



June 26, 2013

BY E-MAIL AND WEB POSTING

To: All rate-regulated licensed electricity distributors
All rate-regulated licensed electricity transmitters
Association of Major Power Consumers in Ontario
Association of Power Producers of Ontario
Building Owners and Managers Association of the Greater Toronto Area
Canadian Manufacturers & Exporters
Consumers Council of Canada
Energy Probe Research Foundation
Federation of Rental-housing Providers of Ontario
Low-Income Energy Network
Northwatch
Northwestern Ontario Associated Chambers of Commerce
Ontario Sustainable Energy Association
Retail Council of Canada
School Energy Coalition
Vulnerable Energy Consumers Coalition

**Re: Notice of Hearing for Cost Awards
Implementation of the Renewed Regulatory Framework for Electricity
Distributors and Transmitters Board File Nos.: EB-2010-0377, EB-2010-0379,
EB-2011-0004 and EB-2011-0043**

Background

On October 18, 2012, the Board released its "Report of the Board: A Renewed Regulatory Framework for Electricity Distributors: A Performance Based Approach" (the "RRFE Report"). In the letter accompanying the release of the RRFE Report (the "October 18 Letter"), the Board also announced the consultation activities that would be undertaken for the purposes of implementing the policies set out in the RRFE Report. Those consultation activities are generally centered around implementation of the following: (i) an integrated approach to distribution network planning ("Network Planning"); (ii) regional infrastructure planning ("Regional Planning"); (iii) smart grid development ("Smart Grid"); and (iv) performance, benchmarking and rate adjustment indices ("Performance and Rate-setting"). Working groups were established to assist staff in relation to each of these four implementation streams.

In the October 18 Letter, the Board indicated 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 one or more of the consultation activities described above, and that costs to be awarded will be recovered from rate-regulated licensed electricity distributors (65%) and rate-regulated licensed electricity transmitters (35%).

Eligible Participants

In accordance with a letter issued by the Board on October 30, 2012 and the Decisions on Cost Eligibility issued by the Board on [January 8, 2013](#), [February 11, 2013](#) and [March 5, 2013](#), the following stakeholders (collectively, the “Eligible Participants”) have been determined to be eligible for an award of costs in relation to consultation activities that have occurred since the release of the RRFE Report:

Participant		ELIGIBILITY			
		Performance and Rate-setting	Network Planning	Regional Planning	Smart Grid
1	Association of Major Power Consumers in Ontario (AMPCO)	✓	✓	✓	✓
2	Association of Power Producers of Ontario (APPrO)			✓	
3	Building Owners and Managers Association of the GTA (BOMA)	✓	✓	✓	✓
4	Canadian Manufacturers & Exporters (CME)	✓	✓	✓	✓
5	Consumers Council of Canada (CCC)	✓	✓	✓	✓
6	Energy Probe Research Foundation (EPRF)	✓	✓	✓	✓
7	Federation of Rental-housing Providers of Ontario (FRPO)	✓	✓	✓	✓
8	Low-Income Energy Network (LIEN)	✓	✓	✓	✓
9	Northwatch	✓	✓	✓	✓

Participant		ELIGIBILITY			
		Performance and Rate-setting	Network Planning	Regional Planning	Smart Grid
10	Northwestern Ontario Associated Chambers of Commerce (NOACC)			✓	✓
11	Ontario Sustainable Energy Association (OSEA)				✓
12	Retail Council of Canada (RCC)	✓	✓	✓	✓
13	School Energy Coalition (SEC)	✓	✓	✓	✓
14	Vulnerable Energy Consumers Coalition (VECC)	✓	✓	✓	✓

As set out in the Board’s October 30, 2012 letter, the eligibility of APPrO and OSEA extends only to their participation on the applicable working group and to any consultation activities that are directly related to the same subject matter.

Consultation Activities to Date

Since the release of the RRFE Report, meetings of the working groups have been held, and a certain number of other consultation activities have also occurred. While work is still under way in relation to Regional Planning and Performance and Rate-setting, the Board considers it expedient to deal with cost awards associated with the consultation activities to date. Cost awards in relation to on-going consultation activities for Regional Planning and for Performance and Rate-setting will be addressed separately.

Appendix A to this Notice sets out the consultation activities in respect of which Eligible Participants may now file cost claims. Although not identified as a consultation activity in the October 18 Letter, the Board has made provision for cost awards in relation to the provision of comments on the draft report of the Regional Planning working group, to a maximum of 5 hours, as shown in Appendix A.

Notice of Hearing

The Board is initiating this hearing on its own motion in order to determine the cost awards that will be made in accordance with section 30 of the Act in relation to eligible RRFE consultation activities that occurred on or before April 30, 2013 and that are identified in Appendix A. The file numbers for this hearing are **EB-2010-0377, EB-2010-0379, EB-2011-0004 and EB-2011-0043.**

The Board intends to proceed by way of written hearing unless a party can satisfy the Board that there is a good reason for not holding a written hearing. If a party wants to object to a written hearing, the objection must be received by the Board no later than **7 days** after the date of this Notice.

Assuming that the Board does not receive any objections to a written hearing, the hearing will follow the process set out below.

1. Eligible Participants shall submit their cost claims by **July 12, 2013**. The cost claim must be filed with the Board and one copy is to be served on each rate-regulated licensed electricity distributor and each rate-regulated licensed electricity transmitter. The cost claims must be completed in accordance with section 10 of the Board's *Practice Direction on Cost Awards*. As contemplated in the *Practice Direction on Cost Awards*, the cost claim form has been customized for this consultation. **Eligible Participants must use the customized form that is attached as Appendix B to this Notice.**
2. Electricity distributors and electricity transmitters will have until **July 19, 2013** to object to any aspect of the costs claimed. The objection must be filed with the Board and one copy must be served on the Eligible Participant against whose claim the objection is being made.
3. An Eligible Participant whose cost claim was objected to will have until **July 26, 2013** to make a reply submission as to why its cost claim should be allowed. A copy of the reply submission must be filed with the Board and one copy is to be served on the objecting electricity distributor or electricity transmitter.

4. The Board will then issue its decision on cost awards. The Board's costs may also be addressed in the cost awards decision.

Service of cost claims, objections and reply submissions on other parties may be effected by courier, registered mail, facsimile or e-mail.

Parties must file two paper copies and one electronic copy of their filings with the Board Secretary by **4:45 pm** on the required dates. The Board requests that parties make every effort to provide electronic copies of their filings in searchable / unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the Board's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. A user ID is required to submit documents through the Board's web portal. If you do not have a user ID, please visit the "e-filings services" webpage on the Board's website at www.ontarioenergyboard.ca, and fill out a user ID password request. Additionally, interested parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled "RESS Document Preparation – A Quick Guide" also found on the e-filing services webpage. If the Board's web portal is not available, electronic copies of filings may be filed by e-mail at boardsec@ontarioenergyboard.ca. Persons that do not have internet access should provide a CD or diskette containing their filing in PDF format.

All filings must quote file numbers **EB-2010-0377, EB-2010-0379, EB-2011-0004 and EB-2011-0043** and include your name, address telephone number and, where available, your e-mail address and fax number.

All filings in this hearing (i.e., cost claims, objections, or replies), will form part of the public record. Copies of the filings will be available for inspection at the Board's office during normal business hours and the filings may be placed on the Board's website.

If the filing is from a private citizen (i.e., not a lawyer representing a client, not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), before making the filing available for viewing at the Board's offices or placing the filing on the Board's website, the Board will remove any personal (i.e., not business) contact

information from the filing (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the filing may be available for viewing at the Board's offices and will be placed on the Board's website.

If you do not file a letter objecting to a written hearing or do not participate in the hearing by filing written materials in accordance with this Notice, the Board may proceed without your participation and you will not be entitled to further notice in this proceeding.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

Attachments

Appendix A: Consultation Activities for Which Cost Claims may be Filed and Maximum Number of Hours

Activity Eligible for Cost Awards		Maximum Number of Hours
Performance and Rate-setting	Preparation for, attendance at, and reporting on January 10, 2013 stakeholder meeting	10 Hours
	Participation on Performance, Benchmarking, and Rate Adjustment Indices working group covering preparation, attendance, and reporting time: <ul style="list-style-type: none"> - January 11, 2013 - January 21, 2013 - January 22, 2013 - February 4, 2013 - February 5, 2013 - February 14, 2013 - February 21, 2013 - February 22, 2013 - March 1, 2013 (Note: Webinar was held during this meeting) - April 8, 2013 	10 Hours per day
	Participation in March 1, 2013 Webinar on Business Conditions (Note: Working group members may not claim additional time for the Webinar because it was held during the March 1, 2013 working group meeting).	2 Hours
Network Planning	Participation on Distribution Network Planning working group covering preparation, attendance, and reporting time: <ul style="list-style-type: none"> - December 6, 2012 - December 13, 2012 - January 14, 2013 - January 24, 2013 - February 7, 2013 - February 12, 2013 	10 Hours per day

Activity Eligible for Cost Awards		Maximum Number of Hours
Regional Planning	Participation on Asset Redefinition working group covering preparation, attendance, and reporting time: <ul style="list-style-type: none"> - November 19, 2012 - November 26, 2012 - December 10, 2012 	10 Hours per day
	Participation on Planning Process working group covering preparation, attendance, and reporting time: <ul style="list-style-type: none"> - November 14, 2012 - November 21, 2012 - November 28, 2012 - December 5, 2012 - December 12, 2012 	10 Hours per day
	February 19, 2013 comments on the Planning Process Working Group's Draft Report to the Board: <i>The Process for Regional Infrastructure Planning in Ontario.</i>	5 Hours
Smart Grid	Participation on Smart Grid working group covering preparation, attendance, and reporting time: <ul style="list-style-type: none"> - November 8, 2012 - November 20, 2012 - November 29, 2012 	10 Hours per day

Appendix B: Ontario Energy Board Cost Claim for Consultations: Affidavit and Summary of Fees and Disbursements

Provided in separate MS Excel Workbook named "RRFE Policy Consultation Cost Claim Form for Activities up to April 30 2013.xls".