Ontario Energy Board Commission de l'énergie de l'Ontario



EB-2012-0109

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 Brantford Power Inc.for an order approving just and reasonable rates and other charges for electricity distribution to be effective November 1, 2013.

BEFORE: Marika Hare Presiding Member

> Jerry Farrell Member

DECISION AND ORDER February 19, 2014

Brantford Power Inc. ("BPI") filed a complete application with the Ontario Energy Board (the "Board") on August 15, 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 BPI charges for electricity distribution, to be effective November 1, 2013.

On September 19, 2013, the Board issued Procedural Order No. 1, granting intervenor status and cost eligibility to Energy Probe Research Foundation ("Energy Probe"), School Energy Coalition ("SEC"), and the Vulnerable Energy Consumers Coalition ("VECC"). The Board also granted intervenor status to Brant County Power. The Board also set dates for interrogatories and interrogatory responses. Procedural Order No. 2 was issued October 1, 2013, granting late intervenor status to the HVAC Coalition and setting a date for its interrogatories and BPI's responses. No letters of comment were received.

On October 23, 2013, BPI filed its responses to interrogatories, including a request for confidential treatment for three of its responses in accordance with the Board's *Practice Direction on Confidential Filings*. The Board issued Procedural Order No. 3 on October 28, 2013, designating the material to be confidential on an interim basis and making provision for submissions from Board staff and intervenors with respect to BPI's confidentiality request. Parties wishing to review the Proposed Confidential Material were permitted to do so after signing a copy of the Board's Declaration and Undertaking, filing it with the Board and serving it on BPI.

On December 6, 2013, the Board issued its Decision on Confidentiality and Procedural Order No. 4, granting confidential status to two of BPI's interrogatory responses related to personal information, and ordering the RBC loan agreement filed in response to 5.0 SEC – 18 to be placed on the public record on or after December 16, 2013 if BPI did not file an objection by December 13, 2013. No objection was received. This Procedural Order also made provision for supplemental interrogatories, responses and a settlement conference.

The settlement conference took place on January 28 and 29, 2014. BPI, SEC, VECC and Energy Probe (collectively, the "Parties") participated in the settlement conference. The Parties reached a complete settlement on all issues and BPI filed a proposed Settlement Agreement ("the Proposed Agreement") with the Board on February 12, 2014.

BPI submitted detailed supporting material, including all relevant calculations showing the impact of the implementation of the Proposed Agreement on BPI's revenue requirement, the allocation of the resulting revenue requirement to the classes and the determination of the final rates and rate riders, including bill impacts and a proposed Tariff of Rates and Charges.

As part of the Proposed Agreement, Parties agreed to an effective date for rates of January 1, 2014 and a proposed implementation date of March 1, 2014.

Board Findings

The Board commends the Parties on their commitment to the settlement process. However, the Board notes that BPI's Application did not include a request for interim rates, effective November 1, 2013, and the record of this proceeding does not contain an order that would make BPI's 2012 rates interim. The Board notes that BPI's 2012 rates remain final in all respects until superseded by a Board Order for 2013 rates, and that it is incumbent upon the applicant to seek interim rates if it so desires. As a consequence, Board approval of an effective date of January 1, 2014 and an implementation date of March 1, 2014 would result in retroactive ratemaking for the period from January 1, 2014 to February 28, 2014.

Under these circumstances, the Board cannot approve the Proposed Agreement as filed. The Board will accept a settlement proposal with a forward-looking effective date, including one with effective and implementation dates of March 1, 2014, should Parties reach a settlement to this effect, and should the settlement proposal be otherwise satisfactory to the Board. The Board will determine next steps in this proceeding once the following steps have been completed.

THE BOARD ORDERS THAT:

- BPI shall contact the other Parties to determine if a settlement proposal with a forward-looking effective date can be reached. In particular, BPI shall contact the Parties to establish if a settlement with effective and implementation dates of March 1, 2014 can be reached by all Parties.
- 2. In the event that Parties are able to agree on a forward-looking effective and implementation date, BPI shall file a settlement proposal to that effect on or before February 25, 2014. BPI shall include all detailed supporting material, including all relevant calculations showing the impact of the implementation of the settlement proposal on BPI's revenue requirement, the allocation of the resulting revenue requirement to the classes and the determination of the final rates and rate riders, including bill impacts and a proposed Tariff of Rates and Charges.
- 3. Should the Parties be unable to reach a settlement based on an effective and implementation date of March 1, 2014, BPI shall file a letter to that effect with the Board Secretary's office on or before February 25, 2014.

All filings to the Board must quote the file number, **EB-2012-0109**, be made through the Board's web portal at <u>https://www.pes.ontarioenergyboard.ca/eservice/</u>, 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 <u>http://www.ontarioenergyboard.ca/OEB/Industry</u>. 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, Martha McOuat at <u>martha.mcouat@ontarioenergyboard.ca</u> and Board Counsel, Ljuba Djurjevic at <u>ljuba.djurjevic@ontarioenergyboard.ca</u>.

DATED at Toronto, February 19, 2014

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli Board Secretary