



# **ONTARIO ENERGY BOARD**

## **BOARD STAFF SUBMISSION**

Burlington Hydro Inc.

EB-2013-0115

**March 14, 2014**

## **Background**

In its Notice of Motion, dated March 11, 2014, School Energy Coalition (“SEC”) requested an order from the Board, requiring Burlington Hydro Inc. (“Burlington Hydro”) to “provide a full and adequate response to interrogatory 2.10-SEC-5 and/or 2.1-SEC-4, by producing the benchmarking survey it participated in, and is referred to in the response to interrogatory 2.1-SEC-5.”

Interrogatory 2.1-SEC-4 asks Burlington Hydro to provide details and copies of all performance efficiency benchmarking undertaken by the Applicant. In its response, Burlington Hydro described its approach to monitoring the performance of its distribution system through its annual System Performance Report, which is filed as an exhibit in this proceeding. Burlington Hydro’s response also refers to its response to Energy Probe interrogatory 3 (2.1-Energy Probe-3), which describes Burlington Hydro’s efforts to make comparisons with other Ontario LDCs as reported in the Ontario Energy Board-sponsored PEG report: “Benchmarking the Costs of Ontario Power Distributors” 20 March, 2008.

Interrogatory 2.1-SEC-5 asks Burlington Hydro if it has compared its cost metrics with other LDCs, and, if not, to provide an explanation. In its response, Burlington Hydro states that it has participated in a benchmarking survey (“the Benchmarking Survey”) and is bound by contract to neither disclose the survey nor any details about it “unless ordered to do so by the Board”.

In its Notice of Motion, SEC refers to the Board approved Issues List in this proceeding. Specifically, Issue 2.1 asks whether the applicant’s performance in the areas of : (1) delivering on Board-approved plans from its most recent cost of service decision; (2) reliability performance; (3) service quality; and (4) efficiency benchmarking, support the application. SEC’s Motion states that the Board and intervenors cannot answer Issue 2.1 without reviewing the studies and surveys that Burlington Hydro has conducted.

## **Submission**

Board staff submits that SEC’s request for the Benchmarking Survey is clearly within the scope of the current proceeding, as it pertains to Issue 2.1 of the Issues List. Benchmarking is a core component of the Board’s Renewed Regulatory Framework for Electricity Distributors (RRFE).

In its “*Report of the Board: Renewed Regulatory Framework for Electricity Distributors: A Performance Based Approach*” (RRFE) the Board stated that, “(b)enchmarking will become increasingly important, as comparison among distributors is one means of analyzing whether a given distributor is as efficient as possible” and that “benchmarking will be necessary to support the Board’s renewed regulatory framework policies”.<sup>1</sup>

The Board has most recently stated its commitment to benchmarking in its *Report of the Board on Performance Measurement for Electricity Distributors: A Scorecard Approach* issued on March 5, 2014 which states that:

The Board remains committed to continuous improvement within the electricity sector. Individual distributors achieve continuous improvement through their ongoing efforts to improve services and/or processes that are valued by their customers. Over time and collectively, distributors will advance continuous improvement in the sector through achievement of benchmark performance on valued services and/or processes<sup>2</sup>.

Accordingly, Board staff submits that the Benchmarking Survey may be relevant to the proceeding; although its relevance and probative value cannot be determined until it is produced and reviewed. Board Staff submits that Burlington Hydro should be required to produce the Benchmarking Survey and that the document be designated as confidential on an interim basis. The Board can then invite further submissions from intervenors and Board Staff as to whether the document should be placed on the public record or designated as confidential on a permanent basis.

Board staff notes that Burlington Hydro has stated that it cannot contractually provide the Benchmarking Survey unless ordered to do so by the Board. Board staff notes that in previous Board decisions, the Board has not accepted a party’s confidentiality agreement with a third party as a basis for withholding documents or information.<sup>3</sup>

- All of which is respectfully submitted -

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<sup>1</sup> *Report of the Board: Renewed Regulatory Framework for Electricity Distributors: A Performance Based Approach*, October 18, 2012, pages 56, 59  
[http://www.ontarioenergyboard.ca/oeb/ Documents/Documents/Report\\_Renewed\\_Regulatory\\_Framework\\_RRE\\_E\\_20121018.pdf](http://www.ontarioenergyboard.ca/oeb/ Documents/Documents/Report_Renewed_Regulatory_Framework_RRE_E_20121018.pdf)

<sup>2</sup> *Report of the Board on Performance Measurement for Electricity Distributors: A Scorecard Approach*, March 5, 2015, page i  
[http://www.ontarioenergyboard.ca/oeb/ Documents/EB-2010-0379/Report\\_of\\_the\\_Board\\_Scorecard\\_20140305.pdf](http://www.ontarioenergyboard.ca/oeb/ Documents/EB-2010-0379/Report_of_the_Board_Scorecard_20140305.pdf)

<sup>3</sup> EB-2011-0140 ; EB-2012-0031; EB-2011-0123; EB-2013-0174; EB-2011-0099