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June 18, 2015

BY EMAIL & BY COURIER

Ms. Kirsten Walli **Board Secretary Ontario Energy Board** 2300 Yonge St. Suite 2701 **Toronto ON M4P 1E4** 

Ms. Walli:

### **Board File EB-2014-0014**

**Energy Probe Research Foundation – Intervenor Annual Information Submissions** 

Pursuant to the April 24, 2014 revision by the Ontario Energy Board (OEB) of its Practice Direction on Cost Awards, the following is the filing of Energy Probe Research Foundation (EPRF) directed in Section 3.03.1 for the Board's consideration.

#### ENERGY PROBE RESEARCH FOUNDATION

Energy Probe Research Foundation (EPRF) is a non-profit environmental and consumer organization which promotes economic efficiency in the use of resources. It has long been one of Canada's leading environmental and public policy research institutes, cited as one of the most effective organizations of its kind by The Canadian Encyclopedia. Energy Probe first took form in 1970 as the Energy Team of Pollution Probe. In 1980, Energy Probe separated from Pollution Probe and became incorporated as the Energy Probe Research Foundation.

### It has four main goals:

- to provide the public, media, business, and government with information on resource-related issues:
- to promote sustainable resource use;
- to encourage individual responsibility and accountability;
- to help Canada contribute to global justice and prosperity.

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To inform public opinion, EPRF has been a founder of numerous organizations: locally, Ecology House and Lake Ontario Water Keepers; nationally, Friends of the Earth Canada; and internationally, the World Rainforest Movement and the International Rivers Network. The Foundation is made up of several distinct divisions, including Energy Probe, Probe International, Environment Probe, Consumer Policy Institute and the Urban Renaissance Institute.

Energy Probe argues for the break-up of unnatural monopolies, created by political or regulatory decree. Where natural monopolies exist, it advocates regulation that is mandated to protect the interests of consumers.

It works to protect all ratepayers by ensuing the integrity of regulatory systems and the strict enforcement of laws. To eliminate biases and conflicts of interest, and to ensure that public- and private-sector interests are treated equally, it advocates independent regulators, who are subject to due process and judicial review, and regulatory processes that require full disclosure of information.

EPRF relies on individual donations to help protect the public interest. EPRF does not receive any direct or indirect financial support from any energy utility or union.

## Membership

The membership of EPRF consists of its Board of Directors, shown on our letterhead above, and its employees, plus former members of the Board of Directors and former employees for an additional 5 years.

Current Board Members and employees reside in Ontario while former Board Members and employees are more widespread, although primarily in Canada.

A number of the Members of our Board instruct at the University level, including specialities in economics which cover the economics of electricity generation and distribution. Other Board Members are columnists for national newspapers and at times comment on electricity matters.

### **Statement of Interest**

EPRF is a non-profit environmental and consumer organization that promotes economic efficiency in the use of resources. Energy Probe will be representing its many individual residential customer supporters who have broad concerns with respect to the overall financial health and operational integrity of our utilities. Unlike other intervenors, whose members expect them to argue for lower rates for their particular ratepayer class, EPRF's members expect EPRF to argue for equitable rates that optimize results across all ratepayers classes, by eliminating cross subsidies among the various ratepayer classes. This approach – unique to Energy Probe among all intervenors before the Board – fulfills EPRFs mandates to promote individual responsibility and accountability (i.e., our members don't want to profit at the expense of others) as well as to inform all parties (the general public, business and government among them) in order to promote sustainable resource use.

Through the services EPRF provides to the many members of the public who contact it with concerns over energy rates, through EPRF's speeches to community organizations concerned with wind projects or transmission lines, through presentations to high school and university students in Ontario, through studies on the power sector by its board members and staff, and through media appearances, EPRF is a non-profit that general members of the public rely on to satisfy their concerns. In fulfilling this role, Energy Probe will be intervening on issues that the Foundation believes to be in the interests of its members, of residential ratepayers, and ultimately of all ratepayers.

Energy Probe draws its support from citizens of all political parties, according to past polls, and they tend to be well educated, according to Alexa metrics. Its supporters' main interest lie in electricity and gas rates, followed by other economic concerns as well as environmental and safety concerns. Some 4,000 supporters subscribe to its newsletters; many more follow Energy Probe through its blogs and regular articles in the mainstream press. Its website has consistently been the province's most active energy policy website.

As for Energy Probe representing a policy interest or perspective relevant to the Board's mandate, Energy Probe has often been the originator of major policies that became Board policy. For example, Energy Probe was initially alone in arguing, successfully, that natural gas deregulation apply to the residential customer. Energy Probe was alone for several years in recommending that the Board adopt incentive

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regulation. Energy Probe alone made repeated submissions that residential customers be offered the choice of fixed contracts rather than being subject to the fluctuations of the marketplace. Energy Probe promoted TOU pricing long before it was adopted and, of course, it was Energy Probe that argued that the power sector be subject to full regulation, rather than mere review.

In several cases, such as in its long-standing opposition to DSM and in favouring Decoupling, Energy Probe offered perspectives that the Board did not find persuasive. Nevertheless, by challenging the prevailing consensus, Energy Probe believes that the Board's ultimate decisions were better informed and represented a better compromise among the competing perspectives. It also notes that the issue of Decoupling is now being revisited.

Apart from these major issues, Energy Probe also initiated discussions that led to numerous minor reforms. It is fair to say that Energy Probe initiated more significant regulatory policies in the Ontario gas and electricity sector than any other party.

## **Energy Probe Regulatory Representation**

The following individuals act as consultants to Energy Probe in Board proceedings:

Randy Aiken Regulatory Interventions

M.A. - Consultant, Aiken & Associates

Peter T. Faye Regulatory Interventions

P.Eng., MBA – Consultant

Shelley Grice Regulatory Interventions

P.Eng. – Consultant

Roger Higgin Regulatory Interventions

P.Eng, Ph.D. MBA – Consultant, SPA Inc.

David MacIntosh Regulatory Case Manager Consultant, Borealis

Norm Rubin Nuclear Research, Conservation

M.A. - Senior Consultant, Borealis

Larry Schwartz Regulatory Interventions

Ph.D, Consulting Economist, Borealis

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Brady Yauch M.A. – Consultant, Borealis

# **Regulatory Interventions**

EPRF will update its information annually as directed by the Practice Direction on Cost Awards, in Section 3.03.1.

Yours truly,

David S. MacIntosh Case Manager

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cc: Kristi Sebalj, Registrar, Ontario Energy Board (By email)