 470 - Main Rates Case - Union Gas Ltd.
E.B.R.O. 462 - Main Rates Case - Union Gas Ltd.
E.B.L.O. 237 - Facilities Application - Union Gas Ltd.
E.B.L.O. 234 - Facilities Application - Union Gas Ltd.
E.B.L.O. 230 - Facilities Application - Union Gas Ltd.

#### Cross-Examination & Submissions

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EB-2006-0034 - Enbridge Gas Distribution Inc. Rates for 2007
EB-2006-0021 - Natural Gas DSM Generic Issues
EB-2005-0211 - Union Gas Cushion Gas Disposition
EB-2005-0520 - Union Gas Rates for 2007
EB-2005-0449 - Union Gas Rates for 2006
EB-2005-0189 - Union Gas Motion to Vary
RP-2003-0063 - Union Gas Rate Case – Fiscal 2004
RP-2002-0158 - Review of Board's Guidelines for Setting ROE
EB-2003-0056 - Quarterly Rate Adjustment Mechanism – Union Gas Ltd. (May, 2003)
RP-2002-0130 - Customer Review Process – 2003 Rates - Union Gas Limited)
RP-1999-0017 - Unbundling & Performance Based Regulation - Union Gas Limited
E.B.R.O. 499 - Main Rates Case - Union Gas Limited
```

### **PUBLICATIONS**

"The Demand for Natural Gas: Modelling Conservation Due to Furnace Efficiency Improvements", <u>American Gas Association Forecasting Review</u>, Volume 3, April 1992.

# **UNIVERSITY EDUCATION**

1983 M.A. (Economics), University of Waterloo

1981 B.Math. (Honours Statistics with Economics), University of Waterloo

# **PROFESSIONAL QUALIFICATIONS**

1994 Certificate in Financial Planning