

**Ontario Energy
Board**
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY E-MAIL

September 27, 2017

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: InnPower Corporation (InnPower)
Application for Rates
Ontario Energy Board File Number: EB-2016-0085
Submission on Confidentiality**

In accordance with the OEB's Decision and Procedural Order No. 4, please find attached OEB staff's submission in the above noted matter.

Yours truly,

Original Signed By

Fiona O'Connell
Project Advisor, Major Applications

Encl.

**APPLICATION FOR 2017 RATES
INNPOWER CORPORATION
REQUEST FOR CONFIDENTIALITY
EB-2016-0085**

OEB STAFF SUBMISSION

September 27, 2017

INTRODUCTION

InnPower Corporation (InnPower) filed an amended cost of service application with the Ontario Energy Board (OEB) on May 11, 2017 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that InnPower charges for electricity distribution, to be effective July 1, 2017.

The OEB issued Procedural Order No. 1 on May 16, 2017, which provided for the filing of interrogatories and responses. Procedural Order No. 2 was issued on May 26, 2017 to provide further notice of this application for specific customer groups. Procedural Order No. 3 was issued on September 1, 2017 which required, among other things, OEB staff to file a proposed issues list that had been agreed to by all parties on September 15, 2017 or inform the OEB that parties were unable to reach an agreement. On September 14, 2017, OEB staff informed the OEB that the parties had reached an agreement on a proposed issues list.

On September 11, 2017, InnPower filed a letter with the OEB requesting confidentiality in response to a request by School Energy Coalition to provide the most recent financial statements (the Proposed Confidential Material) for InnServices Utilities Inc. (InnServices).

In accordance with the OEB's *Practice Direction on Confidential Filings* (the Practice Direction), InnPower provided a copy of the Proposed Confidential Material in unredacted form to the OEB and served a copy of its letter requesting confidentiality on all parties to the proceeding.

At the Technical Conference, the School Energy Coalition requested that InnPower provide the most recent financial statements for InnServices, an affiliate of InnPower that is engaged in competitive businesses namely the provision of water and wastewater services. InnPower requested confidential treatment for the financial statements. InnPower stated that public disclosure of InnServices' financial statements could reasonably be expected to prejudice the economic interest and competitive position of, cause undue financial loss to, and be injurious to the financial interest of InnServices since it would enable its

competitors and potential customers and suppliers to ascertain the financial condition of the company. The financial statements were treated as confidential for the purpose of the Technical Conference.

On September 21, 2017 the OEB issued Decision and Procedural Order No. 4 and invited submissions from the parties as to whether there is any reason that the financial statements of InnServices should not be confidential. In its Order, the OEB stated that parties that object to confidential treatment of InnServices' financial statements were to make submissions on the request for confidentiality by September 27, 2017.

SUBMISSION

While the OEB's general policy, as stated in the Practice Direction, is that all evidence should be on the public record, the OEB has also recognized that some information may be of a confidential nature and should be protected.

In several cases before it the OEB has found that public disclosure of financial statements of a parent holding company and/or its affiliates could create significant potential harm for the affiliate.¹

OEB staff generally agrees that, if the Proposed Confidential Material contains financial information about an InnPower affiliate, such as InnServices, which is engaged in competitive business, then public disclosure of InnServices' financial statements could prejudice InnServices' competitive position. Accordingly such information should be treated as confidential and provided only to participants that have signed the OEB's Declaration and Confidentiality Undertaking in accordance with the Practice Direction.

All of which is respectfully submitted

¹ For example EB-2011-0099 (Decision on Confidentiality and Order, March 1, 2013), EB-2011-0140 (Decision and Order on Request for Confidentiality from RES Canada Transmission LP, January 23, 2013), EB-2012-0160 (Decision on Confidentiality and Procedural Order No. 3, June 14, 2013)