November 14, 2011

Ontario Energy Board
P.O. Box 2319
Suite 2700
2300 Yonge Street
Toronto, Ontario M4P 1E4

Attention: Kirsten Walli

Dear Sir/Madam:

Renewed Regulatory Framework for Electricity
Board Staff Discussion Papers, Consultants’ Reports and Stakeholder Consultation Process
Board File Nos.: EB-2010-0377, EB-2010-0378, EB-2010-0379, EB-2011-0043 and EB-2011-0004

We are counsel to the Electricity Distributors Association (the “EDA”). The EDA hereby seeks eligibility to claim costs for the preparation of an expert report in the coordinated consultation referred to in the letter from the Ontario Energy Board (the “Board”) of November 8, 2011 (the “Letter”).

As a preliminary matter, the EDA notes that the list of participants included in Attachment B to the Letter is incomplete as it does not reference the participation of the EDA or the several distributors participating in this process. While the EDA has not been ruled eligible for costs to date, it has been an active participant and should be identified as such. We ask that the Board issue a corrected schedule B forthwith.

The EDA seeks to recover the costs associated with retaining Dr. Adonis Yatchew to provide an expert report on defining, measuring and evaluating performance of the transmission and distribution system. Dr. Yatchew’s qualifications are well known to the Board and are set out in his Curriculum Vitae which are appended hereto. The EDA will also seek recovery for the costs associated with having Dr. Yatchew attend at the stakeholder consultation.

The EDA is eligible for a cost award pursuant to section 3 of the Board’s Practice Direction on Costs Awards. In particular, the EDA represents an important public interest relevant to this proceeding, namely, the promotion of a reliable and efficient distribution system to serve Ontario ratepayers. The EDA is an organization with many years of experience in advocating for a reliable and efficient distribution system before regulators, legislators and other bodies who are decision makers in respect of the electricity sector in Ontario. The EDA is well recognized as a credible participant in such proceedings and whose involvement in similar proceedings has been of assistance to the Board.

The EDA is not ineligible for costs as it is neither an applicant in these proceedings, nor a distributor or a group of distributors. It is a distinct organization which presents a unique and independent perspective on matters affecting electricity distribution. It does not represent the interests of a particular distributor or group of distributors. Rather, it presents perspectives and information which ensures the best overall distribution system in the public interest of all Ontarians. It is an entity distinct from individual distributors or group of distributors who frequently intervene separately before the Board. The EDA will assist the Board in determining the public
interest by ensuring that the Board understands the implications of potential decisions on the distribution system as a whole and on the public interest as it pertains to the distribution system.

Alternatively, in the event that the Board considers the EDA to be ineligible for a cost award pursuant to section 3.05 of the Practice Direction on Cost Awards, the EDA asks the Board to exercise its discretion and find that the EDA is eligible for a cost award pursuant to Section 3.07 of the Practice Direction on Costs Awards. The broad scope and implications of the issues being considered by the Board in this consultation process requires that the Board facilitate interventions by an organization such as the EDA which has the expertise and perspective to assist the Board in determining the public interest and making optimal decisions with respect to the distribution system and its ongoing regulation.

The EDA notes that the Board has ruled that certain organizations whose members themselves would be ineligible for costs have been ruled eligible for costs in these proceedings. In particular, the EDA notes that the Board has determined APPrO and the ECAO to be eligible. In neither case did the Board determine that the intervenor as not representing the very interest that would normally make it ineligible, ie., in neither case was the intervenor purporting to represent some interest other than the interest of its members. Rather, the Board determined that in the context of these proceedings having those interests represented was in the public interest. The EDA submits that it is, and should be considered by the Board, to be, in the exact same position. It is in the public interest for the Board to facilitate the participation of the EDA in this consultation process.

Please advise if you require any further information.

Yours very truly,

[Signature]

Alan H. Mark

AHM/ii

Enclosure

DOCSTOR: 2296274/1
CURRICULUM VITAE
ADONIS YATCHEW

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Editor-in-Chief, The Energy Journal
Senior Consultant, Charles River Associates

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Adonis Yatchew’s research focuses on econometrics, energy and regulatory economics. He has held visiting appointments at Trinity College, Cambridge and the University of Chicago. He has written a graduate level text on semiparametric regression techniques published by Cambridge University Press. Dr. Yatchew has also written extensively on regulatory schemes in the area of electricity, and has served in various editorial capacities at The Energy Journal since 1995. Dr. Yatchew has conducted major studies in electrical utilities and oil pipelines as well as in the airline, natural gas, minerals and banking industries. He has advised public and private sector companies on electricity, regulatory and other matters for over 25 years and has provided testimony in numerous regulatory and litigation procedures.

ACADEMIC EXPERIENCE

2008 Visiting academic, Department of Mathematics and Statistics, University of Melbourne
2008 Visiting academic, School of Economics and Finance, Queensland University of Technology
2008 Visitor, National Center for Econometric Research, Queensland University of Technology
2005 Visiting Fellow, ARC Center of Excellence for Mathematics and Statistics of Complex Systems, Mathematical Sciences Institute, Australian National University
2004-present Professor of Economics, University of Toronto
2001 Visiting Fellow, School of Mathematical Sciences, Australian National University
1986 to 2004 Associate Professor, Economics, University of Toronto
1986 Visiting Fellow Commoner, Trinity College, Cambridge U.K.
1980 to 1986 Assistant Professor, Economics, University of Toronto

Ph.D. Economics 1980
Harvard University
M.A. Economics 1975
University of Toronto
B.A. Mathematics and Economics 1974
University of Toronto
1984 Visiting Research Associate, National Bureau of Economic Research, Cambridge, Massachusetts
1982 to 1984 Visiting Assistant Professor, University of Chicago
1976 Lecturer, University of Toronto, Scarborough College

EDITORIAL AND PROFESSIONAL ACTIVITIES

Current
Editor-in-Chief, The Energy Journal (2006-present)
Member, Board of Editors, Economics of Energy and Environmental Policy
Member, Editorial Board, Foundations and Trends in Econometrics

Past
Associate Chair for Graduate Studies, University of Toronto, 2006 - 2009
Joint Editor 1997, Distributed Generation, special issue of the Energy Journal
Advisory Editor, Economics Letters (1985-1997)
Member, Advisory Board, Eurasia Foundation, 1995-2007

RECENT ACADEMIC PRESENTATIONS

December 2010: Invited paper on renewable energy, Fourth Asian Energy Conference, Hong Kong.

October 2010: Invited paper on quantile regression, Workshop on Quantile Regression Methods, Humboldt University in Berlin.

October 2008: Keynote speaker, Australian Conference of Economists, Gold Coast, Queensland. Title of presentation: “Economics, Econometrics and Regulation”.

August 2007: Keynote speaker, Cemapre Conference on Advances in Semiparametric Methods and Applications, Lisbon, Portugal. Title of presentation: “Data on Derivatives, Nonparametric Regression and the Curse of Dimensionality”.

Seminars and presentations at Boston Univ., Columbia Univ., Georgetown Univ., Harvard Univ., Univ. of Maryland, M.I.T., Stanford Univ.

BOOK
REFEREED PUBLICATIONS


OTHER PAPERS / STUDIES


RECENT RESEARCH GRANTS

2011-2014 SSHRC grant “Nonparametric regression when data on derivatives are available”.

2007-2011 SSHRC grant “Nonparametric and semiparametric estimation when data on derivatives are available”.

2004-2007 SSHRC grant "Semiparametric demand modeling and testing".

2003-2004: Grant to develop interactive web-based teaching software for undergraduate statistics at the University of Toronto.
OTHER PROFESSIONAL EXPERIENCE:

(2011) Prepared testimony on behalf of Toronto Hydro on the pricing of attachment space for wireless facilities on joint-use-poles.


(2007) Prepared testimony on behalf of the Electricity Distributors Association on utility benchmarking of capital and operating costs. Filed before the Ontario Energy Board.


(2006) Prepared testimony on cost-sharing of capital and operating costs of joint-use power poles. Filed before the New Brunswick Board of Commissioners of Public Utilities.

(2005) Prepared testimony on cost-sharing of power poles by cable companies on behalf of Thunder Bay Hydro.


(2003) Prepared testimony on behalf of J.D. Irving Ltd. on rates of return, performance based regulation and benchmarking. Filed before the New Brunswick Board of Commissioners of Public Utilities.


(1998-2006) Member, Board of Directors, EnerConnect.


(1982-1995) Consultant to the Municipal Electric Association at the Ontario Hydro Rate Hearings before the Ontario Energy Board.


(1990) Prepared statistical analysis in connection with a legal proceeding on anti-competitive behavior relating to the supply of paper forms.


(1989) Prepared analysis in connection with the Imperial Oil/Texaco merger deliberations before the Federal Competition Tribunal (Canada).


(1985) Performed econometric analysis of zinc, copper, potash markets as part of a larger study for Cominco.

(1985) Coauthored a major background study for the Federal Government/Province of Alberta energy price negotiations.

(1985) Designed data sampling scheme for the Parking Authority of Toronto for monitoring flows into parking lots and as a broad audit check.