

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

**AND IN THE MATTER OF applications by
electricity distribution companies for approval of
distribution rates for 2006.**

**SUBMISSIONS OF THE
SCHOOL ENERGY COALITION
ON THE GENERIC ISSUES LIST**

The Board's Procedural Order #1 has requested submissions on an initial issues list (Appendix 2 of the procedural order). The following submissions are on behalf of the School Energy Coalition ("Schools").

Smart Meters

The government has made its intentions clear on the installation of smart meters throughout the province, and this initiative is supported by schools in the province. The issues listed in the draft issues list are appropriate for the Board to hear in a generic hearing.

Deferral Accounts

The Board lists among its criteria for inclusion as a generic issue:

- Issues that are simply common to many utilities, but which rely primarily on the specific facts or circumstances should not be included; and
- Issues which have been dealt with expressly in the Report of the Board (RP-2004-0188) or in the Electricity Rate Handbook are not appropriate for inclusion.

In Schools view, deferral accounts – including regulatory costs, potential revenue losses due to distributed generation, or any of the other deferral accounts listed in section 4 – fall under both these criteria.

While some utilities may feel that costs or revenue losses are significant for their utility, others do not (as demonstrated by the fact that not all utilities have requested such exceptions). During

the development of the 2006 Electricity Distribution Handbook, explicit accommodations were made to filing requirements to adjust for material differences from the 2004 historical data, including OEB assessment costs. The discussions on appropriate adjustments to make included many more potential items. In the end, the specific Tier 1 adjustments were agreed upon, and utilities had the option of applying for a forward test year if they felt that the historical test year with adjustments approach did not accurately reflect their expectations for the test year. For these reasons, deferral accounts should not be an issue in a generic hearing. If utilities feel that their specific case requires an exception to the EDR guidelines, then they best handled by examining the specifics of their case in their individual rate filings.

Generalized Rates for Load Displacement Generation

Schools believes that like smart meters, efficient localized generation, including load displacement generation, can provide benefits to the provincial electrical system, and to ratepayers. Schools also believe that standardized treatment of such generation is preferable. Therefore, this is an appropriate issue to be heard at a generic hearing.

Respectfully submitted this 7th day of November, 2005

SHIBLEY RIGHTON LLP

A handwritten signature in black ink, appearing to read 'Jay Shepherd', written over a faint horizontal line.

Jay Shepherd