



**EB-2007-0514**  
**EB-2007-0595**  
**EB-2007-0571**  
**EB-2007-0551**

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

**AND IN THE MATTER OF** applications by Canadian Niagara Power Inc. – Fort Erie, Canadian Niagara Power Inc. – Port Colborne, Peterborough Distribution Inc. and Lakeland Power Distribution Ltd. for an order or orders approving or fixing just and reasonable distribution rates and other charges for 2007.

**BEFORE:** Paul Sommerville  
Presiding Member

Paul Vlahos  
Member

Ken Quesnelle  
Member

### **DECISION AND ORDER ON COST AWARDS**

Pursuant to section 78 of the *Ontario Energy Board Act, 1998*, S.O. c.15, (Schedule B), four Ontario electricity distributors made applications to the Board for recovery of costs incurred due to extraordinary events, namely severe storms, which inflicted significant damage to their respective distribution systems. The four claims were based on the Z Factor recovery mechanism outlined in the December 20, 2006 *Report of the Board on Cost of Capital and 2<sup>nd</sup> Generation Incentive Regulation for Ontario's Electricity Distributors* and formed part of the

distributors' applications for an order or orders approving or fixing just and reasonable rates for the distribution of electricity effective May 1, 2007.

The four distributors were Canadian Niagara Power Inc. – Fort Erie, Canadian Niagara Power Inc. – Port Colborne, Peterborough Power Distribution Inc. and Lakeland Power Ltd. The Board assigned file numbers EB-2007-0514, EB2007-0595, EB-2007-0571 and EB-2007-0551 to the applications respectively. The distributors published and served notices of application as directed by the Board.

On April 30, 2007 the Board issued decisions for each of the applicants, establishing new distribution rates reflecting only the automatic price index adjustment. The Board set the approved distribution rates as interim pending a more detailed review of the applicants' Z Factor claims.

In order to expedite the review of issues related to the storm damage cost claims, the Board convened a combined oral hearing, which reviewed the storm damage cost claims for the four applicants. The oral hearing took place on June 11, 2007 at the Board's offices in Toronto.

The parties that intervened in the proceedings and who were deemed eligible to apply for an award of costs in the combined proceeding were: the Vulnerable Energy Consumers Coalition ("VECC") and the School Energy Coalition ("SEC").

VECC and SEC filed their cost claims with the Board and copies were sent to the applicants on June 29, 2007 and July 9, 2007 respectively. SEC filed a revised claim on July 25, 2007. SEC stated that copies of the revised claim were sent to the applicants.

On July 31, 2007 the Board released its combined Decision with Reasons. In August 2007, the Board released the final rate orders for the four applicants reflecting the Board's findings in the Decision. The Board did not make any determination regarding cost awards in the Decision or in the rate orders. However, in the Decision, the Board provided time for the applicants to object to the cost claims and time for responses to any objections. No objections were received.

The Board finds that the costs claimed by VECC and SEC are reasonable and commensurate with their participation in the combined proceeding.

The Board finds that VECC and SEC are entitled to 100% of their reasonably incurred costs of participating in the combined proceeding. The Board notes that VECC bundled its individual costs for the four applicants into one claim. SEC filed its claim in a similar format. The Board finds that each of the four applicants shall pay 25% of VECC's claim and 25% of SEC's claim. The costs are outlined in Appendix "A" to this Decision and Order.

**THE BOARD ORDERS THAT:**

1. The individual distributors listed in the attached Appendix "A" will pay the costs of the eligible intervenors immediately upon receipt of this Decision and Order.
2. The amounts to be paid for each intervenor, by each individual distributor, are listed in Appendix "A", which is attached to this Decision and Order.
3. The Board's costs of, and incidental to, these proceedings are to be paid by the individual distributors upon receipt of the Board's individual invoices.

**ISSUED** at Toronto, September 18, 2007

ONTARIO ENERGY BOARD

*Original signed by*

Peter H. O'Dell  
Assistant Board Secretary

Appendix A  
to  
Cost Awards Decision

EB-2007-0514  
EB-2007-0595  
EB-2007-0571  
EB-2007-0551

18 September 2007

ONTARIO ENERGY BOARD

## Appendix A

<b>Electricity Distributor</b>	<b>Vulnerable Energy Consumers Coalition</b>	<b>School Energy Coalition</b>	<b>Total Payable</b>
Canadian Niagara Power Inc. - Fort Erie	\$466.59	\$3,445.13	\$3,911.72
Canadian Niagara Power In. - Port Colborne	\$466.59	\$3,445.13	\$3,911.72
Peterborough Distribution Inc.	\$466.59	\$3,445.13	\$3,911.72
Lakeland Power Distribution Ltd.	\$466.59	\$3,445.13	\$3,911.72
<b>Total:</b>	<b>\$1,866.36</b>	<b>\$13,780.50</b>	<b>\$15,646.86</b>