



EB-2012-0064

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

AND IN THE MATTER OF an application by Toronto Hydro-Electric System Limited for an order approving just and reasonable rates and other charges for electricity distribution to be effective June 1, 2012, May 1, 2013 and May 1, 2014.

PROCEDURAL ORDER NO. 6
September 20, 2013

Toronto Hydro-Electric System Limited (“THESL”) filed an application with the Ontario Energy Board on May 10, 2012, under section 78 of the *Ontario Energy Board Act*, 1998, and the Board’s Incentive Regulation Mechanism framework seeking approval for changes to the rates that THESL charges for electricity distribution, to be effective June 1, 2012, May 1, 2013 and May 1, 2014. The Board issued a Notice of Application and Hearing dated June 27, 2012.

On November 8, 2012, the Board issued Procedural Order No. 3 which, among other things, noted that THESL had requested that the Board defer consideration of 2014 projects to a second phase of this proceeding, with the exception of the Copeland Transformer Station (formerly Bremner) project and associated capital contributions (“Copeland”).

The Board accepted THESL’s proposal that the 2014 component of this application, with the exception of that relating to Copeland, be incorporated into a separate phase of this proceeding.

On April 2, 2013, the Board issued its Partial Decision and Order (the “Partial Decision”) for this proceeding and on May 9, 2013 its Decision and Rate Order establishing rates to be implemented on June 1, 2013.

On August 19, 2013, THESL filed an evidence update for the 2014 phase of this proceeding (“Phase 2”) including an updated Manager’s Summary and refreshed information with regard to the proposed 2014 ICM work program.

In its evidence update, THESL submitted that the Board had made a series of findings in the Partial Decision in which it accepted that THESL’s evidence for most of the proposed work segments established the eligibility of the work for ICM treatment.

THESL further submitted that the evidence it provided in support of the 2014 ICM work program met the same high standard and followed the guidance provided by the Board in the Partial Decision.

For these reasons, THESL requested that the Board adopt a written process for its consideration of the next phase of this proceeding.

THESL further proposed that the Board should consider a relatively focused and pointed issues list for Phase 2. THESL submitted that the following three issues remain to be determined by the Board in Phase 2 of this proceeding:

1. Are THESL’s proposed 2014 ICM Rate Riders, comprised of approved 2012 and 2013 expenditures and proposed 2014 expenditures appropriate?
2. Are the IRM Model filings by THESL for 2014 in accordance with the OEB’s requirements?
3. Is THESL’s interpretation of the ICM Monitoring & Tracking Requirements accurate?

The Board is in agreement with THESL that the issues list for Phase 2 of this proceeding should be focused and pointed. The issues list is intended to capture the relevant issues at a high level while avoiding excessive detail and overlap. The Board has developed a draft issues list using THESL’s proposed list as the starting point. The draft issues list for Phase 2 is attached as Appendix A to this procedural order for

comment. The Board will make provision for initial written submissions by all parties, followed by reply submissions from all parties on any contested issues. The Board will then issue a final Phase 2 issues list. Once these steps have been completed, the Board will assess the next steps in this proceeding and issue further direction.

The Board considers it necessary to make provision for the following matters related to this proceeding. 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:

1. THESL and intervenors may make submissions on the draft issues list for Phase 2 of the hearing (attached as Appendix A) and shall file any submissions with the Board and deliver them to each intervenor by **September 30, 2013**.
2. THESL may respond to the submissions of intervenors, and intervenors may respond to the submissions of THESL or other intervenors by filing those responses with the Board and delivering them to each intervenor by **October 7, 2013**.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

All filings to the Board must quote the file number, EB-2012-0064, be made through the Board's web portal at www.pes.ontarioenergyboard.ca/eservice/ and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca/OEB/Industry. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Martin Davies at martin.davies@ontarioenergyboard.ca and Board Counsel, Michael Millar at michael.millar@ontarioenergyboard.ca.

ADDRESS

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DATED at Toronto September 20, 2013

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

APPENDIX A

TO PROCEDURAL ORDER NO.6

EB-2012-0064

Toronto Hydro-Electric System Limited

DATED: September 20, 2013

TORONTO HYDRO-ELECTRIC SYSTEM LIMITED

EB-2012-0064

Draft Phase 2 Issues List

1. Is THESL's interpretation of the Phase 1 Partial Decision and Order of April 2, 2013 appropriate?
2. Are the IRM Model filings by THESL, including the tax sharing proposal for 2014, in accordance with the Board's requirements and, if not, are any proposed departures adequately justified?
3. Is THESL's application of the ICM criteria appropriate?
4. Is THESL's interpretation of the ICM Monitoring and Tracking Requirements accurate?
5. Are THESL's proposed 2014 ICM Rate Riders, comprised of approved 2012 and 2013 expenditures and proposed 2014 expenditures, appropriate?
6. Are THESL's proposals relating to rate implementation, including the disposition of the smart meter accounts, currently before the Board as a stand-alone application, appropriate for the year 2014?