

Renewed Regulatory Framework Questions
EB-2010-0377, EB-2010-0378, EB-2010-0379
Submission by Low-Income Energy Network
December 2, 2011

Distribution network investment planning – EB-2010-0377

1. Board Staff's paper indicates that network plans and processes are likely to yield better information if they are integrated.
 - a) Have any options for integrated network plans and processes been developed for discussion in this consultation? If such options have not been developed, will they be developed for discussion when consultation resumes in February 2012?
2. Are there jurisdictions that encourage or require the preparation of integrated network investment plans? If so, how?
 - a) Do such plans include an overarching and/or customer specific rate mitigation strategy?
 - b) Do such plans include O&M expenditures as well as capital costs?

Approaches to mitigation for electricity transmitters and distributors – EB-2010-0378

3. At the consultation on February 2, 2011, it was LIEN's understanding that the issues related to affordability – chronic issues related to inability to pay - would be discussed at this consultation. Board Staff's report to this consultation expresses the view that affordability by low-income consumers is out of scope and is best addressed through the Board's initiatives related to emergency financial assistance and customer service requirements.
 - a) How will low-income customers be assured that chronic issues related to affordability can be handled effectively in the consultation on emergency financial assistance, which deals with a one-time emergency situation of a customer?
 - b) How will low-income customers be assured that the issue of affordability will be handled by consultation regarding customer service requirements when the consultation (EB-2007-0722) for those rules has terminated, the Board has put in place new provisions in various codes, and that consultation did not address the issue of affordability related to rates?
 - c) On what basis will Board Staff consider opening up this consultation to include issues of affordability not covered by emergency financial assistance or the consultation on customer service requirements?
4. In both the Navigant and Board Staff reports, it is recognized that there is a need to integrate considerations related to rate mitigation into the utility's strategic planning. In this regard, utilities could benefit from the preparation of regulatory plans that integrate and demonstrate how the utility has factored in rate mitigation in its operations and asset management.

- a) What analysis has been done regarding the costs and benefits of utilities' doing regular regulatory plans that contain a rate mitigation strategy?
 - b) If a utility prepares such a plan as a first line of action to smooth rates, will the utility be able to recover the costs of the plan, prudently incurred?
5. Throughout the Board Staff discussion paper, there are references to the misalignment of public accounting treatment requirements that do not conform to regulatory accounting requirements. With the implementation of IFRS the utilities will face international accounting standards, which may create a conflict with the utility and its public accountant. In light of these issues, should the Board consider the use of a prescribed OEB regulatory accounting framework to achieve the appropriate balance between uniformity and flexibility?

Defining and measuring performance – EB-2020-0379

6. PEG's Report documents at least 4 different analytical techniques that can be relied on to either quantify or rank achievements.
- a) Which of these techniques can be applied to data available in Ontario to quantify unrealized opportunities? To identify the source of unrealized opportunities? To quantify the extent of achievement versus unrealized opportunities?
 - b) Based on this information what 'class' of efficiency metrics (e.g. related to scope, allocation) does PEG believe would work best for Ontario LDCs? For these metrics specifically, how should the OEB set the targets?
 - c) How do Ontario LDCs' productivity achievements compare to the quantified achievements realized in other jurisdictions? What kind of success has financial and reputational incentives had in yielding benefits for ratepayers, generally, and for low-income ratepayers, specifically?
 - d) Which type of incentive works best? Are there synergistic benefits in offering both? If so, how?
7. In Ontario, we have customer service rules specific to low-income customers, with one of the intended outcomes being to have customers that are better able to manage their energy bills. What metrics have worked well in other jurisdictions for measuring the performance of customer service rules for achieving this outcome?
- a) Which of these metrics would be applicable to Ontario?
 - b) What metrics have worked well in other jurisdictions to measure utility performance in providing the outcome of more informed customers regarding their energy bills (e.g. by providing effective customer awareness and education outputs)?
 - c) Which of these would be applicable to Ontario?
 - d) What amendments, if any, would be necessary, sufficient or appropriate to the OEB's 3G IRM to provide adequate incentives to LDCs to achieve productivity improvements over time, generally, and specifically related to the outcome of improvement customer bill management and more informed customers?