



EB-2006-0088
EB-2006-0089

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

AND IN THE MATTER OF cost award eligibility for interested parties in a process to determine the rate-setting methods and techniques with respect to the cost of capital and the 2nd generation incentive regulation mechanism to be applied by the Board in determining electricity distribution rates effective May 1, 2007.

BEFORE: Gordon Kaiser
Vice-Chair

Paul Sommerville
Board Member

Cynthia Chaplin
Board Member

COST ELIGIBILITY ORDER

On April 27, 2006 the Ontario Energy Board (the "Board") issued a letter to interested parties giving notice of the process that the Board intends to use in relation to two of the elements of the Board's multi-year electricity distribution rate setting plan: the review of the cost of capital and the development of a 2nd generation incentive regulation mechanism. That letter also notified interested parties that cost awards would be available to eligible persons under section 30 of the *Ontario Energy Board Act, 1998* in relation to their participation in the consultative portion of this project, and that any costs awarded would be

recovered from rate-regulated licensed electricity distributors. Appendix B to that letter set out certain parameters with respect to the activities that may be the subject of cost awards. Subsequent to that announcement, the Board issued two supplemental letters in relation to cost award matters. On June 29, 2006 the Board issued a letter that expanded the activities eligible for cost awards to cover an additional opportunity to make written comments on Board staff's draft proposals, including the submission of expert studies, as well as a technical conference. On July 7, 2006 the Board issued a further letter to inform participants about cost awards for eligible parties with common viewpoints that collaborate and pool their resources.

Twenty-five interested parties have indicated their interest in participating in this process. A list of all registered participants in this process is attached as Appendix A. The Board has also received notice from the following of their intention to request an award of costs:

- Canadian Manufacturers & Exporters;
- City of Toronto;
- Consumers Council of Canada;
- Energy Probe Research Foundation;
- Industrial Gas Users Association;
- London Property Management Association;
- School Energy Coalition; and
- Vulnerable Energy Consumers Coalition.

Electricity distributors were given an opportunity to file any objections they might have in relation to the eligibility of the above-noted participants for an award of costs. The Board did not receive any objections from distributors.

Based on the criteria set out in section 3 of the Board's *Practice Direction on Cost Awards*, the Board has determined that seven of the above-noted

participants are eligible for awards of costs in this process. The Board expects that those participants will make every effort to communicate and co-ordinate their participation in this process to the extent that they represent the same interests or class of persons.

The Board has determined that the City of Toronto, as the effective owner of an electricity distributor that is a participant in this process, is not eligible for cost awards.

IT IS THEREFORE ORDERED THAT:

1. the Canadian Manufacturers & Exporters, the Consumers Council of Canada, Energy Probe Research Foundation, the Industrial Gas Users Association, London Property Management Association, School Energy Coalition, and the Vulnerable Energy Consumers Coalition are eligible for an award of costs in this process.

ISSUED at Toronto, August 23, 2006.

ONTARIO ENERGY BOARD

Original Signed by

Gordon Kaiser
Vice-Chair

APPENDIX A

LIST OF PARTICIPANTS

EB-2006-0088

EB-2006-0089

August 23, 2006

**Multi-year Electricity Distribution Rate Setting Plan
Cost of Capital (EB-2006-0088) and 2nd Generation Incentive
Regulation Mechanism (EB-2006-0089)**

PARTICIPANT LIST

June 7, 2006

Organization	Rep. And Address for Service
1. Power Workers' Union (PWU)	Bob Menard Staff Officer, President's Office Power Workers' Union 244 Eglinton Avenue East Toronto, On M4P 1K2 Tel: 416-322-2441 Fax: 416-481-7914 e-mail rmenard@pwu.ca
AND	Judy Kwik Senior Consultant Elenchus Research Associates (ERA) 34 King Street East, suite 610 Toronto, Ontario M5C 2X8 Tel 416-348-8777 Fax: 416-348-9930 e-mail jkwik@era-in.ca
AND	Richard Stephenson Counsel Paliare Roland 250 University Avenue, Suite 510 Toronto, Ontario M5H 3E5 Tel: 416-646-4325 Fax: 416-646-4335 e-mail RichardStephenson@paliareroland.com
2. Canadian Manufacturers & Exporters ("CME")	Malcolm Rowan CME Case Manager Canadian Manufacturers & Exporters 361 Lytton Blvd. Toronto, Ontario M5N 1R9 Tel: 416-482-6612 Fax: 416-482-8446 email: malcolmrowan@sympatico.ca

Organization	Rep. And Address for Service
3. Veridian Connections	George Armstrong Manager of Regulatory Affairs and Key Projects Veridian Connections 55 Taunton Road East Ajax, ON L1T 3V3 Tel: 905-427-9870 x 2202 Fax: 705-687-6721 e-mail: garmstrong@veridian.on.ca
4. Direct Energy	Christine Dade Manager, Government & Regulatory Affairs 100 Simcoe Street Oshawa Ontario L1H 7M7 Tel: 905-043-6854 Fax: 905-043-6418 e-mail Christine.Dade@directenergy.com
5. Toronto Hydro Corporation	Rick Zebrowski Vice President Regulatory service Tel: 416-542-2572 Fax: 416-542-2776 e-mailrzebrowski@torontohydro.com e-mail2:regulatoryaffairs@torontohydro.com
AND	Pankaj Sardana Vice President Risk Management & Treasurer Tel: 416-542-2707 Fax; 416-542-3031 e-mail: psardana@torontohydro.com
6. Ontario Power Generation "OPG"	Mr. Randy Pugh Manager, Regulatory Affairs Ontario Power Generation Inc. 700 University Avenue, HI 8-F1 Toronto, Ontario M5G 1x6 Tel: (41 6) 592-3546 Fax: (41 6) 592-8519 e-mail: randy.pugh@opg.com

Organization	Rep. And Address for Service
<p>7. Energy Cost Management Inc. "ECMI"</p>	<p>Roger White President Energy Cost Management Inc 1236 Sable Drive Burlington L7S 2J6 Fax : 905 639 1693 E-mail: rew@worldchat.com</p>
<p>8. Hydro One Networks Inc.</p>	<p>Glen MacDonald Senior Advisor Regulatory Review Regulatory Affairs Hydro One Networks Inc. 8th Floor, South Tower 483 Bay Street Toronto, Ontario M5G 2P5 Tel: 416-345-5913 Fax: 416-345-5866 e-mail: regulatory@hydroOne.com</p>
<p>9. Individual participants</p>	<p>Thomas G. Weir 648 Cedarstone Road RR#1 Tamworth Ontario K0K 3G0 Tel: 613-379-2158 E-mail- liz.weir@sympatico.ca</p>
<p>10. London Property Management Association ("LPMA")</p>	<p>Randy Aiken Aiken & Associates 578 McNaughton Ave. West Chatham, Ontario N7L 4J6 Tel: 519-351-8624 Fax: 519-351-4331 e-mail: raiken@xcelco.on.ca</p>
<p>11. Chatham Kent Energy</p>	<p>Jim Hogan Chief Financial and Regulatory Officer Chatham-Kent Energy Inc. 320 Queen St. Chatham, Ontario N7M 5K2 Tel: 519-352-6300 Fax: 519-351-4059 e-mail: jimhogan@ckenergy.com</p>

Organization	Rep. And Address for Service
12. Enersource Hydro Mississauga	Kathi Litt Regulatory Affairs Advisor Enersource Hydro Mississauga Inc. 3240 Mavis Rd. Mississauga, ON L5C 3K1 Tel: 905 283 4247 Fax: 905 566 2737 Email: klitt@enersource.com
13. Consumers Council of Canada ("CCC")	Robert B. Warren WeirFoulds Barristers & Solicitors The Exchange Tower Suite 1600, P.O. Box 480 130 King Street West Toronto, Ontario M5X 1J5 Tel: 416 365 1110 Fax: 416 365 1876 e-mail: rwarren@weirfoulds.com
14. Vulnerable Energy Consumers Coalition ("VECC")	Michael Buonaguro Legal Counsel Public Interest Advocacy Centre 34 King Street East, Suite 1102 Toronto, Ontario M5C 2X8 Tel: 416-767-1666 e-mail: mbuonaguro@piac.ca
AND	Bill Harper Senior Consultant Econalysis Consulting Services 34 King Street East, Suite 1102 Toronto, Ontario M5C 2X8 Tel: 416-348-0193 e-mail bharper@econalysis.ca

Organization	Rep. And Address for Service
<p>15. PowerStream Inc.</p>	<p>Paula Conboy Director of Regulatory and Government Affairs PowerStream Inc. 2800 Rutherford Road Vaughan, On L4K 2N9 Tel: 905-417-6992 Fax: 905-417-6911 e-mail: Paula.conboy@powerstream.ca</p>
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<p>16. Waterloo North Hydro Inc.</p>	<p>Mr. Rene W. Gatien President & CEO Waterloo North Hydro Inc. 300 Northfield Drive East Waterloo, On N2J 4A3 Tel: 519-888-5544 Fax: 519-886-8592 e-mail: rgatien@wnhydro.com</p>
<p>17. Hydro Ottawa</p>	<p>Lynne Anderson Director, Regulatory Services Hydro Ottawa 3025 Albion Road North Ottawa, Ontario K1G 3S4 Tel: 613-738-5499 ext 527 e-mail lynneanderson@hydroottawa.com</p>

Organization	Rep. And Address for Service
<p>18. City of Toronto</p>	<p>Lorraine Searles-Kelly City Solicitor Legal Services 55 John Street, Metro Hall Stn. 1260, 26th Floor Toronto, ON M5V 3C6</p> <p>Tel: 416-392-8047 Fax: 416-397-5624 Email: lsearles@toronto.ca</p>
<p>19. Horizon Utilities Corporation</p>	<p>Cameron McKenzie Director, Regulatory Services Horizon Utilities Corporation 55 John Street North P.O. Box 2249 Station LCD 1 Hamilton, ON L8N 3E4</p> <p>Tel: 905-522-6011 Fax: Email: chmckenzie@horizonutilities.com</p>
<p>20. Brantford Power</p>	<p>Heather Wyatt Manager of Regulatory Complicance and Governance Brantford Power 84 Market Street P.O. Box 308 Brantford, ON N3T 5N8</p> <p>Tel: 519-751-3522 Fax: 519-753-6130 Email: Hwyatt@brantford.ca</p>
<p>21. Union Gas</p>	<p>Patrick McMahon Manager, Regulatory Research and Records Union Gas Limited 50 Keil Drive North Chatham, ON N7M 5M1</p> <p>Tel: 519-352-3100 Fax: 519-436-4641 Email: pmcmahon@duke-energy.com</p>

Organization	Rep. And Address for Service
<p>22. Electricity Distributors Association (“EDA”)</p>	<p>Guru Kalyanraman Electricity Distributors Association (“EDA”) 3700 Steeles Avenue West, Suite 1100 Vaughan, ON L4L 8K8</p> <p>Tel: 905-265-5334 Fax: 905-265-5307 Email: gkalyanraman@eda-on.ca</p>
<p>23. Energy Probe Research Foundation (“Energy Probe”)</p>	<p>David MacIntosh Case Manager Energy Probe Research Foundation 225 Brunswick Ave. Toronto, ON M5S 2M6</p> <p>Tel: 416-964-9223 Fax: 416-964-8239 Email: davidmacintosh@nextcity.com</p>
<p>AND</p>	<p>Thomas Adams c/o Energy Probe Energy Probe Research Foundation 225 Brunswick Ave. Toronto, ON M5S 2M6</p> <p>Tel: 416-964-9223 x. 239 Fax: 416-964-8239 Email: tomadams@nextcity.com</p>
<p>24. School Energy Coalition</p>	<p>Mr. Jay Shepherd Shibley Righton LLP Barristers and Solicitors 250 University Avenue, Suite 700 Toronto, ON M5H 3E5</p> <p>Tel: 416-214-5224 Fax: 416-214-5424 Email: jay.shepherd@shibleyrighton.com</p>

Organization	Rep. And Address for Service
<p>AND</p>	<p>Mr. Brian Cain Co-Ordinator Ontario Education Services Corporation 439 University Avenue, 18th Floor Toronto, ON M5G 1Y8</p> <p>Tel: 416-340-2540 Fax: 416-340-7571 Email: bcain@opsba.org</p>
<p>25. Industrial Gas Users Association (“IGUA”)</p>	<p>Peter C.P. Thompson, Q.C. Borden Ladner Gervais LLP Barristers and Solicitors World Exchange Plaza 100 Queen Street, Suite 1100 Ottawa ON K1P 1J9</p> <p>Tel: 613-787-3528 Fax: 613-230-8842 Email: pthompson@blgcanada.com</p>
<p>AND</p>	<p>Peter L. Fournier President Industrial Gas Users Association 99 Metcalfe Street, Suite 1201 Ottawa ON K1P 6L7</p> <p>Tel: 613-236-8021 Fax: 613-230-9531 Email: pfournier@igua.ca</p>