



EB-2008-0230

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

AND IN THE MATTER OF an application by **Greater Sudbury Hydro Inc.** for an order approving just and reasonable rates and other charges for electricity distribution to be effective **May 1, 2009.**

PROCEDURAL ORDER NO. 5

Greater Sudbury Hydro Inc. ("Greater Sudbury" or the "Applicant") filed an application with the Ontario Energy Board, received on December 22, 2008 under section 78 of the *Ontario Energy Board Act*, 1998, seeking approval for changes to the rates that Greater Sudbury charges for electricity distribution, to be effective May 1, 2009. The Board has assigned the application File Number EB-2008-0230. The Board issued a Notice of Application and Hearing dated January 13, 2009.

In Procedural Order No. 1, issued on February 18, 2009, the Board made provision for a phased approach to the discovery process, with the first phase consisting of written interrogatories and the possibility of a technical conference at the option of the Applicant. The Applicant chose not to have a technical conference.

On March 19, 2009, the Applicant filed responses to the interrogatories from parties.

The Board issued Procedural Order No. 2 on March 31, 2009, seeking the views of the Applicant and all parties regarding the need for additional procedural steps in this proceeding.

The Board issued Procedural Order No. 3 on April 15, 2009, providing for a modified Technical Conference process followed by a Settlement Conference. Procedural Order No. 4 was issued on April 28, 2009 amending the dates for the Technical and Settlement Conferences.

The Technical Conference was held on June 2, 2009, followed by the Settlement Conference on June 3, 2009. The parties were not able to reach a settlement, nor were they able to come to agreement on an issues list to scope a potential hearing.

Therefore, the Board has determined that the Issues List attached hereto will be used for this proceeding.

The Board considers it necessary to make provision for the following procedural matters. Please be aware that this Procedural Order may be amended, and further procedural orders may be issued from time to time.

THE BOARD ORDERS THAT:

1. The Issues List attached as Appendix A is approved as the Issues List for this proceeding.
2. The Applicant and intervenors shall file with the Board and deliver to all other parties on or before June 15, 2009 submissions on which specific issues they intend to cross examine if the Board decides to hold an oral hearing, and on which specific issues they intend to make submissions. The Board will use this information to determine the Board's approach to the hearing. The Board at this time does not require information on the substance of cross examination or submissions.

All filings to the Board must quote file number EB-2008-0230, be made through the Board's web portal at www.errr.oeb.gov.on.ca, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.oeb.gov.on.ca. If the web portal is not available you may email your document to the address below. Those who do not have internet access are required to submit all filings on a CD or diskette in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

DATED at Toronto, June 8, 2009

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

APPENDIX A

Approved Issues List

Greater Sudbury Hydro Inc.

EB-2008-0230

June 8, 2009

Greater Sudbury Hydro Inc.
2009 Distribution Rates Application EB-2008-0230
Issues List

1. ADMINISTRATION (Exhibit 1)

- 1.1 Has GREATER SUDBURY responded appropriately to all relevant Board directions and settlement agreements from previous proceedings?
- 1.2 Has GREATER SUDBURY complied with the Board's Filing Guidelines?

2. RATE BASE (Exhibit 2)

- 2.1 Are the amounts proposed for Rate Base appropriate?
- 2.2 Are the amounts proposed for 2009 Capital Expenditures appropriate?
- 2.3 Has the Working Capital Allowance been determined appropriately?
- 2.4 Does the asset condition information adequately address the condition of the distribution system assets and support the planning and budgeting for OMA and Capital expenditures for 2009?
- 2.5 Is GREATER SUDBURY's overhead Capitalization Policy appropriate?

3. REVENUE REQUIREMENT (Exhibit 3)

- 3.1 Is the calculation of the proposed revenue requirement for 2009 appropriate?
- 3.2 Is the proposed amount for 2009 Other Revenues, including Corporate and Shared Services appropriate? Is the methodology used to cost and price these services appropriate?
- 3.3 Are the proposed Specific Service Charges for 2009 appropriate?
- 3.4 Are GREATER SUDBURY's Economic and Business Planning Assumptions for 2009 appropriate?
- 3.5 Is the load forecast and methodology appropriate including the weather normalization methodology and the impact of CDM initiatives?
- 3.6 Is the Revenue Deficiency calculation for the test year appropriate? (Exhibit 7)

- 4.5 Is GREATER SUDBURY's depreciation expense appropriate?
- 4.6 Are the amounts proposed for 2009 capital and property taxes appropriate?
- 4.7 Is the amount proposed for 2009 Payments in Lieu of Taxes, including the methodology, appropriate?

5. Deferral and Variance Accounts (Exhibit 5)

- 5.1 Is the proposal for the amounts, disposition and continuance of GREATER SUDBURY's existing Deferral and Variance Accounts (Regulatory Assets) appropriate?
- 5.2 Is the proposal to create a new Deferral Account for the enhanced capital program carrying charges appropriate?

6. COST OF CAPITAL/DEBT (Exhibit 6)

- 6.1 Is the proposed Capital Structure and Rate of Return on Equity for GREATER SUDBURY's distribution business appropriate?
- 6.2 Are GREATER SUDBURY's proposed costs and mix for its short and long-term debt for the 2009 test year appropriate?

7. COST ALLOCATION AND RATE DESIGN (Exhibit 8)

- 7.1 Is GREATER SUDBURY's cost allocation appropriate?
- 7.2 Are the proposed revenue to cost ratios appropriate?

8. RATE DESIGN (Exhibit 9)

- 8.1 Are customer charges and the fixed-variable splits for each class appropriate?
- 8.2 Are GREATER SUDBURY's proposed rates appropriate including the rate harmonization plan for West Nipissing customers?
- 8.3 Are the customer bill impacts appropriate?
- 8.4 Is the proposed rate impact mitigation plan reasonable?
- 8.5 Are the proposed Retail Transmission Service Rates and LV Rates appropriate?
- 8.6 Are the proposed Loss Factors appropriate? (Exhibit 4)
- 8.7 Are the proposed Regulatory Asset (Deferral and Variance Account) rate riders appropriate? (Exhibit 5)
- 8.8 Is the Smart Meter rate adder change appropriate? (Exhibit 2)

9. OTHER ISSUES

- 9.1 Is the LRAM and SSM Proposal appropriate? (Exhibit 9)
- 9.2 Is service quality in relation to the OEB specified performance indicators acceptable?