



EB-2013-0147

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 Kitchener-
Wilmot Hydro Inc. for an order approving just and
reasonable rates and other charges for electricity distribution
to be effective January 1, 2014.

INTERIM RATE ORDER AND PROCEDURAL ORDER NO. 3
December 6, 2013

Kitchener-Wilmot Hydro Inc. ("KWHI") filed an application (the "Application") with the Ontario Energy Board (the "Board") on May 17, 2013 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that KWHI charges for electricity distribution, to be effective January 1, 2014. The Board assigned the Application file number EB-2013-0147.

The Board established procedures to facilitate a technical conference which was held on October 28, 2013 and a settlement conference which was held on November 7 and 8, 2013.

KWHI filed a proposed partial settlement agreement between itself and the registered intervenors (collectively, "the Parties") on December 3, 2013.

The following issues remain unsettled:

- The level of KWHI's operations, maintenance and administration ("OM&A") expenses for 2014 to be factored into the 2014 revenue requirement and recovered in distribution rates; and

- The level (percentage factor) of the Working Capital base of the sum of the cost of power plus controllable expenses that is to be used to determine the Working Capital Allowance ("WCA") to be factored into the 2014 rate base.

The Parties have proposed that the unsettled issues be heard by the Board in an oral hearing. The Board grants this request, and has scheduled an oral hearing for January 9 and, if necessary, January 10, 2014.

The Board is reserving its decision on the proposed settlement agreement at this time. If necessary, the Board may wish to question the parties on the proposed partial settlement agreement at the commencement of the oral hearing on January 9, 2014.

KWHI should be prepared to provide its Argument-in-Chief orally at the conclusion of the oral hearing. Dates for further submissions and reply submissions will be determined at the oral hearing.

Interim Rate Order

KWHI filed its revised Application on June 21, 2013 with a proposed effective date of January 1, 2014 for new rates. The Board's decision will not be issued until after the proposed effective date of January 1, 2014. The Board is therefore declaring KWHI's current approved rates interim as of January 1, 2014 pending the Board's final decision on this Application. This determination is made without prejudice to the Board's decision on the Application, and should not be construed as predictive, in any way whatsoever, of the Board's final determination with regards to the effective date of rates arising from this Application.

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

THE BOARD ORDERS THAT:

1. Kitchener-Wilmot Hydro Inc.'s current Board-approved Tariff of Rates and Charges is declared interim effective January 1, 2014.

2. An oral hearing shall be convened on January 9, 2014, starting at 9:30 a.m. If necessary, the oral hearing shall continue on January 10, 2014, starting at 9:30 a.m. The oral hearing will be held in the Board's North Hearing Room at 2300 Yonge Street, 25th Floor, Toronto.

All filings to the Board must quote the file number, EB-2013-0147, be made through the Board's web portal at <https://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 <http://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.

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.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Keith Ritchie at keith.ritchie@ontarioenergyboard.ca and Board Counsel, Maureen Helt at Maureen.helt@ontarionenergyboard.ca.

ADDRESS

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DATED at Toronto, **December 6, 2013**

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary