



EB-2007-0791

IN THE MATTER OF sections 25.20 and 25.21 of the
Electricity Act, 1998;

AND IN THE MATTER OF a Submission by the Ontario
Power Authority to the Ontario Energy Board for the review
of its proposed expenditure and revenue requirements and
the fees which it proposes to charge for the year 2008.

PROCEDURAL ORDER NO. 2

On November 2, 2007, the Ontario Power Authority (the “OPA”) filed with the Ontario Energy Board (the “Board”) its proposed 2008 expenditure and revenue requirement and fees for review pursuant to subsection 25.21(1) of the *Electricity Act, 1998* (the “Act”). Pursuant to subsection 25.21(2) of the Act, the OPA is seeking the following, among other, approvals from the Board:

- 1) approval of an overall Operating Revenue Requirement of \$58.616 million;
- 2) approval of proposed 2008 capital expenditures of \$2.6 million;
- 3) approval to establish a usage fee of \$0.391/MWh;
- 4) approval of an Interim Fees Order effective January 1, 2008 in the absence of a final Order.

The Board assigned file number EB-2007-0791 to this matter.

The Board issued a Notice of Application dated December 6, 2007 with respect to this proceeding. On December 20, 2007 the Board issued an Interim Fees Order effective January 1, 2008.

An Intervener and Observer Lists are attached as Appendix “A” to this Procedural Order.

An Issues Conference was held on January 30, 2008 followed by an Issues Day on February 7, 2008. The Board issued a written Decision on Issues on February 11, 2008 approving the final issues list. Written interrogatories were filed by intervenors and Board Staff on February 16, 2008. The OPA filed its responses on February 28, 2008.

On March 18 and 19, 2008 a Settlement Conference was convened at the Board's offices in Toronto. The settlement proposal arising from the Settlement Conference is to be filed with the Board no later March 26, 2008. An oral presentation of the settlement proposal to the Board is scheduled for March 28, 2008.

On March 18, 2008 Pollution Probe filed a motion seeking the OPA's "full and adequate interrogatory responses to Pollution Probe's Interrogatories Nos. 1 to 38 related to local area electricity supply in the Northern York Region and Kitchener-Waterloo-Cambridge-Guelph areas" ("Motion"). The Board decided to hear the Motion on March 28, 2008 prior to hearing any other matters regarding the settlement agreement.

The Board considers it necessary to make provision for the following procedural matters. The Board may issue further procedural orders from time to time.

THE BOARD ORDERS THAT:

1. The Board will hear the Motion filed by the Pollution Probe at an oral hearing at 2300 Yonge Street, Toronto on the 25th floor in the North Hearing Room commencing **Friday, March 28, 2008** at 9:00 a.m.

ISSUED at Toronto, March 20, 2008.

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

**Appendix “A”
Procedural Order No. 2**

EB-2007-0791

Intervenors and Observers List

**ONTARIO POWER AUTHORITY
2008 REVENUE REQUIREMENT SUBMISSION
EB-2007-0791
APPLICANT & LIST OF INTERVENTIONS**

March 20, 2008

Applicant

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Intervenors

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**Appendix “B”
Procedural Order No. 1**

EB-2007-0791

Board Staff Proposed Issues List

OPA 2008 Fees Review

Board Staff Proposed Issues List

1. **Strategic Objective #1- POWER SYSTEM PLANNING-Plan for an adequate, reliable and sustainable system that integrates conservation, generation and transmission.**
 - 1.1. 2008 Operating Budget for Strategic Objective #1-Power System Planning
 - a. Is the overall Operating Budget of \$ 10.445 million allocated to Strategic Objective # 1 reasonable and appropriate?
 - 1.2 Budget allocation to activities under the Strategic Objective # 1.
 - a. Is the budget allocated to activities to complete the current IPSP proceeding and to prepare the next IPSP plan appropriate?
 - b. Is the allocated budget to Local Area Supply activities appropriate?
 - c. Is the allocated budget to Policy Development activities appropriate?
2. **Strategic Objective # 2: CONSERVATION AND DEMAND MANAGEMENT- Contribute to the achievement of Ontario's Conservation Resource Targets and to fostering a culture of conservation using market-based approaches.**
 - 2.1. 2008 Operating Budget for Strategic Objective # 2 -CDM
 - a. Is the Operating Budget of \$ 26.444 million allocated to the CDM appropriate?
3. **Strategic Objective # 3: SUPPLY PROCUREMENT AND CONTRACTS- Consistent with the IPSP, ensure that the Province of Ontario has diverse electricity generation resources.**
 - 3.1. 2008 Operating Budget for Strategic Objective # 3 – supply procurement and contracts
 - a. Is the Operating Budget of \$ 8.364 million allocated for 2008 supply procurement and contracts management appropriate?

3.2 Budget allocation to activities under the Strategic Objective # 3.

- a. Is the budget allocated to conduct standard procurement process activities in 2008 appropriate?
- b. Is the budget allocated to design contracts by the OPA appropriate?
- c. Is the budget allocated to manage and settle conservation and generation resources contracts appropriate?

4. **Strategic Objective # 4 –SECTOR DEVELOPMENT-** Define sector development goals and facilitate the efficient allocation of risk between customers and investors in conservation and generation

4.1. 2008 Operating Budget for Strategic Objective # 4 – sector development

- a. Is the Operating Budget of \$ 1.252 million allocated for 2008 sector development appropriate?

5. **Strategic Objective # 5- BUILDING ORGANIZATIONAL CAPACITY -Maintain and develop organizational capacity to achieve the strategic objectives.**

5.1. 2008 Operating Budget for Strategic Objective # 5 – organizational capacity

- a. Is the Operating Budget of \$ 21.015 million allocated to maintain and develop organizational capacity in 2008 appropriate?

6. **General**

6.1. **Proposed Usage Fee**

- a. Is the proposed usage fee appropriate?

6.2. **Commitments from Settlement Agreement 2007 (EB-2006-0233)**

- a. Has the OPA met its commitments, as set out in the 2007 Settlement Agreement (EB-2006-0233) conditions, regarding the CDM 2007 operating budget?