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



EB-2014-0162

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 Milton Hydro Distribution Inc. for an order, approving the recovery of certain amounts related to the restoration of electricity service in the Town of Milton due to an ice storm in December 2013, to be effective November 1, 2014 for 18 months.

PROCEDURAL ORDER No. 2 June 17, 2014

Milton Hydro Distribution Inc. ("Milton Hydro") filed an application with the Ontario Energy Board (the "Board") on April 16, 2014 under section 78 of the *Ontario Energy Board Act*, *1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for the recovery of certain amounts related to the restoration of electricity service in the Town of Milton due to an ice storm in December 2013. The Board has assigned File Number EB-2014-0162 to this application.

The Board issued a Notice of Application and Hearing on May 6, 2014. The Energy Probe Research Foundation ("Energy Probe") and the Vulnerable Energy Consumers Coalition ("VECC") applied for intervenor status and cost eligibility.

The Board received two letters from Milton Hydro, each submitting that the intervention applications of Energy Probe and VECC were too broad in scope.

With respect to Energy Probe's application, Milton Hydro requested that Energy Probe identify the specific residential customer group(s), from Milton, that have requested Energy Probe to intervene on their behalf and to provide any correspondence between the specific residential customer group and Energy Probe related to Energy Probe's intervention.

With respect to VECC's application, Milton Hydro requested that VECC identify the specific low-income and/or vulnerable customer group(s), from Milton, that have requested VECC to intervene on their behalf and to provide any correspondence between the specific low-income and/or vulnerable customer group(s) and VECC related to VECC's intervention.

In both cases, Milton Hydro submitted that the additional information requested by Milton Hydro will support the respective intervenors' applications for intervenor status.

On May 29, 2014, the Board issued its Procedural Order No.1 and ordered both Energy Probe and VECC to address the additional information requested by Milton Hydro by written responses and additionally to state their specific interest in Milton Hydro's application.

Energy Probe filed a written response on June 5, 2014, wherein it stated that based on a preliminary review of Milton Hydro's application, it expects to review a number of the discrete issues related to the proposed recovery raised in the application including the amount, the incremental nature of those costs and the causation, materiality and prudence of the costs. Energy Probe further stated that in addition, it will be reviewing the reasonableness of the assignment of costs to OM&A versus capitalized costs and the rate rider calculation and proposed term for that rider.

Energy Probe submitted that releasing the identity of the individual ratepayer financial supporters of a non-profit organization would be a serious violation of their privacy and a violation of their rights under the Ontario Freedom of Information and Protection of Privacy Act, "and quite probably would be an illegal act". Energy Probe also submitted that it does not record whether its financial supporters are the named parties to whom electricity bills are sent by Ontario electricity distributors.

VECC filed written responses on May 28, 2014 and June 4, 2014, wherein it stated that its interest in Milton Hydro's application is to review how Milton Hydro's application meets the Z-Factor Eligibility Criteria as set out in the Board's Filing Requirements. VECC further stated that specifically, it is interested in reviewing the three criteria, causation, materiality and prudence as they relate to Milton Hydro's application in order to assist the Board in determining the Z-factor recovery and relief to be provided.

VECC submitted that it believes its constituency, as outlined in its letter of intervention, provides a sufficient basis for the Board to permit VECC, as it has repeatedly in the past, to represent that aspect of the public interest in this process.

The Board notes that, with respect to the Energy Probe intervention request, Energy Probe states that it is a non-profit environmental and consumer organization which promotes economic efficiency in the use of resources and represents residential customers in Ontario.

With respect to VECC's intervention request, the Board notes that VECC indicates that it consists of the following organizations: a) The Federation of Metro Tenants Association (FTMA); and (b) The Ontario Coalition of Senior Citizens' Organizations (OCSCO). VECC states that OCSCO is a coalition of over 120 senior groups as well as individual members across Ontario which represents the concerns of over 500,000 senior citizens through its group and individual members.

Energy Probe and VECC participated in Milton Hydro's previous cost-of-service proceeding (EB-2010-0137) and were signatories in the resulting settlement agreement. The Board finds it appropriate for intervenors in Milton's last rates case to be involved in a subsequent Z-factor application. Accordingly the Board has determined that Energy Probe and VECC will be granted intervenor status.

Consistent with the considerations outlined in the Board's *Practice Direction on Cost Awards*, section 5^1 , the Board expects that the intervenors will adopt a focused approach to the discrete issue before the Board in this application, given the limited scope of this proceeding.

A list of intervenors in this proceeding is attached as Appendix A to this Order. The Board has also determined that the intervenors are each eligible to apply for an award of costs under the Board's *Practice Direction on Cost Awards*.

The Board intends to hold a written hearing in this case. Parties that believe an oral hearing is required may make written submissions to the Board. The Board has decided to make provision at this time for written interrogatories, interrogatory

¹ <u>http://www.ontarioenergyboard.ca/oeb/_Documents/Regulatory/Practice_Direction_on_Cost_Awards.pdf</u>

responses, submission and reply submission. The Board may issue further procedural orders from time to time.

THE BOARD ORDERS THAT:

- 1. Board staff and the intervenors shall request any information and material from Milton Hydro that is in addition to Milton Hydro's pre-filed evidence with the Board, and that is relevant to the hearing, by written interrogatories filed with the Board and served to Milton Hydro on or before **July 10, 2014**.
- 2. Milton Hydro shall file with the Board complete written responses to the interrogatories and serve them to the intervenors on or before **July 31, 2014.**
- Board staff and intervenors wishing to file a written submission shall do so by August 20, 2014. Any submission should be filed with the Board and delivered to Milton Hydro and intervenors.
- 4. Milton Hydro may file a written reply submission with the Board, and deliver it to intervenors by **September 4, 2014**.

All filings to the Board must quote the file number, EB-2014-0162, 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, Suresh Advani at <u>Suresh.Advani@ontarioenergyboard.ca</u> and Board Counsel, Ljuba Djurdjevic at <u>Ljuba.Djurdjevic@ontarioenergyboard.ca</u>.

ADDRESS

Ontario Energy Board P.O. Box 2319 2300 Yonge Street, 27th Floor Toronto ON M4P 1E4 Attention: Board Secretary

E-mail: <u>boardsec@ontarioenergyboard.ca</u> Tel: 1-888-632-6273 (Toll free) Fax: 416-440-7656

DATED at Toronto, June 17, 2014

ONTARIO ENERGY BOARD

Kirsten Walli Board Secretary Appendix 'A'

То

Procedural Order No. 2

Milton Hydro Distribution Inc.

EB-2014-0162

Applicant and List of Intervenors

June 17, 2014

Milton Hydro Distribution Inc. EB-2014-0162

APPLICANT & LIST OF INTERVENORS

June 17, 2014

APPLICANT	Rep. and Address for Service
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INTERVENORS

Energy Probe Research Foundation

Rep. and Address for Service Randy Aiken

cameronmckenzie@miltonhydro.com

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Milton Hydro Distribution Inc. EB-2014-0162

APPLICANT & LIST OF INTERVENORS

June 17, 2014

Vulnerable Energy Consumers Coalition

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