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ONTARIO ENERGY BOARD

December 19, 2006

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

Via email to BoardSec@oeb.gov.on.ca and by courier

Dear Board Secretary:

EB-2006-0266

OEB BOARD SECRETARY	
File No:	Sub File: 4(26)
Panel	AF, MH, KS,
Licensing	MB, TP, AE
Other	PN, GC
00/04	7 HC

**Re: Board File No.: EB-2006-0266**

The Electricity Distributors Association (EDA) is the voice of Ontario's local distribution companies (LDCs). The EDA represents the interests of the almost 90 publicly and privately owned LDCs in Ontario. The EDA is pleased to make a submission for costs in proceeding EB-2006-0266 for the Board's consideration.

The cost eligibility criteria are set out in the *Practice Direction On Cost Awards* at section 3.03 which provides as follows:

"A party in a Board process is eligible to apply for a cost award where the party:

- (a) primarily represents the direct interests of consumers (e.g. ratepayers) in relation to regulated services;
- (b) primarily represents a public interest relevant to the Board's mandate; or
- (c) is a person with an interest in land that is affected by the process."

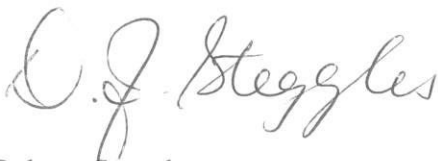
With respect to the specific cost eligibility criteria and grounds for seeking funding, the EDA submits as follows:

- The EDA represents a 'public interest' by providing an opportunity to bring together the interests of all LDCs into a single representative before the Board. Early confirmation of funding from the Board will enable the Association to work effectively to bring the representation of LDCs together as much as possible into a single submission. It should be noted that a new CDM Caucus has been established at the EDA (consisting of representatives of the chief conservation officers from utilities throughout the province) through which consultation for the EDA's submissions in proceeding EB-2006-0266 will occur. This serves the public interest by reducing cost and duplication before the Board;

- As well, given the Board's current funding criteria, large consumer interests can easily qualify for funding while Ontario's LDC community is left to fund its own participation. There is a clear imbalance between the ability of much of the LDC communities' ability to fund participation in proceedings and the ability of large consumers to claim funding under the current funding criteria, which can lead to an imbalance of interests which is not in the public interest. The EDA again strongly urges the Board to undertake an assessment of the Board's current funding criteria that allows for such imbalanced representation of stakeholder interests;
- The EDA represents the interests of utilities which are aligned with the interests of the public. It is in the public's interest that the utility sector remain financially viable so that utilities can continue to provide a safe, reliable and affordable source of electricity to our communities;
- The EDA is a not-for-profit association and funding for the Association comes almost exclusively from membership dues. The Association has very limited resources and in the absence of funding, may otherwise be unable to participate in the proceeding. Given that the current process contemplates an assessment of work undertaken by the EDA, already at the Association's own expense, it would be inequitable to move forward with this proceeding without giving the EDA ample opportunity to properly defend and speak to issues arising out of the work already undertaken addressing a revenue stabilization mechanism. It would be anticipated that the EDA may wish to retain continuing consulting expertise in order to respond to going-forward questions and issues arising from the initial revenue stabilization mechanism proposal; and
- Finally, while the cost eligibility criteria indicates that 'distributors' are not eligible, the EDA wishes to strongly reiterate that the Association itself, is not a distributor and stands in a different position from distributors.

The EDA appreciates the Board's consideration of the Association's submissions concerning costs in this proceeding and looks forward to hearing from the Board on this issue.

Yours truly,

A handwritten signature in cursive script, reading "D. Steggle".

Debora Steggle  
Vice President, Policy and Government Relations