

1 **Q. Please explain how OC2009-063 could be repealed through Hydro's 2017**
2 **General Rate Application.**

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4 **A.** Mr. Doug Bowman assumes that this question is referencing page 16 of his pre-
5 filed evidence, lines 9 – 11 where he states “*With customers facing a near triple*
6 *digit rate increase, consideration should be given to repealing OC2009-063 in an*
7 *effort to reduce Hydro’s return and spread the pain.*” Mr. Doug Bowman is not
8 suggesting that it be repealed through the 2017 GRA, but believes OC2009-063
9 should be repealed, whether as an outcome of this GRA or otherwise. As stated in
10 his pre-filed evidence (page 16, lines 6 to 9) fixing Hydro’s rate of return by
11 legislation via OC2009-063 can lead to “*inefficiency and less attention to*
12 *regulatory commitments and directives, and reduced customer satisfaction,*
13 *reliability of service and cost control.*” In Mr. Doug Bowman’s opinion, OC2009-
14 063 is a bad deal for the electricity customers of this Province. He notes that
15 setting Hydro’s return at that of an independent distribution company may also be
16 a bad deal for Hydro, unless of course Hydro believes it is unable to perform at
17 levels consistent with industry standards. One would think Hydro would want its
18 return based on its own performance rather than that of a utility over which it has
19 no management control.