

EB-2010-0379

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

**AND IN THE MATTER OF** cost awards in relation to a consultation process to implement the renewed regulatory framework for electricity distributors.

BEFORE Marika Hare

**Presiding Member** 

Ken Quesnelle Member

#### **DECISION AND ORDER ON COST AWARDS**

March 5, 2014

## **Background**

On October 18, 2012, the Board released its "Report of the Board: A Renewed Regulatory Framework for Electricity Distributors: A Performance Based Approach". In the letter accompanying the release of the Board's Report, the Board announced the consultation activities that would be undertaken for the purposes of implementing the policies set out in the Board's Report and also indicated 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 those consultation activities. Those consultation activities included implementation of policy direction related to performance, benchmarking and rate adjustment indices.

A Notice of Hearing for Cost Awards was issued on December 12, 2013 to address cost awards for eligible consultation activities that have occurred between April 30, 2013 and December 31, 2013 in relation to performance, benchmarking and rate adjustment indices. The Notice included the Board's determination that costs to be awarded will be recovered 100% from rate-regulated licensed electricity distributors, rather than from electricity distributors and electricity transmitters as earlier contemplated. In addition, the Notice identified the eligible consultation activities for which cost claims may be filed and included a template to be used for the purpose of filing cost claims. The Board also

made provision for the Vulnerable Energy Consumers Coalition to claim cost awards for its work in planning and leading the October 7, 2013 industry workshop.

As indicated in the Notice, any cost awards in relation to eligible consultation activities associated with performance, benchmarking and rate adjustment indices that take place in 2014 will be addressed separately.

# **Eligible Participants**

In accordance with a letter issued by the Board on October 30, 2012 and the Board's decisions on cost eligibility issued on January 8, 2013, February 11, 2013, and March 5, 2013, the following 11 stakeholders (collectively, the "Eligible Participants") have been determined to be eligible for an award of costs in relation to consultation activities that have occurred since the release of the Board's Report in relation to performance, benchmarking and rate adjustment indices:

- Association of Major Power Consumers in Ontario;
- Building Owners and Managers Association of the GTA;
- Canadian Manufacturers & Exporters;
- Consumers Council of Canada;
- Energy Probe Research Foundation;
- Federation of Rental-housing Providers of Ontario;
- Low-Income Energy Network;
- Northwatch;
- Retail Council of Canada;
- School Energy Coalition; and
- Vulnerable Energy Consumers Coalition.

The following seven Eligible Participants submitted cost claims: Association of Major Power Consumers in Ontario; Canadian Manufacturers & Exporters; Consumers Council of Canada; Energy Probe Research Foundation; Federation of Rental-housing Providers of Ontario; School Energy Coalition; and Vulnerable Energy Consumers Coalition. No objections to the filed cost claims were received.

## **Board Findings**

The Board has reviewed the cost claims and finds that the claims filed by the Eligible Participants are within the approved overall limits set by the Board and that all Eligible Participants are eligible for 100% of their reasonably incurred costs of participating in this consultation process. By way of exception, the claim of Energy Probe has been reduced by \$2.46 to redress a calculation error.

The amount payable by each individual rate-regulated licenced electricity distributor in relation to costs awarded to each Eligible Participant is listed in **Appendix A** to this Decision and Order.

## **Process for Paying the Cost Awards**

The Board will use the process set out in section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards. Therefore, the Board will act as a clearing house for all payments of cost awards relating to this consultation process. Invoices will be issued to distributors at the same time as the invoices for cost assessments are made under section 26 of the Act. The practice of the Board is to issue to each rate-regulated licensed distributor one invoice that covers all cost awards payable by the distributor for the relevant period. As a result, the invoice may cover cost awards payable in relation to a number of consultations, including this one.

### THE BOARD THEREFORE ORDERS THAT:

- The amounts to be paid by each individual rate-regulated licensed distributor in relation to the costs awarded to each Eligible Participant are as set out in Appendix A to this Decision and Order.
- 2. The distributors listed in **Appendix A** to this Decision and Order shall pay the costs awarded to each of the Eligible Participants as set out in **Appendix A**.
- 3. The distributors listed in **Appendix A** to this Decision and Order shall pay the Board's costs of, and incidental to, this consultation.
- 4. Payment of cost awards and of the Board's costs referred to in paragraphs 2 and 3 shall be made to the Ontario Energy Board in accordance with the invoice issued to the distributor, and shall be due at the same time as cost assessments under section 26 of the Act are due.

**DATED** at Toronto, March 5, 2014

### **ONTARIO ENERGY BOARD**

Original Signed By

Kirsten Walli Board Secretary

Appendix A

To March 5, 2014 EB-2010-0379 Decision and Order on Cost Awards

# Amounts to be paid by each individual rate-regulated licensed distributor in relation to the costs awarded to each Eligible Participant

| Electricity Distribution System       | AMPCO     | CME       | CCC       | EP        | FRPO      | SEC         | VECC        | Total       |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|-------------|
| Owner/Operator                        |           |           |           |           |           |             |             |             |
| Algoma Power Inc.                     | \$ 114.37 | \$ 103.42 | \$ 92.95  | \$ 141.75 | \$ 70.84  | \$ 243.73   | \$ 185.30   | \$ 952.35   |
| Atikokan Hydro Inc.                   | \$ 6.41   | \$ 5.79   | \$ 5.21   | \$ 7.94   | \$ 3.97   | \$ 13.65    | \$ 10.38    | \$ 53.35    |
| Attawapiskat Power Corp.              | \$ 5.34   | \$ 4.83   | \$ 4.34   | \$ 6.62   | \$ 3.31   | \$ 11.39    | \$ 8.66     | \$ 44.49    |
| Bluewater Power Distribution          | \$ 111.13 | \$ 100.49 | \$ 90.32  | \$ 137.74 | \$ 68.83  | \$ 236.82   | \$ 180.05   | \$ 925.38   |
| Corporation                           |           |           |           |           |           |             |             |             |
| Brant County Power Inc.               | \$ 34.70  | \$ 31.38  | \$ 28.20  | \$ 43.01  | \$ 21.49  | \$ 73.95    | \$ 56.22    | \$ 288.96   |
| Brantford Power Inc.                  | \$ 90.47  | \$ 81.81  | \$ 73.53  | \$ 112.13 | \$ 56.03  | \$ 192.80   | \$ 146.57   | \$ 753.34   |
| Burlington Hydro Inc.                 | \$ 176.69 | \$ 159.77 | \$ 143.60 | \$ 218.99 | \$ 109.43 | \$ 376.53   | \$ 286.26   | \$ 1,471.27 |
| Cambridge And North Dumfries Hydro    | \$ 141.16 | \$ 127.64 | \$ 114.72 | \$ 174.95 | \$ 87.43  | \$ 300.81   | \$ 228.69   | \$ 1,175.40 |
| Inc.                                  |           |           |           |           |           |             |             |             |
| Canadian Niagara Power Inc.           | \$ 95.74  | \$ 86.57  | \$ 77.81  | \$ 118.66 | \$ 59.30  | \$ 204.02   | \$ 155.11   | \$ 797.19   |
| Centre Wellington Hydro Ltd.          | \$ 17.17  | \$ 15.53  | \$ 13.96  | \$ 21.28  | \$ 10.64  | \$ 36.60    | \$ 27.82    | \$ 143.00   |
| Chapleau Public Utilities Corporation | \$ 3.65   | \$ 3.30   | \$ 2.97   | \$ 4.53   | \$ 2.26   | \$ 7.78     | \$ 5.92     | \$ 30.40    |
| Entegrus Powerlines Inc.              | \$ 107.21 | \$ 96.95  | \$ 87.13  | \$ 132.88 | \$ 66.40  | \$ 228.47   | \$ 173.69   | \$ 892.73   |
| Collus Powerstream Corp.              | \$ 34.09  | \$ 30.83  | \$ 27.71  | \$ 42.25  | \$ 21.11  | \$ 72.65    | \$ 55.23    | \$ 283.87   |
| Cooperative Hydro Embrun Inc.         | \$ 4.43   | \$ 4.00   | \$ 3.60   | \$ 5.49   | \$ 2.74   | \$ 9.44     | \$ 7.17     | \$ 36.87    |
| Cornwall Street Railway Light And     | \$ 70.44  | \$ 63.69  | \$ 57.25  | \$ 87.30  | \$ 43.63  | \$ 150.10   | \$ 114.12   | \$ 586.52   |
| Power Company Ltd.                    |           |           |           |           |           |             |             |             |
| E.L.K. Energy Inc.                    | \$ 20.63  | \$ 18.65  | \$ 16.77  | \$ 25.57  | \$ 12.78  | \$ 43.96    | \$ 33.42    | \$ 171.78   |
| Enersource Hydro Mississauga Inc.     | \$ 673.36 | \$ 608.88 | \$ 547.24 | \$ 834.55 | \$ 417.04 | \$ 1,434.92 | \$ 1,090.91 | \$ 5,606.90 |
| Enwin Utilities Ltd.                  | \$ 283.42 | \$ 256.28 | \$ 230.34 | \$ 351.27 | \$ 175.54 | \$ 603.97   | \$ 459.17   | \$ 2,359.99 |
| Erie Thames Powerlines Corporation    | \$ 46.72  | \$ 42.25  | \$ 37.97  | \$ 57.91  | \$ 28.94  | \$ 99.57    | \$ 75.70    | \$ 389.06   |
| Espanola Regional Hydro Distribution  | \$ 7.85   | \$ 7.10   | \$ 6.38   | \$ 9.73   | \$ 4.86   | \$ 16.73    | \$ 12.72    | \$ 65.37    |
| Corporation                           |           |           |           |           |           |             |             |             |
| Essex Powerlines Corporation          | \$ 66.59  | \$ 60.21  | \$ 54.12  | \$ 82.53  | \$ 41.24  | \$ 141.90   | \$ 107.88   | \$ 554.46   |
| Festival Hydro Inc.                   | \$ 57.69  | \$ 52.17  | \$ 46.89  | \$ 71.50  | \$ 35.73  | \$ 122.94   | \$ 93.46    | \$ 480.38   |
| Fort Albany Power Corp.               | \$ 4.01   | \$ 3.63   | \$ 3.26   | \$ 4.98   | \$ 2.49   | \$ 8.55     | \$ 6.50     | \$ 33.43    |
| Fort Frances Power Corporation        | \$ 8.67   | \$ 7.84   | \$ 7.05   | \$ 10.75  | \$ 5.37   | \$ 18.48    | \$ 14.05    | \$ 72.19    |
| Greater Sudbury Hydro Inc.            | \$ 134.55 | \$ 121.67 | \$ 109.35 | \$ 166.76 | \$ 83.34  | \$ 286.73   | \$ 217.99   | \$ 1,120.40 |
| Grimsby Power Incorporated            | \$ 20.50  | \$ 18.53  | \$ 16.66  | \$ 25.40  | \$ 12.69  | \$ 43.68    | \$ 33.21    | \$ 170.67   |
| Guelph Hydro Electric Systems Inc.    | \$ 146.88 | \$ 132.81 | \$ 119.37 | \$ 182.04 | \$ 90.97  | \$ 313.00   | \$ 237.96   | \$ 1,223.04 |
| Haldimand County Hydro Inc.           | \$ 76.29  | \$ 68.99  | \$ 62.00  | \$ 94.55  | \$ 47.25  | \$ 162.58   | \$ 123.60   | \$ 635.26   |
| Halton Hills Hydro Inc.               | \$ 56.39  | \$ 50.99  | \$ 45.83  | \$ 69.89  | \$ 34.92  | \$ 120.16   | \$ 91.35    | \$ 469.53   |

| Electricity Distribution System Owner/Operator | AMPCO       | СМЕ         | CCC         | EP          | FRPO        | SEC             | VECC         | Total        |
|--|-------------|-------------|-------------|-------------|-------------|-----------------|--------------|--------------|
| Horizon Utilities Corporation                  | \$ 561.27   | \$ 507.52   | \$ 456.15   | \$ 695.63   | \$ 347.62   | \$ 1,196.06     | \$ 909.31    | \$ 4,673.54  |
| Hydro Hawkesbury Inc.                          | \$ 8.25     | \$ 7.46     | \$ 6.70     | \$ 10.22    | \$ 5.11     | \$ 17.57        | \$ 13.36     | \$ 68.67     |
| Hearst Power Distribution Company Limited      | \$ 6.35     | \$ 5.74     | \$ 5.16     | \$ 7.87     | \$ 3.93     | \$ 13.53        | \$ 10.28     | \$ 52.85     |
| Hydro 2000 Inc.                                | \$ 1.95     | \$ 1.77     | \$ 1.59     | \$ 2.42     | \$ 1.21     | \$ 4.16         | \$ 3.17      | \$ 16.27     |
| Hydro One Brampton Networks Inc.               | \$ 343.88   | \$ 310.95   | \$ 279.47   | \$ 426.20   | \$ 212.98   | \$ 732.80       | \$ 557.12    | \$ 2,863.39  |
| Hydro One Networks Inc.                        | \$ 7,139.71 | \$ 6,456.02 | \$ 5,802.51 | \$ 8,848.87 | \$ 4,422.00 | \$<br>15,214.70 | \$ 11,567.10 | \$ 59,450.91 |
| Hydro One Remote Communities Inc.              | \$ 121.41   | \$ 109.78   | \$ 98.67    | \$ 150.47   | \$ 75.19    | \$ 258.72       | \$ 196.69    | \$ 1,010.94  |
| Hydro Ottawa Limited                           | \$ 839.80   | \$ 759.38   | \$ 682.51   | \$ 1,040.83 | \$ 520.13   | \$ 1,789.60     | \$ 1,360.56  | \$ 6,992.81  |
| Innisfil Hydro Distribution Systems Limited    | \$ 45.93    | \$ 41.53    | \$ 37.33    | \$ 56.93    | \$ 28.45    | \$ 97.88        | \$ 74.41     | \$ 382.45    |
| Kashechewan Power Corp.                        | \$ 4.83     | \$ 4.36     | \$ 3.92     | \$ 5.98     | \$ 2.99     | \$ 10.28        | \$ 7.82      | \$ 40.18     |
| Kenora Hydro Electric Corporation Ltd.         | \$ 15.60    | \$ 14.11    | \$ 12.68    | \$ 19.33    | \$ 9.66     | \$ 33.24        | \$ 25.27     | \$ 129.90    |
| Kingston Hydro Corporation                     | \$ 61.24    | \$ 55.38    | \$ 49.77    | \$ 75.90    | \$ 37.93    | \$ 130.51       | \$ 99.22     | \$ 509.95    |
| Kitchener-Wilmot Hydro Inc.                    | \$ 224.43   | \$ 202.94   | \$ 182.40   | \$ 278.15   | \$ 139.00   | \$ 478.26       | \$ 363.60    | \$ 1,868.77  |
| Lakefront Utilities Inc.                       | \$ 25.04    | \$ 22.64    | \$ 20.35    | \$ 31.03    | \$ 15.51    | \$ 53.35        | \$ 40.56     | \$ 208.47    |
| Lakeland Power Distribution Ltd.               | \$ 27.30    | \$ 24.69    | \$ 22.19    | \$ 33.83    | \$ 16.91    | \$ 58.18        | \$ 44.23     | \$ 227.32    |
| London Hydro Inc.                              | \$ 352.85   | \$ 319.06   | \$ 286.76   | \$ 437.31   | \$ 218.54   | \$ 751.91       | \$ 571.65    | \$ 2,938.08  |
| Midland Power Utility Corporation              | \$ 20.89    | \$ 18.89    | \$ 16.98    | \$ 25.90    | \$ 12.94    | \$ 44.53        | \$ 33.85     | \$ 173.99    |
| Milton Hydro Distribution Inc.                 | \$ 78.15    | \$ 70.67    | \$ 63.52    | \$ 96.86    | \$ 48.40    | \$ 166.54       | \$ 126.62    | \$ 650.76    |
| Newmarket - Tay Power Distribution Ltd.        | \$ 97.64    | \$ 88.29    | \$ 79.36    | \$ 121.02   | \$ 60.48    | \$ 208.08       | \$ 158.19    | \$ 813.06    |
| Niagara Peninsula Energy Inc.                  | \$ 162.45   | \$ 146.89   | \$ 132.02   | \$ 201.34   | \$ 100.61   | \$ 346.18       | \$ 263.18    | \$ 1,352.67  |
| Niagara-On-The-Lake Hydro Inc.                 | \$ 29.01    | \$ 26.23    | \$ 23.57    | \$ 35.95    | \$ 17.97    | \$ 61.82        | \$ 47.00     | \$ 241.54    |
| Norfolk Power Distribution Inc.                | \$ 65.05    | \$ 58.82    | \$ 52.87    | \$ 80.62    | \$ 40.29    | \$ 138.62       | \$ 105.39    | \$ 541.65    |
| North Bay Hydro Distribution Limited           | \$ 68.43    | \$ 61.88    | \$ 55.62    | \$ 84.82    | \$ 42.38    | \$ 145.83       | \$ 110.87    | \$ 569.83    |
| Northern Ontario Wires Inc.                    | \$ 15.57    | \$ 14.08    | \$ 12.65    | \$ 19.29    | \$ 9.64     | \$ 33.17        | \$ 25.22     | \$ 129.63    |
| Oakville Hydro Electricity Distribution Inc.   | \$ 189.92   | \$ 171.73   | \$ 154.35   | \$ 235.38   | \$ 117.63   | \$ 404.71       | \$ 307.69    | \$ 1,581.40  |
| Orangeville Hydro Limited                      | \$ 29.38    | \$ 26.56    | \$ 23.87    | \$ 36.41    | \$ 18.19    | \$ 62.60        | \$ 47.59     | \$ 244.62    |
| Orillia Power Distribution Corporation         | \$ 43.57    | \$ 39.39    | \$ 35.41    | \$ 54.00    | \$ 26.98    | \$ 92.84        | \$ 70.58     | \$ 362.77    |
| Oshawa Puc Networks Inc.                       | \$ 128.75   | \$ 116.42   | \$ 104.64   | \$ 159.57   | \$ 79.74    | \$ 274.37       | \$ 208.59    | \$ 1,072.08  |
| Ottawa River Power Corporation                 | \$ 23.67    | \$ 21.40    | \$ 19.24    | \$ 29.33    | \$ 14.66    | \$ 50.44        | \$ 38.35     | \$ 197.08    |
| Parry Sound Power Corporation                  | \$ 12.16    | \$ 11.00    | \$ 9.88     | \$ 15.07    | \$ 7.53     | \$ 25.92        | \$ 19.70     | \$ 101.27    |
| Peterborough Distribution Incorporated         | \$ 86.20    | \$ 77.94    | \$ 70.05    | \$ 106.83   | \$ 53.39    | \$ 183.69       | \$ 139.65    | \$ 717.75    |
| Powerstream Inc.                               | \$ 955.83   | \$ 864.30   | \$ 776.81   | \$ 1,184.64 | \$ 591.99   | \$ 2,036.87     | \$ 1,548.54  | \$ 7,958.98  |
| Puc Distribution Inc.                          | \$ 87.70    | \$ 79.30    | \$ 71.27    | \$ 108.69   | \$ 54.32    | \$ 186.89       | \$ 142.08    | \$ 730.25    |
| Renfrew Hydro Inc.                             | \$ 10.87    | \$ 9.83     | \$ 8.84     | \$ 13.47    | \$ 6.73     | \$ 23.17        | \$ 17.61     | \$ 90.53     |
| Rideau St. Lawrence Distribution Inc.          | \$ 12.18    | \$ 11.01    | \$ 9.90     | \$ 15.10    | \$ 7.54     | \$ 25.96        | \$ 19.73     | \$ 101.42    |
| St. Thomas Energy Inc.                         | \$ 38.24    | \$ 34.58    | \$ 31.08    | \$ 47.39    | \$ 23.68    | \$ 81.48        | \$ 61.95     | \$ 318.39    |
| Sioux Lookout Hydro Inc.                       | \$ 10.53    | \$ 9.53     | \$ 8.56     | \$ 13.06    | \$ 6.52     | \$ 22.45        | \$ 17.07     | \$ 87.72     |

| Electricity Distribution System Owner/Operator | AMPCO        | СМЕ          | CCC          | EP           | FRPO        | SEC         | VECC         | Total         |
|--|--------------|--------------|--------------|--------------|-------------|-------------|--------------|---------------|
| Thunder Bay Hydro Electricity                  | \$ 107.08    | \$ 96.82     | \$ 87.02     | \$ 132.71    | \$ 66.32    | \$ 228.18   | \$ 173.47    | \$ 891.60     |
| Distribution Inc.                              |              |              |              |              |             |             |              |               |
| Tillsonburg Hydro Inc.                         | \$ 17.60     | \$ 15.92     | \$ 14.31     | \$ 21.82     | \$ 10.90    | \$ 37.51    | \$ 28.52     | \$ 146.57     |
| Toronto Hydro-Electric System Limited          | \$ 3,138.57  | \$ 2,838.03  | \$ 2,550.75  | \$ 3,889.91  | \$ 1,943.88 | \$ 6,688.29 | \$ 5,084.82  | \$ 26,134.24  |
| Veridian Connections Inc.                      | \$ 280.49    | \$ 253.63    | \$ 227.96    | \$ 347.64    | \$ 173.72   | \$ 597.73   | \$ 454.43    | \$ 2,335.61   |
| Wasaga Distribution Inc.                       | \$ 22.90     | \$ 20.71     | \$ 18.61     | \$ 28.38     | \$ 14.18    | \$ 48.80    | \$ 37.10     | \$ 190.68     |
| Waterloo North Hydro Inc.                      | \$ 165.60    | \$ 149.75    | \$ 134.59    | \$ 205.25    | \$ 102.57   | \$ 352.90   | \$ 268.29    | \$ 1,378.94   |
| Welland Hydro-Electric System Corp.            | \$ 50.25     | \$ 45.44     | \$ 40.84     | \$ 62.28     | \$ 31.12    | \$ 107.08   | \$ 81.41     | \$ 418.41     |
| Wellington North Power Inc.                    | \$ 10.99     | \$ 9.94      | \$ 8.94      | \$ 13.63     | \$ 6.81     | \$ 23.43    | \$ 17.81     | \$ 91.55      |
| West Coast Huron Energy Inc.                   | \$ 12.45     | \$ 11.25     | \$ 10.11     | \$ 15.43     | \$ 7.71     | \$ 26.52    | \$ 20.16     | \$ 103.63     |
| Westario Power Inc.                            | \$ 51.39     | \$ 46.47     | \$ 41.76     | \$ 63.69     | \$ 31.83    | \$ 109.51   | \$ 83.25     | \$ 427.89     |
| Whitby Hydro Electric Corporation              | \$ 117.74    | \$ 106.47    | \$ 95.69     | \$ 145.93    | \$ 72.92    | \$ 250.91   | \$ 190.75    | \$ 980.40     |
| Woodstock Hydro Services Inc.                  | \$ 45.23     | \$ 40.89     | \$ 36.75     | \$ 56.05     | \$ 28.01    | \$ 96.37    | \$ 73.27     | \$ 376.58     |
|  |              |              |              |              |             |             |              |               |
|  | \$ 18,582.85 | \$ 16,803.38 | \$ 15,102.45 | \$ 23,031.36 | \$11,509.34 | \$39,600.00 | \$ 30,106.22 | \$ 154,735.60 |