

HYDRO ONE INTERROGATORY #9

INTERROGATORY

Please provide a list of jurisdictions in North America or, failing that, around the world that have extended competition – as envisioned in the Elenchus submission – to the provision of electric distribution wires assets and infrastructure?

RESPONSE

The terms of reference for the Report filed in this proceeding did not include a survey of other jurisdictions.

It should be noted that the primary driver for this issue has been competition between existing distributors for customers along their shared boundaries. Interest in the issue is therefore directly proportional to the number of distributors in the jurisdiction. In a jurisdiction with a single vertically integrated monopoly supplier of electricity, opportunities for alternate suppliers would be quite limited. Furthermore, even in cases where there is more than one distributor, the issue is moot unless there is significant economic growth in the boundary areas – leading to the types of development that have given rise to competition for the right to provide distribution services in Ontario.

It can be expected that there would be little interest in investing regulatory resources in addressing the issue where there are limited competitive opportunities. It is doubtful that investing resources in a survey of other jurisdictions would be of assistance to the OEB in addressing this issue.

Ontario is quite unusual in terms of the number of electric LDCs within the jurisdiction and the dynamism of the economies in boundary areas. Hence, Ontario is almost certainly unusual, if not unique, in terms of the pressure to permit competition and in terms of the opportunity for there to be a significant degree of competition if it is permitted and the barriers to competition are low.

