



July 11, 2012

BY E-MAIL AND WEB POSTING

To: All Rate-regulated Licensed Electricity Distributors and Transmitters
Agrienergy Producers' Association of Ontario
Association of Major Power Consumers in Ontario
Association of Power Producers of Ontario
Building Owners and Managers Association of the Greater Toronto Area
Canadian District Energy Association
Canadian Federation of Independent Business
Canadian Manufacturers & Exporters
Canadian Solar Industries Association
Canadian Wind Energy Association
Consumers Council of Canada
Council of Canadians
Electrical Contractors Association of Ontario
Energy Probe Research Foundation
Federation of Rental-housing Providers of Ontario
London Property Management Association
Low-Income Energy Network
National Chief's Office
Nishnawbe Aski Nation
Northwatch
Northwestern Ontario Associated Chambers of Commerce
Ontario Sustainable Energy Association
Ontario Waterpower Association
Pollution Probe
Retail Council of Canada
School Energy Coalition
Vulnerable Energy Consumers Coalition

**Re: Notice of Hearing for Cost Awards
Coordinated Consultation Process to Develop a Renewed Regulatory
Framework for Electricity Distributors and Transmitters ("RRFE")
Board File Nos.: EB-2010-0377; EB-2010-0378; EB-2010-0379; EB-2011-
0004; EB-2011-0043**

Background

On December 17, 2010 the Board issued a [letter](#) initiating a consultation process to develop three key elements of a Renewed Regulatory Framework for Electricity:

- Distribution Network Investment Planning (EB-2010-0377);
- Approaches to Mitigation for Electricity Transmitters and Distributors (EB-2010-0378); and
- Defining and Measuring the Performance of Electricity Transmitters and Distributors (EB-2010-0379).

On November 8, 2011 the Board issued a [letter](#) announcing an expanded scope of the RRFE to include two related consultations that were already underway:

- Establishment, Implementation and Promotion of a Smart Grid in Ontario (EB-2011-0004); and
- Regulatory Framework for Regional Planning for Electricity Infrastructure (EB-2011-0043).

The Board has stated that cost awards would be available to eligible persons under section 30 of the *Ontario Energy Board Act, 1998* ("the Act") in relation to their participation in each of the five initiatives comprising this consultation process, and that any costs awarded would be recovered from rate-regulated licensed electricity distributors and electricity transmitters.¹ In a number of letters² issued over the course of the RRFE consultation to date, the Board identified the activities eligible for cost awards as well as the maximum number of hours for which cost awards would be available for most of those eligible activities. By way of exception, the Board had not previously indicated the maximum number of hours in relation to participation in Working Group meetings within the context of the smart grid initiative (EB-2011-0004). The maximum number of hours that has now been established in that regard is 10 hours per meeting day, covering preparation for, attendance at and reporting on each meeting. For convenience, the eligible activities for the period ending May 31, 2012 and the maximum number of hours for each are listed in **Appendix A** to this Notice.

In a series of Decisions³ issued over the course of the RRFE consultation to date, the Board found various participants to be eligible for an award of costs in relation to some or all of the five initiatives. The table in **Appendix B** lists the participants that the Board has found to be eligible for an award of costs in relation to each RRFE initiative (collectively, the "eligible participants").

For convenience, the table in **Appendix C** combines information from Appendices A and B to identify the consultation activities for which each eligible participant is eligible to claim costs. The Board reminds eligible participants that they are eligible for an award of costs for their participation in consultation activities which took place subsequent to the date of filing of their request for cost eligibility.

¹ The class(es) of entity from which cost awards are recoverable, and how the cost awards are apportioned amongst and within the classes, varies depending on the initiative. Details are provided in **Appendix A** to this Notice.

² [December 17, 2010](#); [January 13, 2011](#); [April 1, 2011](#); [November 8, 2011](#); [February 22, 2012](#); [April 5, 2012](#)

³ [May 3, 2012](#); [April 10, 2012](#); [February 1, 2012](#); [December 8, 2011](#); [December 7, 2011](#); [December 2, 2011](#); [May 16, 2011](#); [May 4, 2011](#); [April 4, 2011](#); [April 8, 2011](#); [February 1, 2011](#)

This consultation process is an ongoing one. However, the Board considers it expedient to address the issue of cost awards for the period ending May 31, 2012 at this time. Cost awards in relation to eligible consultation activities that take place in the future will be addressed at the relevant time.

Notice of Hearing

The Board is initiating this hearing on its own motion in order to determine the cost awards that will be made in accordance with section 30 of the Act in relation to eligible RRFE consultation activities that occurred on or before May 31, 2012. The file numbers for this hearing are **EB-2010-0377, EB-2010-0378, EB-2010-0379, EB-2011-0004, and EB-2011-0043.**

The Board intends to proceed by way of written hearing unless a party can satisfy the Board that there is a good reason for not holding a written hearing. If a party wants to object to a written hearing, the objection must be received by the Board no later than **7 days** after the date of this Notice.

Assuming that the Board does not receive any objections to a written hearing, the hearing will follow the process set out below.

1. Eligible participants shall submit their cost claims by **July 25, 2012**. The cost claim must be filed with the Board and one copy is to be served on each rate-regulated licensed electricity distributor and rate-regulated licensed electricity transmitter. The cost claims must be completed in accordance with section 10 of the Board's *Practice Direction on Cost Awards*. As contemplated in the *Practice Direction on Cost Awards*, the cost claim form has been customized for this consultation. Participants must use the customized form that is attached as Appendix D to this Notice.
2. Electricity distributors and electricity transmitters will have until **August 7, 2012** to object to any aspect of the costs claimed. The objection must be filed with the Board and one copy must be served on the eligible participant against whose claim the objection is being made.
3. An eligible participant whose cost claim was objected to will have until **August 14, 2012** to make a reply submission as to why its cost claim should be allowed. A copy of the reply submission must be filed with the Board and one copy is to be served on the objecting electricity distributor or electricity transmitter.
4. The Board will then issue its decision on cost awards. The Board's costs to May 31, 2012 may also be addressed in the cost awards decision.

Service of cost claims, objections and reply submissions on other parties may be effected by courier, registered mail, facsimile or e-mail.

Parties must file two paper copies and one electronic copy of their filings with the Board Secretary by **4:45 pm** on the required dates. The Board requests that parties make every effort to provide electronic copies of their filings in searchable / unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the Board's web portal at www.errr.ontarioenergyboard.ca. A user ID is required to submit documents through the Board's web portal. If you do not have a user ID, please visit the "e-filings services" webpage on the Board's website at www.ontarioenergyboard.ca, and fill out a user ID password request. Additionally, interested parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled "RESS Document Preparation – A Quick Guide" also found on the e-filing services webpage. If the Board's web portal is not available, electronic copies of filings may be filed by e-mail at boardsec@ontarioenergyboard.ca. Persons that do not have internet access should provide a CD or diskette containing their filing in PDF format.

All filings must quote file numbers **EB-2010-0377, EB-2010-0378, EB-2010-0379, EB-2011-0004, and EB-2011-0043** and include your name, address telephone number and, where available, your e-mail address and fax number.

All filings in this hearing (i.e., cost claims, objections, or replies), will form part of the public record. Copies of the filings will be available for inspection at the Board's office during normal business hours and the filings may be placed on the Board's website.

If the filing is from a private citizen (i.e., not a lawyer representing a client, not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), before making the filing available for viewing at the Board's offices or placing the filing on the Board's website, the Board will remove any personal (i.e., not business) contact information from the filing (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the filing may be available for viewing at the Board's offices and will be placed on the Board's website.

If you do not file a letter objecting to a written hearing or do not participate in the hearing by filing written materials in accordance with this Notice, the Board may proceed without your participation and you will not be entitled to further notice in this proceeding.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

Attachments

Appendix A: Consolidated List of Consultation Activities for Which Cost Awards are Available and Maximum Number of Hours

As set out in the Board's December 17, 2010 letter, and clarified in the Board's November 8, 2011 letter, participants eligible for cost awards are required to provide a breakdown of their claims by EB number because costs awarded will be recovered as follows:

- For **integrated consultation activities** as identified in the table below, costs awarded will be recovered from all rate-regulated licensed electricity distributors (65% of the costs awarded) and all rate-regulated licensed transmitters (35% of the costs awarded).
- For **activities specific to initiative(s)** as identified in the table below, costs awarded will be recovered as follows:
 - EB-2010-0377, from all rate-regulated licensed electricity distributors; and
 - EB-2010-0378, EB-2010-0379, EB-2011-0004 and EB-2011-0043, from all rate-regulated licensed electricity distributors (50% of the costs awarded) and all rate-regulated licensed transmitters (50% of the costs awarded).

In all cases, costs awarded will be apportioned within each class based on distribution or transmission revenues, as applicable.

Activity Eligible for Cost Awards		Maximum Number of Hours	Date of Relevant Letter
EB-2011-0043 only	Preparation for, attendance at and reporting on Stakeholder Meeting (May 12, 2011)	actual meeting time plus 50% of meeting time	April 1, 2011
EB-2011-0004 only	Preparation for, attendance at and reporting on the Working Group Meetings (March 1, 15 & 29, April 12 & 27, and May 10, 2011)	10 hours per day	January 13, 2011
Integrated consultation activity	Preparation for, attendance at, and reporting on Stakeholder Meeting (Feb 2, 2011)	8 hours	December 17, 2010
Integrated consultation activity	Review of staff's discussion papers and staff's consultants' reports prior to the Information Session	50 hours	November 8, 2011
Integrated consultation activity	Attendance at the Information Session (Dec. 8 & 9, 2011)	10 hours per day	November 8, 2011
Integrated consultation activity	Preparation for, attendance at, and reporting on Stakeholder Conference (Mar 28, 29 & 30, 2012)	10 hours per day	February 22, 2012
Activity specific to initiative(s).	Written comments on staff discussion papers and Stakeholder Conference issues	25 hours <u>per EB number</u>	February 22, 2012

Activity Eligible for Cost Awards		Maximum Number of Hours	Date of Relevant Letter
Integrated consultation activity	Written comments on Issues identified by the Board	20 hours	April 5, 2012
	<u>For each expert retained by an eligible participant:</u>		
Integrated consultation activity	Attendance at the Information Session (Dec. 8 & 9)	10 hours per day	November 8, 2011
Activity specific to initiative(s).	Preparation of separate expert report	40 hours <u>per EB number</u>	November 8, 2011
Integrated consultation activity	Participation at the Stakeholder Conference (Mar 28, 29 & 30, 2012)	10 hours per day	February 22, 2012
	<u>For each expert retained by a collaborative (i.e. group of eligible participant):</u>		
Integrated consultation activity	Attendance at the Information Session (Dec. 8 & 9)	10 hours per day	November 8, 2011
Activity specific to initiative(s).	Preparation of separate expert report	40 hrs + (20 hrs * number of additional members in collaborative) <u>per EB number</u>	November 8, 2011
Integrated consultation activity	Participation at the Stakeholder Conference (Mar 28, 29 & 30, 2012)	10 hours per day	February 22, 2012

Appendix B: List of Participants Eligible for Cost Awards and Associated Initiative(s)

Legend:

✓	request approved
✓ _{Ex}	request for expert approved

	Participant	EB-2010-0377	EB-2010-0378	EB-2010-0379	EB-2011-0043	EB-2011-0004
1	Agrienergy Producers' Association of Ontario (APAO)		✓	✓	✓	
2	Association of Major Power Consumers in Ontario (AMPCO)	✓	✓	✓	✓	✓
3	Association of Power Producers of Ontario (APPRO)	✓/✓ Ex	✓/✓ Ex	✓/✓ Ex	✓/✓ Ex	✓
4	Building Owners and Managers Association of the Greater Toronto Area (BOMA)	✓	✓	✓	✓	✓
5	Canadian District Energy Association (CDEA)	✓		✓	✓	
6	Canadian Federation of Independent Business (CFIB)	✓/✓ Ex	✓	✓	✓/✓ Ex	✓/✓ Ex
7	Canadian Manufacturers & Exporters (CME)	✓/✓ Ex	✓/✓ Ex	✓	✓	✓
8	Canadian Solar Industries Association (CanSIA)	✓	✓	✓	✓	
9	Canadian Wind Energy Association (CanWEA)	✓	✓	✓	✓	✓
10	Consumers Council of Canada (CCC)	✓	✓	✓	✓	✓
11	Council of Canadians (CoC)	✓	✓	✓		
12	Electrical Contractors Association of Ontario (ECAO)	✓	x	✓		
13	Energy Probe Research Foundation (EPRF)	✓	✓	✓	✓	
14	Federation of Rental-housing Providers of Ontario (FRPO)	✓	✓	✓	✓	✓
15	London Property Management Association (LPMA)	✓	✓	✓	✓	✓
16	Low-Income Energy Network (LIEN)	✓	✓	✓	✓	✓
17	National Chief's Office (NCO)	✓	✓	✓	✓	
18	Nishnawbe Aski Nation (NAN)				✓	
19	Northwatch	✓/✓ Ex	✓/✓ Ex	✓/✓ Ex	✓/✓ Ex	✓/✓ Ex
20	Northwestern Ontario Associated Chambers of Commerce (NOACC)				✓	✓
21	Ontario Sustainable Energy Association (OSEA)	✓	✓	✓	✓	✓
22	Ontario Waterpower Association (OWA)		✓	✓	✓	
23	Pollution Probe	✓	✓	✓	✓	✓

Participant		EB-2010-0377	EB-2010-0378	EB-2010-0379	EB-2011-0043	EB-2011-0004
24	Retail Council of Canada (RCC)	✓/✓ Ex	✓/✓ Ex	✓/✓ Ex	✓/✓ Ex	✓/✓ Ex
25	School Energy Coalition (SEC)	✓	✓	✓	✓	
26	Vulnerable Energy Consumers Coalition (VECC)	✓	✓	✓	✓	✓

Appendix C: Summary of Consultation Activities for Which Each Eligible Participant is Eligible

Participant		Activity Eligible for Cost Awards													
		For each eligible participant								For each expert retained by an eligible participant			For each expert retained by a collaborative (i.e. group of eligible participants)		
		EB-2011-0043 only	EB-2011-0004 only	Integrated consultation activity	Integrated consultation activity	Integrated consultation activity	Integrated consultation activity	Activity specific to initiative(s).	Integrated consultation activity	Integrated consultation activity	Activity specific to initiative(s).	Integrated consultation activity	Integrated consultation activity	Activity specific to initiative(s).	Integrated consultation activity
		Preparation for, attendance at and reporting on Stakeholder Meeting (May 12, 2011)	Preparation for, attendance at and reporting on the Working Group Meetings (March 1, 15 & 29, April 12 & 27, and May 10, 2011)	Preparation for, attendance at, and reporting on Stakeholder Meeting (Feb 2, 2011)	Review of staff's discussion papers and staff's consultants' reports prior to the Information Session	Attendance at the Information Session (Dec. 8 & 9, 2011)	Preparation for, attendance at, and reporting on Stakeholder Conference (Mar 28, 29 & 30, 2012)	Written comments on staff discussion papers and Stakeholder Conference issues	Written comments on Issues identified by the Board	Attendance at the Information Session (Dec. 8 & 9)	Preparation of separate expert report	Participation at the Stakeholder Conference (Mar 28, 29 & 30, 2012)	Attendance at the Information Session (Dec. 8 & 9)	Preparation of separate expert report	Participation at the Stakeholder Conference (Mar 28, 29 & 30, 2012)
1	Agrienergy Producers' Association of Ontario (APAO)					✓	✓	✓	✓						
2	Association of Major Power Consumers in Ontario (AMPCO)	✓	✓	✓	✓	✓	✓	✓	✓						
3	Association of Power Producers of Ontario (APPrO)	✓		✓	✓	✓	✓	✓	✓					✓	✓
4	Building Owners and Managers Association of the Greater Toronto Area (BOMA)		✓	✓	✓	✓	✓	✓	✓						
5	Canadian District Energy Association (CDEA)						✓	✓	✓						
6	Canadian Federation of Independent Business (CFIB)				✓	✓	✓	✓	✓	✓	✓	✓			
7	Canadian Manufacturers & Exporters (CME)	✓		✓	✓	✓	✓	✓	✓				✓	✓	✓
8	Canadian Solar Industries Association (CanSIA)						✓	✓	✓						
9	Canadian Wind Energy Association (CanWEA)						✓	✓	✓						
10	Consumers Council of Canada (CCC)	✓		✓	✓	✓	✓	✓	✓						
11	Council of Canadians (CoC)			✓	✓	✓	✓	✓	✓						
12	Electrical Contractors Association of Ontario (ECAO)			✓	✓	✓	✓	✓	✓						
13	Energy Probe Research Foundation (EPRF)	✓		✓	✓	✓	✓	✓	✓						
14	Federation of Rental-housing Providers of Ontario (FRPO)			✓	✓	✓	✓	✓	✓						
15	London Property Management Association (LPMA)	✓	✓	✓	✓	✓	✓	✓	✓						
16	Low-Income Energy Network (LIEN)			✓	✓	✓	✓	✓	✓						
17	National Chief's Office (NCO)	✓		✓	✓	✓	✓	✓	✓						
18	Nishnawbe Aski Nation (NAN)	✓													
19	Northwatch					✓	✓	✓	✓	✓	✓	✓			
20	Northwestern Ontario Associated Chambers of Commerce (NOACC)	✓				✓	✓	✓	✓						
21	Ontario Sustainable Energy Association (OSEA)	✓	✓	✓	✓	✓	✓	✓	✓						
22	Ontario Waterpower Association (OWA)				✓	✓	✓	✓	✓						
23	Pollution Probe	✓			✓	✓	✓	✓	✓						
24	Retail Council of Canada (RCC)				✓	✓	✓	✓	✓	✓	✓	✓			
25	School Energy Coalition (SEC)			✓	✓	✓	✓	✓	✓						
26	Vulnerable Energy Consumers Coalition (VECC)	✓		✓	✓	✓	✓	✓	✓						

Appendix D: Ontario Energy Board Cost Claim for Consultations: Affidavit and Summary of Fees and Disbursements

Provided in separate MS Excel Workbook named "RRFE Policy Consultation Cost Claim Form for Activities up to May 31 2012 (v15_2012-06-01).xls".