

EB-2008-0381

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

AND IN THE MATTER OF a proceeding commenced by the Ontario Energy Board on its own motion to determine the accuracy of the final account balances with respect to account 1562 Deferred PILs (for the period October 1, 2001 to April 30, 2006) for certain 2008 and 2009 distribution rate applications before the Board.

**BEFORE:** Ken Quesnelle

**Presiding Member** 

Cynthia Chaplin

Member

## PROCEDURAL ORDER No. 6

On November 28, 2008, pursuant to sections 78, 19 (4) and 21 (5) of the *Ontario Energy Board Act, 1998*, the Ontario Energy Board commenced a proceeding on its own motion to determine the accuracy of the final account balances with respect to account 1562 Deferred PILs (for the period October 1, 2001 to April 30, 2006) for certain applicants that filed 2008 and 2009 distribution rate applications before the Board. The Board announced its intention to hold such a proceeding in a letter to all distributors issued on March 3, 2008 and assigned this proceeding file number EB-2007-0820, now updated to EB-2008-0381.

Board staff issued a discussion paper on August 20, 2008 summarizing the principles established by the Board to date with respect to the determination of the account 1562 balances. The staff discussion paper also identified matters that Board staff believes are outstanding and may require clarification.

Procedural Order No. 1 was issued on November 28, 2008, setting out the initial steps in the proceeding and Procedural Order No. 2 was issued on December 16, 2008 approving new interventions. A technical conference was held on January 20, 2009. Procedural Order No. 3 was issued on February 3, 2009, making provision for interrogatories and ordering submissions from the three applicants, ENWIN Utilities Ltd., Halton Hills Hydro Inc., and Barrie Hydro Distribution Inc. on a reasonable date for the filing of the interrogatory responses.

Procedural Order No. 4 was issued on March 6, 2009 and set the dates for submission of interrogatory responses by the Applicants. Dates were also set for submissions by all parties on further procedural steps.

On April 7, 2009, Halton Hills Hydro Inc. requested an extension to the deadline for submission of interrogatory responses. On April 27, 2009, the Board issued Procedural Order No. 5 that extended the due date for interrogatory responses from April 30<sup>th</sup> to May 29, 2009 and allowed for submissions on further procedural steps to be made by June 10, 2009.

A non-transcribed meeting of the applicants, intervenors and Board staff was held on August 17 and 18, 2009. Opinions differed on the regulatory purpose of the 1562 deferral account and on the method to calculate the balances to be recovered from or paid to ratepayers.

On October 7, 2009, Board staff issued a letter which requested comments on a proposed procedural step whereby the Board would invite written submissions on a threshold question. The question as it appeared in the letter has been repeated below.

The Board's authority to adjust electricity rates was limited by Bill 210 from November 11, 2002 until January 1, 2005. Does the Bill 210 limitation on the Board's rate setting authority in the rate-freeze period in effect to December 31, 2004, impose any restrictions on the Board's ability to make adjustments to the account 1562 balances as they existed, and were audited, as of December 31, 2004?

The Board finds it necessary to address the threshold issue before continuing with this proceeding and therefore invites written submissions from all parties with respect to the threshold question and subsequent procedural steps.

The Board may consider oral argument on the threshold question after the written submissions have been received.

Generic issues that affect distributors other than the three named applicants will be addressed in a separate proceeding for which separate notice will be issued in due course.

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:

- The three applicants that submitted evidence, namely, ENWIN Utilities Ltd., Halton Hills Hydro Inc., and Barrie Hydro Distribution Inc. are the only applicants for this phase of the proceeding.
- 2. The following distributors that were named as applicants in the Notice and Procedural Order No. 1, but were not required to submit evidence, will become intervenors in this proceeding: Hydro Ottawa Limited, Sioux Lookout Hydro Inc., Oshawa PUC Networks Inc., Wellington North Power Inc., Rideau St. Lawrence Distribution Inc., Newmarket-Tay Power Distribution Ltd. The applicants and intervenors in this proceeding, EB-2008-0381, are shown in the lists attached as Appendix A and Appendix B.
- 3. Board staff shall file its submissions on the threshold question and on subsequent procedural steps by November 13, 2009 and provide a copy to all applicants and intervenors. Any other parties that wish to make submissions on this matter shall file their submissions with the Board by November 20, 2009 and serve a copy on all other parties.

DATED at Toronto, October 26, 2009
ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli Board Secretary

## APPENDIX "A" To Procedural Order Number 6 EB-2008-0381 PILs Combined Proceeding LIST OF APPLICANTS

Last Update: October 26, 2009

Applicants Rep. And Address for Service

1. <u>Halton Hills Hydro Inc. –</u> Ms. Tracy Rawlingson

EB-2207-0696 Halton Hills Hydro Inc.

43 Alice Street Acton ON L7J 2A9 Tel: 519 853-3700 Fax: Not Provided

Email: <a href="mailto:tracyr@haltonhillshydro.com">tracyr@haltonhillshydro.com</a>

2. <u>Barrie Hydro Distribution Inc.</u> Mr. Tom Barrett

EB-2007-0746 Manager Rate Applications

PowerStream Inc.

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905-532-4640

tom.barrett@powerstream.ca

AND Carolyn Young

Director Enterprise Risk & Internal Audit

PowerStream Inc. 161 Cityview Boulevard

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905-532-1038

carolyn.young@powerstream.ca

3. ENWIN Utilities Ltd.- Mr. Andrew J. Sasso, B.Comm, LL.B.

EB-2008-0227 Director, Regulatory Affairs

ENWIN Utilities Ltd. 787 Ouellette Ave. Windsor ON N9A 5T7 Tel: 519 255-2735 Fax: 519 973-7812

Email: regulatory@enwin.com

## APPENDIX "B" To Procedural Order No. 6 EB-2008-0381 PILs Combined Proceeding LIST OF INTERVENORS

Last Update: October 26, 2009

Intervenors Rep. And Address for Service

1. School Energy Coalition

(Schools)

Mr. Bob Williams

Schools Co-ordinator

Ontario Education Services Corporation

c/o Ontario Public School Boards' Association

439 University Avenue, 18th Floor

Toronto ON M5G 1Y8 Tel: 416 340-2540 Fax: 416 340-7571

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AND Mr. Jay Shepherd

Counsel for Schools Shibley Righton LLP Barristers and Solicitors 700 - 250 University Avenue

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2. Vulnerable Energy Consumers

Coalition (VECC)

Mr. Michael Buonaguro Counsel for VECC

c/o Public Interest Advocacy Centre 34 King Street East, Suite 1102

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AND Mr. Bill Harper

Econoalysis Consulting Services 34 King Street East, Suite 1102

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3. Consumers Council of Canada Mr. Robert B. Warren

Consumers Council of Canada
The Exchange Tower, Suite 1600

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AND Ms. Julie Girvan

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4. Energy Probe Mr. David Macintosh

**Energy Probe** 

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AND Mr. Randy Aiken

Aiken & Associates

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Email: <u>raiken@xcelco.on.ca</u>

5. Hydro One Networks Inc. Ms. Anne-Marie Reilly

Regulatory Coordinator Regulatory Affairs 483 Bay Street 8<sup>th</sup> floor south tower

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Hydro One Networks Inc. Phone: (416) 345-6482 regulatory@HydroOne.com 6. Pollution Probe Foundation Mr. Jack Gibbons

> Pollution Probe Foundation 625 Church Street, Suite 402

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PowerStream Inc. 7. Ms. Sarah Griffiths

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8. Association of Major Power

Consumers of Ontario

Mr. Adam White President, AMPCO

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**AND** Mr. Wayne Clark

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AND Mr. Tom Adams

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9. Veridian Connections Inc. Ms. Laurie McLorg

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AND Mr. Stephen Zebrowski

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10. Toronto Hydro Energy Services

Inc.

Mr. Colin McLorg

Toronto Hydro Energy Services Inc.

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11. Waterloo North Hydro Inc. Ms. Chris Amos

Waterloo North Hydro Inc.

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12. Whitby Hydro Electric Corporation

Ms. Ramona Abi-Rashed

Treasurer

Whitby Hydro Electric Corporation

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13. Electricity Distributors Association "EDA"

Mr. Dev Pasumarty Policy Analyst

**EDA** 

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14. Kitchener-Wilmot Hydro Inc.

Ms. Margaret Nanninga, MBA, CGA

Manager of Regulatory and Financial Services

Kitchener-Wilmot Hydro Inc.

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Kitchener, Ontario

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15. Horizon Utilities Corporation

Ms. Indy J. Butany-DeSouza

Vice President, Regulatory & Government

Affairs

Horizon Utilities Corporation 55 John Street North, Box 2249

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16. Hydro One Brampton Networks

Mr. Scott Miller

Manager, Regulatory Affairs

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17. Hydro Ottawa Limited – EB-2007-0713

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Government Relations Officer
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AND (COUNSEL)

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Ms. Helen T. Newland Tel: 416 863-4471

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18. Sioux Lookout Hydro Inc. – EB-2007-0785

Ms. Deanne Kulchyski

Financial & Regulatory Affairs Officer Sioux Lookout Hydro Incorporated

25 Fifth Ave. P.O. Box 908

Sioux Lookout ON P8T 1B3

Tel: 807 737-3800 Fax: 807 737-2832 Email: slhydro@tbaytel.net

19. Oshawa PUC Networks Inc.-

EB-2007-0710

Mr. Phil Martin

Vice President Finance and Regulatory

Compliance

Oshawa PUC Networks Inc. 100 Simcoe Street South Oshawa, ON L1H 7M7

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20. Wellington North Power Inc.—

EB-2007-0693

Ms. Judy Rosebrugh

Secretary-Treasuer/Administrator

Wellington North Power Inc.

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21. Rideau St. Lawrence Distribution

Inc. - EB-2007-0762

Mr. John Walsh

Rideau St. Lawrence Distribution Inc.

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22. Newmarket-Tay Power

Distribution Ltd.-EB-2007-0776 Mr. Iain Clinton, CA Chief Financial Officer

Newmarket - Tay Power Distribution Ltd.

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